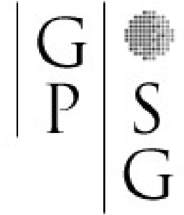
GPSG Working Paper #08

Repeating the Mistakes of Austerity?
Lessons for Greece for the Irish Economic Experience of the 1920s and 1930s



Eoin Drea
IRCHSS Postgraduate Scholar
University College Cork

Abstract

The financial support accepted by Ireland from the European Union (EU), European Central Bank (ECB) and the International Monetary Fund (IMF) in December 2010 marked the end of eighty nine years of Irish economic independence. It also formalised a process of on-going financial support provided by the ECB to Irish banks since the latter half of 2008. Ireland is one of three EU member states, along with Greece and Portugal, engaging in medium term austerity programmes as set out in their respective framework agreements with the EU/IMF.

This paper addresses the current austerity policies being pursued in Greece in the context of the Irish economic experience of the 1920s and 1930s. The paper comprises of three parts. Firstly, a brief summary is provided charting the events which culminated in Irish acceptance of the EU/IMF Programme of Support in late 2010. This will serve as a contemporary context point for assessing the current Greek situation and the historical Irish experience of the early 20th century.

Secondly, an analysis of the key influences shaping Irish monetary policy in the 1920s and 1930s is provided. This paper, in assessing the role of bankers, politicians, public servants and outside experts, defines them as "attributes of austerity". This reflects their significant success in consolidating their key interests in the new monetary independence bestowed on the Irish Free State (IFS) from 1922 onwards. This paper examines how the multi-layered financial caution of the IFS resulted in domestic social and economic concerns becoming subservient to wider international commitments. Finally, this paper considers if the Irish economic experience of the 1922-1937 period offers any lessons for the current crisis in Greece and the wider Euro Zone.

Author Bio: ***Eoin Drea*** is an Irish Research Council for the Humanities and Social Sciences (IRCHSS) Postgraduate Scholar in University College Cork, Ireland. In 2010 he co-authored (with the Swedish economist Lars Jonung) a major survey of U.S. economists' views on the Euro 1989-2002. Eoin has considerable private sector experience having been engaged as a private sector economist in Dublin, London and Brussels in the 2002-2010 period.

Ireland in 2011: From Tiger to Turtle

Ireland's membership of the "austerity" club is necessitated by the response of the Irish government to the impending collapse of the Irish banking system in September 2008. The fragility of the Irish banking system resulting from speculative property lending by financial institutions, inadequate regulatory frameworks, pro-cyclical government expenditure patterns and the availability of cheap credit.[1] Ireland followed perfectly the Charles Kindleberger model of an asset based speculative mania.[2]

Inter-bank funding pressures arising from the sub-prime mortgage market in the U.S. resulted in Irish banks being unable to borrow on the inter-bank market. By acting unilaterally to guarantee existing banking liabilities the Irish authorities succeeded in preventing a banking collapse. However, this action came at a very significant financial, political and social cost.

The direct financial cost of the "bank bailout" currently stands at approximately €63 billion.[3] All the major Irish banks and building societies, with the exception of the Bank of Ireland, are now wholly or majority owned by the Irish State.[4] In addition, the National Asset Management Agency (NAMA) has acquired over 11,000 loans from Irish financial institutions for a price in excess of €30 billion. The purpose of NAMA is to "work out" these loans and return a profit to the Irish taxpayer over a 7-10 year period. The NAMA model is based directly on the Swedish "bad bank" model of the early 1990s.[5]

Currently, as agreed with the EU/IMF in December 2010, Ireland is implementing a direct austerity package of €12.4 billion in the 2012-2015 period.[6] This is additional to the austerity measures already undertaken by the Irish government in the 2009-2011 period. In 2011 alone, the Irish government reduced spending and increased taxes by €6 billion. Overall the level of austerity measures undertaken/proposed in the 2009-2015 period will approximate 54% of 2011 total government revenue.[7] The stated government objective is to bring government borrowing to below 3% of Gross Domestic Product (GDP) in 2015. The government debt target for 2012 is 8.6% of GDP.

Politically, the required level of austerity under the EU/IMF plan resulted in the crushing defeat of Ireland's dominant political force (*Fianna Fáil*) in May 2011 elections. Fianna Fáil (*Soldiers of Destiny)* was the dominant partner in coalition governments in the 1997-2011 period. They are currently without a parliamentary seat in Dublin City and failed to field a candidate in the November 2011 Irish Presidential election.

---

[1] See among others, K.P.V. O'Sullivan, Tom Kennedy, "What caused the Irish banking crisis*?" Journal of Financial Regulation and Compliance*, Vol. 18 Issue 3, 2010, pp. 224 – 242. For an officially commissioned view see Klaus Regling and Max Watson, *A Preliminary Report on the Sources of Irelands Banking Crisis,* Irish Government Publications, (Dublin, 2010). Patrick Honohan, *The Irish Banking Crisis – Regulatory and Financial Stability Policy 2003-2008,* Irish Government Publications, (Dublin, 2010).

[2] Charles Kindleberger, *Manias, Panics and Crashes: A History of Financial Crises*, 5th Edition, (New Jersey, 2005), pp. 33-54.

[3] *The Sunday Business Post*, 4th September 2011, p.13 puts the cost at €62.9 billion.

[4] Ulster Bank is owned by the Royal Bank of Scotland (RBS). National Irish Bank is owned by the Danske Banking Group. Neither of these institutions has received Irish government financial assistance. Ulster Bank has received indirect support from the British government via RBS.

[5] See for example, Lars Jonung, "The Swedish Model for Resolving the Banking Crisis of 1991-1993. Seven Reasons why it was Successful*", Economic Papers*, European Commission, 2009.

[6] Irish Government, *Medium Term Fiscal Statement*, November 2011.

[7] Derived from *Medium Term Fiscal Statement*, November 2011.

Socially, a significant re-adjustment across most sectors of the Irish economy has occurred. The unemployment rate has increased from 4.5% in September 2006 to 14.3% in September 2011.[8] Emigration from Ireland exceeded 34,000 individuals in the year to April 2011.[9] Ireland has resumed the trend of very high emigration levels among the younger age cohorts. This trend has broadly continued (with some minor interruptions) from independence in 1922 to the mid-1990s.

Table 1 sets out a comparison of key indicators for the 2006 – 2011 period.

Table 1

Comparison of Key Indicators, 2006-2011

	2006	**2011**
Unemployment[1]	4.5%	14.3%
National Debt to Gross Domestic Product (GDP)	24.7%	111.0%[2]
National Debt (in Euro)	€44.0 billion	€170.3 billion[2]
Excess of Immigrants over Emigrants	+71,800	-34,100
National House Price Average[1] (January 2005 = 100)	125.1	72.8
Gross National Product (GNP)	6.5%	0.2%[2]

Notes: [1] September data

[2] Forecast

Sources: Central Statistics Office, National Treasury Management Agency and the Economic and Social Research Institute (2011)

One further point is worthy of attention. The austerity programme currently underway in Ireland has not been the focus of any large scale public demonstrations or widespread union activity. Further cuts in public sector pay have been postponed on condition that overall numbers of public servants are reduced through early retirement/voluntary redundancy and natural wastage.[10]

Attributes of Austerity – The Politicians

Although difficult to comprehend in the current context, the banking and economic structure inherited by the Irish Free State (IFS) in December 1922 was characterised by extreme caution. As a newly independent economy, Ireland was characterised by low growth, high levels of emigration and almost complete trade dependence on Great Britain. Significant civil unrest remained a feature of Irish economic life up to the early 1930s. The partition of Ireland formalised in 1925 ensured the industrialised area of north east Ulster would remain within the United Kingdom. Table 2 identifies that even by 1936 over 90% of IFS exports were still destined for locations in the United Kingdom.

[8] *Live Register*, Central Statistics Office, October 2011.
[9] *Population and Migration Estimates*, Central Statistics Office, September 2011.
[10] *Public Sector Agreement 2010-2014* (Croke Park Agreement), June 2010.

Table 2 Proportion of Exports to Britain and Northern Ireland Selected Years, % of Total Value							
	1924	**1926**	**1928**	**1930**	**1932**	**1934**	**1936**
To Britain	83.6	83.1	84.7	80.7	84.8	80.9	81.4
To Northern Ireland	14.5	13.6	11.5	10.7	11.5	12.6	10.1
Total United Kingdom	*98.1*	*96.7*	*96.2*	*91.4*	*96.3*	*93.5*	*91.5*
Note: * Including re-exports.							

Source: Statistical Abstracts of Ireland, Department of Industry and Commerce (1925-1937)

The economic conservatism of independent Irish administrations post-1922 has been identified as being part of the wider "cultural dependence" of Irish elites – politicians, public servants, bankers – upon British structures and institutions.[11] In a political context, the attitude towards economic management was based firmly on British Treasury lines.

Ernest Blythe as Minister of Finance from 1922-1932 sought to implement a policy of "rigorous retrenchment" against what he viewed as unnecessary expenditure.[12] Blythe came "*very close to delivering on his early promise to run the country on £20 million a year".*[13] He did succeed in reducing government expenditure from £38.7 million in 1924 to £25.2m in 1929. Blythe infamously cutting the old age pension and uninsured unemployment benefit in 1924. Unemployment was regarded as the preserve of the lazy and the hopeless. Patrick McGilligan, Minister for Industry and Commerce, stating his belief in parliament that "*people may have to die in this country and die of starvation*"[14] This was not the economic nirvana that Irish nationalists hoped independence would bring. Within the ruling *Cumann na nGaedhael* (Society of the Gaels) party there existed the belief that only through economic austerity could the IFS protect the "national credit". Marked by the experiences of the Civil War 1923-1924, the government's approach to economic matters evidenced a clear disregard for domestic social concerns. The primacy of Ireland's reputation abroad and her adherence to British Treasury orthodoxies remained the key overriding objectives. J.J. Lee has correctly summed up the monetary policy of this period as a "*virtual abdication in favour of established financial interests".*[15]

As a result, the IFS followed Britain back on the Gold Standard in 1925 and through its subsequent abandonment in 1931. Even after the election of Eamon De Valera to power in 1932 and the commencement of a more socially aware government expenditure programme, the link with sterling remained an unquestionable tenet of Irish monetary policy. No reform of the banking or monetary system was seriously contemplated.[16] It took Ireland's membership of the European Monetary System (EMS) in 1979 to finally break the parity sterling link.

---

[11] See for example John L. Pratschke, 'Economic Philosophy and Ideology in Ireland', *Studies: An Irish Quarterly Review*, Vol. 74, No. 25, Summer 1985, p.150.
[12] J.J. Lee, *Ireland 1912-1985: Politics and Society* (Cambridge, 1989), pp. 107-109.
[13] Cormac O'Grada, *A Rocky Road: The Irish Economy since the 1920s* (Manchester, 1997), p. 67
[14] Lee, *Politics and Society*, p. 127.
[15] Lee, *Politics and Society*, p. 111.
[16] Richard Dunphy, *The Making of Fianna Fáil Power in Ireland 1923-1948*, (Oxford, 1995), pp. 84-85.

The Bankers

Acting on the advice of the economic and financial establishment, the IFS maintained her currency at par with sterling, effectively locking Ireland into a monetary union. This ensured the Irish commercial banks would continue to set their interest rates based on movements in the Bank of England rate. The Irish Banks operated a cartel like agreement through the Irish Bank Standing Committee (IBSC) which they founded in 1920.[17] This body regulated bank charges, allowable interest rates and even where new branches could be opened. Cormac O'Grada has identified that "*like many Irish institutions, Irish banks have tended to imitate British practice, rather than innovate*".[18]

The Irish banking system was dominated by financial institutions embedded in London financial structures. Only four of the nine banks in Ireland were headquartered in the IFS.[19] The remainder were either based in Belfast (Ulster, Northern and Belfast Banks) or London (National and Provincial Banks). The 1914-1918 war and the subsequent re-stocking boom led to a surge in bank deposits in Ireland. Research has estimated Irish foreign investment of £250 million in the early 1920s with £100 million of this accrued in the 1914-1921 period.[20] However, the vast majority of these banking reserves were based in London. The debate as to whether this was attributable to the lack of investment opportunities in Ireland or the banks imperial bias is inconclusive.[21] Nevertheless, by the end of 1924, the Irish banks held in excess of £80 million of British securities.[22]

Unsurprisingly, the Irish banks were slow to come to terms with the reality of a monetarily independent IFS. As late as 1927 Montagu Norman and the Bank of England were urging the Bank of Ireland to come to terms with the newly established IFS Currency Notes established under the 1927 Currency Act.[23] Although slow to come to terms with the reality of Irish monetary independence, the Irish banks did succeed in directly influencing government banking policy in the 1920s and 1930s.

The two Banking Commissions of this period, under Professor Henry Parker-Willis in 1926 and the Commission on Banking, Currency and Credit 1934-1938, limited institutional change and ensured that the dominant position of the Irish commercial banking fraternity went unchallenged.[24] Ireland subsequently lagged the monetary development of other British Empire states and the Central Bank of Ireland was not formally established until 1943.

Notwithstanding the multitude of economic problems facing the newly established IFS, the Irish banking system proved remarkably stable. There were no Irish bank failures during the economic depression of the late 1920s and early 1930s. The added complication of the Anglo-Irish trade dispute 1934-1938 placed further strains on the banking system.

[17] For example, Cormac O'Grada, *Irish Economy since the 1920s* provides a good overview.
[18] O'Grada, *The Irish Economy since the 1920s*, p. 176.
[19] The Bank of Ireland, the Royal Bank and the Hibernian Bank were headquartered in Dublin. The Munster and Leinster Bank was headquartered in Cork.
[20] L.M. Cullen, *Economic History of Ireland since 1660*, (London, 1972), p. 169.
[21] For example, see Philip Ollerenshaw, 'Aspects of Bank Lending in Post-Famine Ireland' in Rosalind Mitchison and Peter Roebuck (eds.), *Economy and Society in Scotland and Ireland 1500 - 1939* (Edinburgh, 1988)
[22] *Journal of the Institute of Bankers in Ireland*, Vol. XXVII, No II, April 1925, p. 102.
[23] Letter from Montagu Norman to Andrew Jameson, 25th March 1927, File G1/341, Bank of England (BOE).
[24] For example, O'Gráda, *New Economic History,* pp. 349-350.

However, even in 1937, the Irish banks still held in excess of £80 million of British securities with a further £25 million in cash or at call.[25]

Yet, such stability came at a significant cost. The Irish banks were widely assailed for being controlled by the Bank of England, failing to lend adequately in Ireland and for placing Irish deposits on the London markets. The perceived level of influence of the banks upon the government is reflected in the submission of the Irish Congress of Trade Unions to the Banking Commission in 1935:

> "*The present relation of the State to the Banks is a most ignominious one for the State and this inevitable control which Banks exercise on the minds of Chancellors or Ministers for Finance is not a healthy one for the State, and hence, the people as a whole*".

Overall, during the 1922-1927 period the Irish banking system played a key role in supporting the link with sterling. They also sought successfully to influence political elites to limit institutional change. The embedded nature of the Irish banks relationship to London ensured that domestic principles of economic independence were over-ruled by a preference for commercial stability.

The Public Servants and Outside Experts

The key public servants who guided Irish monetary and economic policy in the 1920s and 1930s – Joseph Brennan and J.J. McElligott – were both products of the British civil service system. Brennan served as first head of the Irish Department of Finance and from 1927 served as first Chairman of the Irish Currency Commission. McElligott replaced Brennan in the Department of Finance in 1927. Their friendship stretched to pre-independence times.[26] Both believed in monetary conservatism, Treasury orthodoxies and together they ensured the primacy of the Department of Finance in the new IFS administration.[27]

Their disinclination to change existing monetary structures sat perfectly with established banking interests and with the focus of their political masters on internal stability. Their involvement in the Banking Commissions of the 1920s and 1930s – McElligott was a member of both; Brennan chaired the 1930s Commission – serving to ensure the orthodox nature of these reports.

Their commitment to economic austerity and the adherence to Imperial British financial concepts underpinned their approach to economic management. In effect, modelled closely on the British system, they established the hegemony of the Department of Finance over the expenditure decisions of all other government departments.[28]

Popular historical opinion reflects the core inflexibility of their free trade and sterling link beliefs. Brennan - "a man who spent his life saying 'no' to every suggested innovation" –

---

[25] *Journal of the Institute of Bankers in Ireland*, Vol. XL, No II, April 1938, p. 182.

[26] Leon O' Broin, *No Man's Man: A Bibliographical Memoir of Joseph Brennan*, (Dublin, 1982), pp. 134-140 and Fanning, *Department of Finance*, pp. 80-81.

[27] See for example, Brian Girvin, *Between Two Worlds: Politics and Economy in Independent Ireland*, (Dublin, 1989), p. 16 and pp. 24-25.

[28] Joseph Brennan memoranda, 6th March and 5th October 1923, 26, 223(a), Joseph Brennan Papers, National Library of Ireland. See also Ronan Fanning, *The Irish Department of Finance 1922-1958,* (Dublin, 1978), pp. 26-29 and 45-46.

failing to acknowledge the mainstream beliefs he embodied during this time.[29] His role in maintaining close contact with key Treasury officials and colleagues from his Treasury (Ireland) days proved invaluable in his work of establishing a conservative Department of Finance.[30]

McElligott - a "mixture of Cassandra and Canute" whose disinclination to new expenditure "suggests Schadenfreude rather than genuine economic analysis" proving equally zealous in his adherence to traditional economic thinking.[31] To J.J. Lee he represented an "unashamed, unreconstructed laissez-faire ideologue".[32]

Even in the context of the current Irish economic crisis, the existence of the "outside expert" is an important concept in Irish economic planning.[33] In the 1920s and 1930s foreign experts were selected to sit on both the 1920s and 1930s Banking Commission's. This was done in order to provide a level of international legitimacy to the entire process and to provide an internationalist dimension on projected findings.

Professor Henry Parker-Willis of Columbia University in the United States chaired the Banking Commission in 1926. Involved in the drafting of the Federal Reserve Act in 1913 and a former secretary to the Board of Governors in Washington, Parker-Willis presented a traditional view of Irish monetary relations. The Commission was filled with banking interests – 6 no. of the 8 no. Banking Commission members were involved in the banking industry. The only other member, apart from Parker-Willis not directly associated with banks, was McElligott. In this context, Parker-Willis delivered an acceptable rationale for the maintenance of the parity sterling link and an explicit recognition of Ireland's perfectly functioning banking system.

By 1934, Brennan and McElligott's belief in the sanctity of existing relationships had been tested by the collapse of the gold standard in 1931. While Brennan may have experienced a temporary crisis of confidence in sterling, this was soon restored by the actions of the Bank of England.[34] By this time, both McElligott and Brennan viewed the establishment of a central bank as a necessary requirement for Ireland's monetary development.

The selections of Per Jacobsson (Bank of International Settlements and later of the International Monetary Fund) and Professor T.E. Gregory (London School of Economics) were again designed to provide a traditional viewpoint on the necessity of maintaining economic orthodoxy. Jacobsson had been suggested as a Commission member by the Bank of England.[35]

Indeed, the Banking Commission on Banking, Currency and Credit which finally reported in 1938, warned of the perils of government deficit spending and the necessity of balanced budgets. The ruling political party, Fianna Fáil, may have regarded the Commission as a rebuke for their wider social spending plans, but for Brennan and McElligott the Commission enshrined their commitment to austerity and monetary orthodoxy.

---

[29] Dunphy, *The Making of Fianna Fáil*, pp. 174-175.
[30] Fanning, *Department of Finance*, p. 96 and p.130.
[31] Brendan M. Walsh, Paper Review, *Irish Economic and Social History*, Vol.VII, 1980, p 122.
[32] J.J. Lee, *Ireland and the Marshall Plan,* lecture delivered at the European University Institute, Florence, February 1985 as cited in Dunphy, *The Making of Fianna Fáil*, p. 57.
[33] See Note 2. In addition to the Regling-Watson Report a further report was commissioned by the Irish government to investigate failings in the Department of Finance over the past decade. This was carried out by Mr. Rob Wright, a Canadian civil servant.
[34] Maurice Moynihan, *Currency and Central Banking in Ireland 1922-1960*, (Dublin, 1975), pp. 167-178.
[35] Note by Montagu Norman, 27th July 1934, OV 81/8. BOE.

By 1938, Brennan and McEligott's free trade beliefs may have been replaced by the reality of protectionism and the Anglo-Irish trade dispute. But their belief in monetary conservatism and in upholding the key external goal of the sterling parity link ensured the continuing primacy of external objectives over domestic social and political concerns. It is clear that "outside experts" played a key role in legitimising the wider framework for maintaining the sterling parity link, regardless of any domestic considerations.

Relevance and Lessons for Greece and the Euro Zone?

The characteristics of the monetary environment in the IFS in the 1920s and 1930s highlight a multi-layered framework of economic caution. In effect, entrenched economic orthodoxies drove the political agenda. This was facilitated by the influence granted to specific elites, predominantly those in the banking sector and those in the public service. Considered in a broader context, the underlying resistance to economic change can be classified as comprising:

- **Economic dependence**, both in terms of trade flows and technical advice/expertise;
- **Political caution**, seeking to provide stability in a post-conflict environment with a particular focus on following economic orthodoxy;
- **Banking conservatism**, based directly on their relationship to the British financial markets and existing British structures;
- **Embedded public sector beliefs**, arising from their training in old imperial economic orthodoxies. This included an inability to deal adequately with situations or events outside their traditional training; and
- **International legitimisation** provided by "outside experts" with the explicit support of embedded public sector beliefs.

The net result of the factors above was an acceptance of internal austerity in order to fulfil the wider external objective (i.e. maintenance of a fixed exchange rate with the £ sterling). In order to achieve these wider objectives internal social issues were superseded in importance on the political agenda.

In terms of the current situation in Greece and the wider Euro Zone a number of points are relevant. Firstly, even in times of crisis, the potential for fundamental change or reform will be faced with significant opposition from entrenched elites. This may be of a political, banking, public sector or other special interest group nature. Uncertainties will not necessarily induce brave or far reaching reforms. The political scientist Benjamin Cohen has noted:

> "*Uncertainty thus encourages a tendency toward what psychologists call 'mimesis': the rational impulse of risk-averse actors, in conditions of contingency, to minimize anxiety by imitative behaviour based on past experience.'*[36]

Secondly, Greece has an external objective of maintaining membership of the Euro single currency area. This arrangement is of a quasi-voluntary nature – at least up to November 2011 – and was willingly entered into in the 1990s. However, to maintain Greek membership of the Euro on-going austerity measures are required. This is complemented by medium term external supervision of Greek economic policy. Consistent with Ireland in the 1920s, the external goal of monetary union membership requires austerity measures to override domestic concerns.

---

[36] Benjamin Cohen, 'Electronic Money: New Day or False Dawn?' *Review of International Political Economy*, Vol. 8, No. 2, June, 2001. p. 203.

Thirdly, again consistent with the historical experience of Ireland, any consideration of alternatives to monetary union membership is generally dismissed as an "impending doom" scenario. There is little realisation that "economic orthodoxies" are not of a permanent nature but rather change in response to advances in economic thought and analysis. The IFS embraced the parity sterling link in a global economy characterised by free trade and isolated tariffs. A decade later, protectionism had developed throughout the world. For Greece, the economic argument for preserving Euro membership is underpinned by the doomsday rationale. Leaving the euro dismissed by financial institutions as "the disaster scenario".[37]

Overall, it is clear that there are parallels between the position of the IFS in the 1920s and 1930s with the current position of Greece. Based directly on the Irish experience, the continuance of membership of the Euro will require Greece to undergo further austerity programmes with little regard for domestic social or economic impacts. Greece's economic well-being will be sacrificed for the wider external objective of monetary union membership. Based on the historical Irish experience, the questions which should now be discussed in a Greek context are:

- Is membership of the Euro worth the austerity that is required?
- Will the austerity that is required be socially and economically acceptable?
- What are the alternatives to Euro membership?

The brief sketch of the historic Irish monetary environment highlights that - in the absence of overwhelming trade dependence - prolonged domestic austerity programmes will not achieve the desired result of making the Euro suitable for Greece. It is not possible to "retrofit" countries suitability for a functioning monetary union while maintaining domestic economic progress. Compared to Ireland in the 1920s the situation facing Greece is significantly more complicated. Greece (like Ireland today) faces pressures not only from domestic vested interests, but also from the financial and political interests of wider Euro Zone members. Recent events regarding the change of government in Greece have highlighted this clearly.

Any alternative path for Greece will only be achievable by confronting established interests. A fundamental debate will be required regarding the economic rationale for Euro membership, Greece's position in the EU and the suitability of a monetary union for smaller, peripheral economies.

It took Ireland fifty seven years from economic independence in 1922 to break the parity link with sterling in 1979. For the second time in under a century of economic independence, Ireland stands welded to a fixed exchange rate system. Greece, like Ireland, has lost her hard won economic sovereignty. The Euro may ensure it never returns.

[37] Probably the best example of this is the research undertaken by UBS entitled "Euro Break-Up: The Consequences", 6th September 2011.

References

Primary Sources:

Bank of England Archives, London.

Joseph Brennan Papers, National Library of Ireland, Dublin.

Secondary Sources:

Cohen, Benjamin, 'Electronic Money: New Day or False Dawn? *Review of International Political Economy*, Vol. 8, No. 2, 2001, pp. 197-225.

Cullen, L.M., *Economic History of Ireland since 1660*, Batsford, London, 1972.

Deo, Stephane, Paul Donovan and Larry Hathaway, *Euro Breakup – the Consequences*, UBS Investment Research, September, 2011.

Dunphy, Richard, *The Making of Fianna Fáil in Power 1923-1948*, Clarendon Press, Oxford, 1995.

Fanning, Ronan, *The Irish Department of Finance 1922-1956*, Institute of Public Administration, Dublin, 1978.

Girvin, Brian, *Between Two Worlds: Politics and Economy in Independent Ireland*, Gill and Macmillian, Dublin, 1989.

Honohan, Patrick, *Irish Banking Crisis – Regulatory and Financial Stability Policy 2003-2008*, Government Publications, Dublin, 2010.

Irish Medium Term Fiscal Statement, November 2011.

Irish Public Sector Agreement 2010-2014 (Croke Park Agreement), June 2010.

Jonung, Lars, 'The Swedish Model for Resolving the Banking Crisis of 1991-1993. Seven Reasons why it was Successful'*, Economic Papers*, European Commission, 2009.

Kindleberger, Charles, *Manias, Panics and Crashes: A History of Financial Crises*, 5th Edition, New Jersey, 2005.

Lee, J.J., *Ireland 1912-1985: Politics and Society*, Cambridge University Press, Cambridge, 1989.

Moynihan, Maurice, *Currency and Central Banking in Ireland 1922-1960,* Central Bank of Ireland and Gill and Macmillan, Dublin, 1975.

O'Broin, Leon, *No Mans Man: A Biographical Memoir of Joseph Brennan*, Institute of Public Administration, Dublin, 1982.

O'Grada, Cormac, *Ireland: A New Economic History 1780-1939*, Clarendon Press, Oxford, 1994.

A Rocky Road: The Irish Economy Since the 1920, Manchester University Press, Manchester, 1997.

Ollerenshaw, Philip, 'Aspects of Banking Lending in Post-Famine Ireland', Mitchison and Peter Roebuck (eds.), *Economy and Society in Scotland and Ireland 1500-1939*, John Donald Publishers, Edinburgh, 1988, pp. 222-232.

O'Sullivan, K.P.V. and Tom Kennedy, 'What caused the Irish banking crisis*?', Journal of Financial Regulation and Compliance*, Vol. 18 Issue 3, 2010, pp. 224 – 242.

Pratschke, J.L., 'The Establishing of the Irish Pound: A Backward Glance', *Economic and Social Review*, Vol. 1, October 1969, pp. 51-75.

'Philosophy and Ideology in Ireland', *Studies: An Irish Quarterly Review*, Vol. 74, No. 294, Summer 1985, pp. 145-154.

Regling, Klaus and Max Watson, *A Preliminary Report on the Sources of Irelands Banking Crisis,* Government Publications, Dublin, 2010.

Walsh, Brendan M., Paper Review, *Irish Economic and Social History*, Vol.VII, 1980, p 122.

Wright Rob, *Strengthening the Capacity of the Department of Finance: Report of the Independent Review Panel*, Government Publications, Dublin, 2010.

Other Sources:

Central Statistics Office.

National Treasury Management Agency.

Economic and Social Research Institute.

Journal of the Institute of Bankers in Ireland.

Sunday Business Post.

Email: eoindrea@hotmail.com

© Eoin Drea 2011