

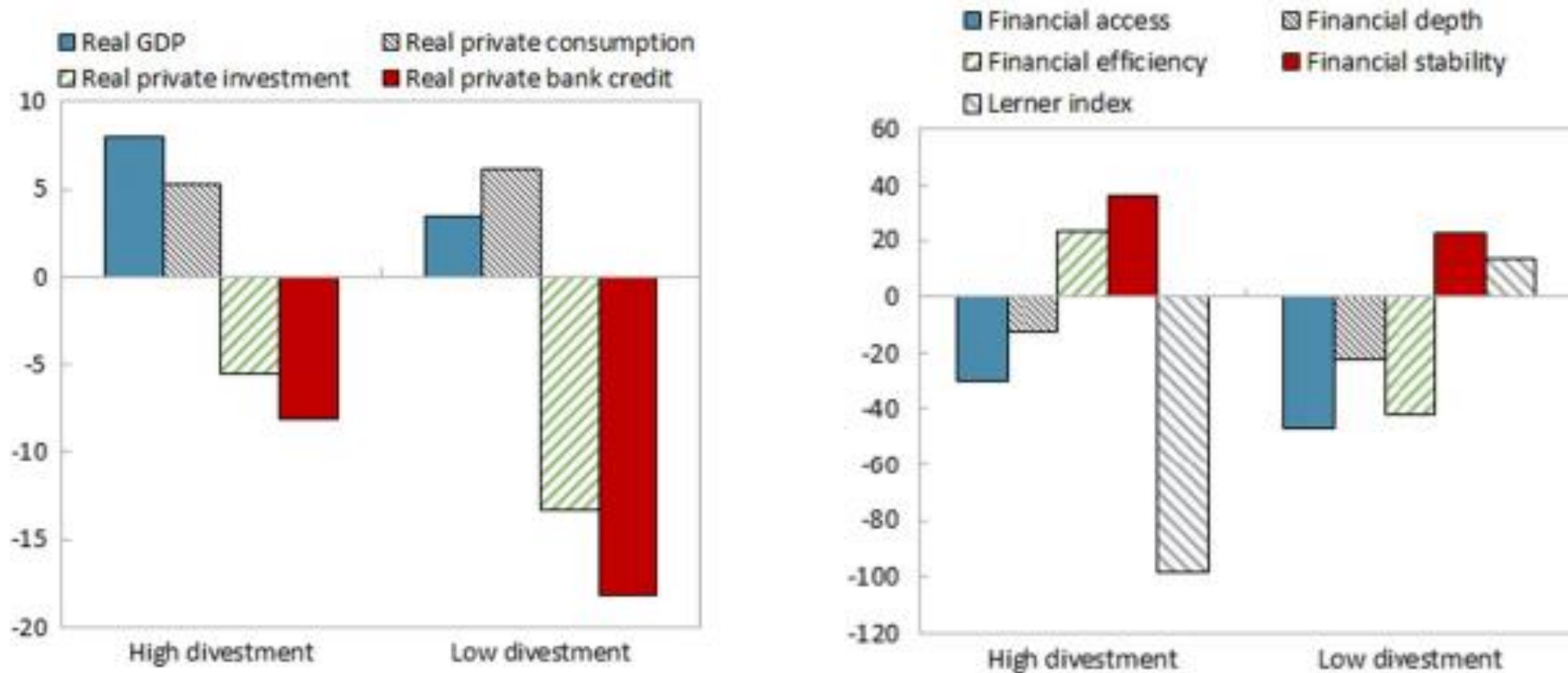


Competition, Growth and Recovery Workshop

25 October 2022

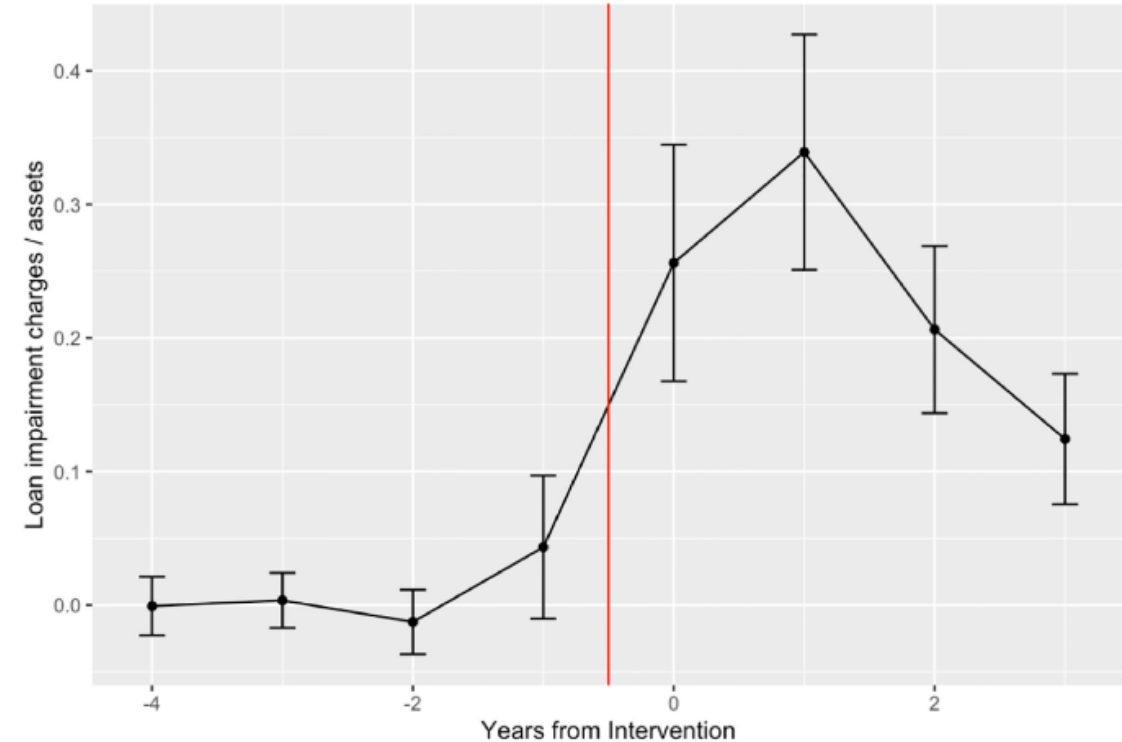
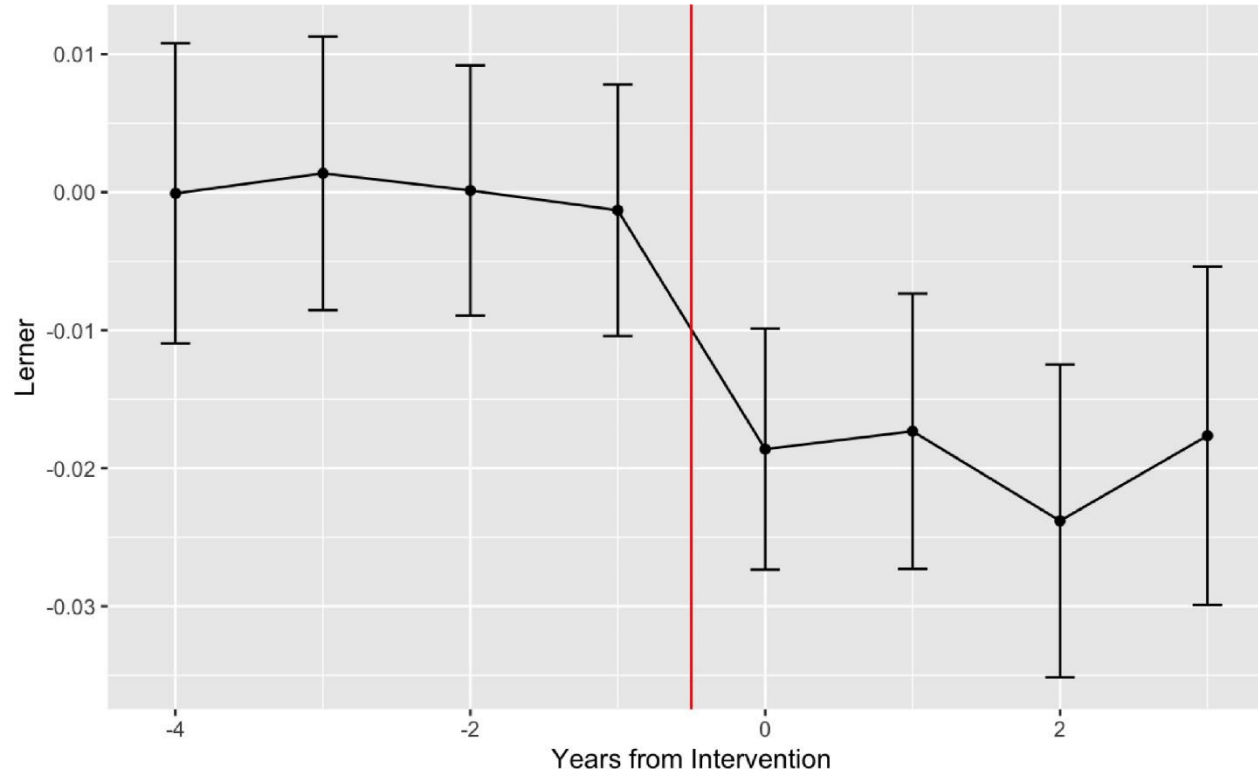
Deniz Igan, Head of Macroeconomic Analysis

Slow divestment of GFC-era support linked to worse macro-financial outcomes



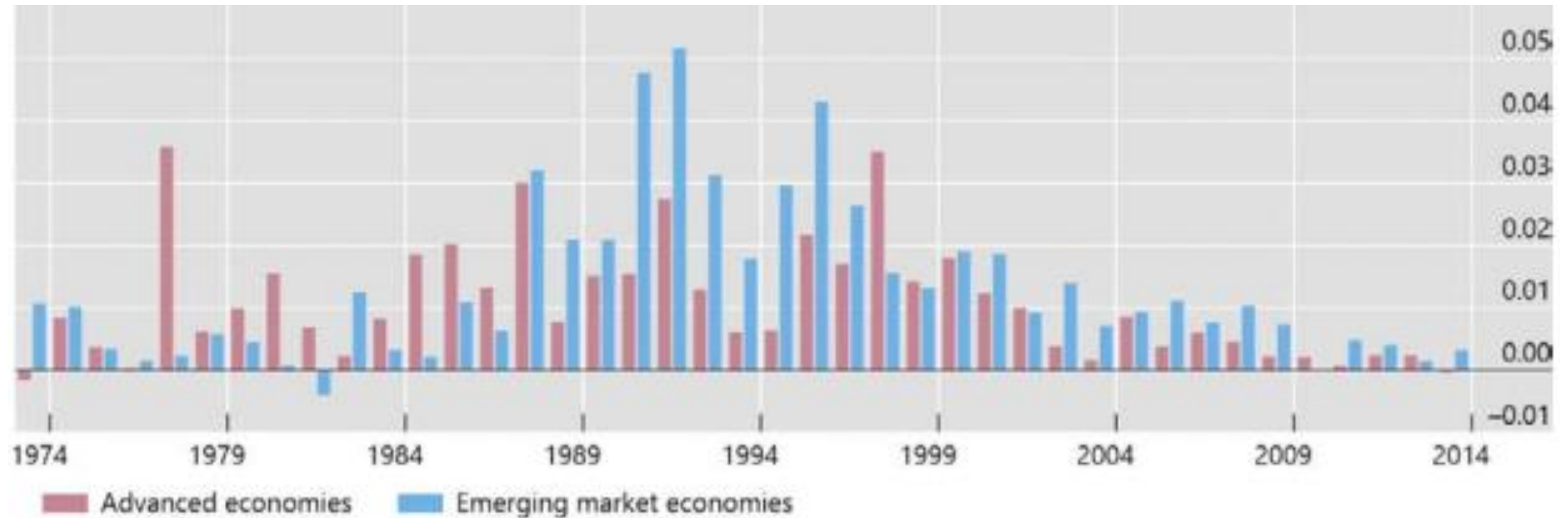
Source: Dell'Ariccia et al (2022), "The long shadow of public interventions in the financial sector," *IMF Economic Review* 70: 212-250.

Higher bank markups is not an inevitable outcome



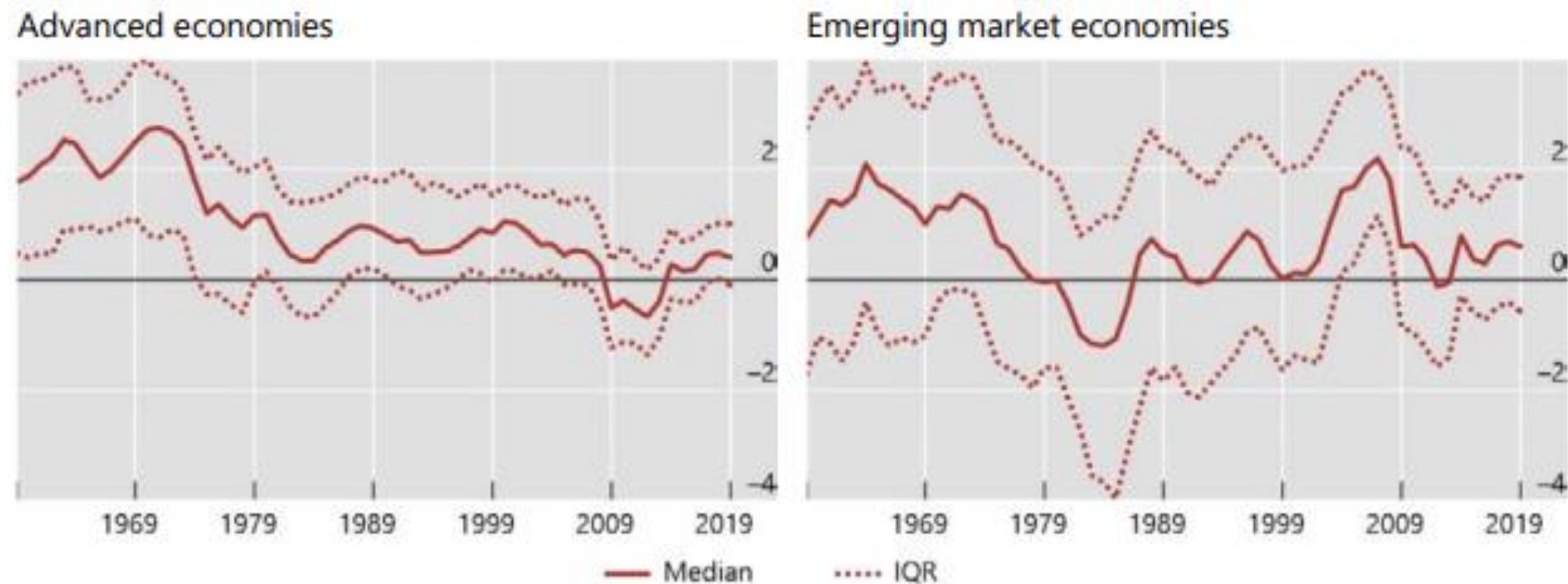
Source: Tan et al (2021), "Government intervention and bank markups: lessons from the global financial crisis for the COVID-19 crisis," *Journal of Banking & Finance* 133: 106320.

Structural reforms largely stalled in the 2000s



Source: Carstens (2022), "A story of tailwinds and headwinds: aggregate supply and macroeconomic stabilisation," speech delivered at the Jackson Hole Economic Symposium, 26 August.

Productivity growth has been difficult to keep up



Source: Carstens (2022), "A story of tailwinds and headwinds: aggregate supply and macroeconomic stabilisation," speech delivered at the Jackson Hole Economic Symposium, 26 August.