Appendix A. Actual and simulated trajectories of the exogenous variables.

i. Capital stock (growth rate in %)

a. Spain

b. Ireland

ii. Labour productivity (growth rate in %)

a. Spain

b. Ireland

iii. Social security benefits (% GDP)

a. Spain

b. Ireland

iv. Demographics

a. Participation rate (%), Spain

b. Population (growth rate in %), Ireland

Other:

a. Private consumption (% of GDP), Spain

b. Foreing demand (% of GDP), Spain

c. Real interest rate (%), Spain

d. Indirect tax rate (% of GDP), Ireland