

Inside the Great Leveraging

Moritz Schularick
University of Bonn

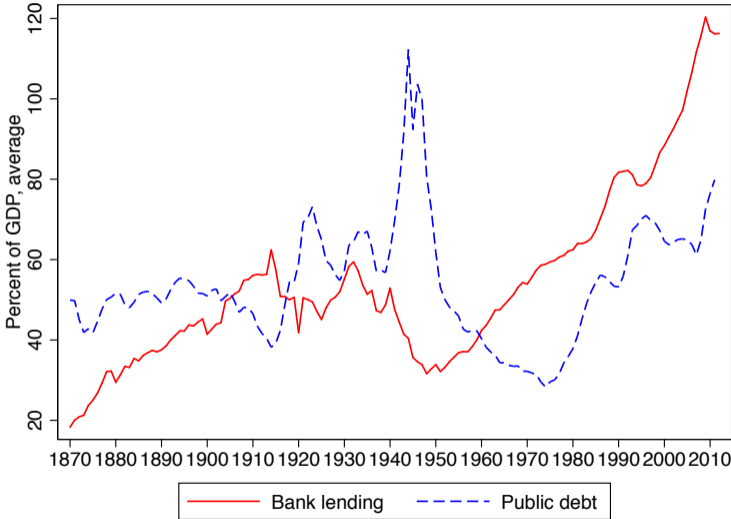
JORDÀ-SCHULARICK-TAYLOR MACROHISTORY DATABASE

The *Jordà-Schularick-Taylor Macrohistory Database* is the result of an extensive data collection effort over several years. In one place it brings together macroeconomic data that previously had been dispersed across a variety of sources. On this website we provide convenient no-cost open access under a license to the most extensive long-run macro-financial dataset to date. Commercial data providers are strictly forbidden to integrate all or parts of the dataset into their services or sell the data (see [Terms of Use and Licence Terms](#) below).

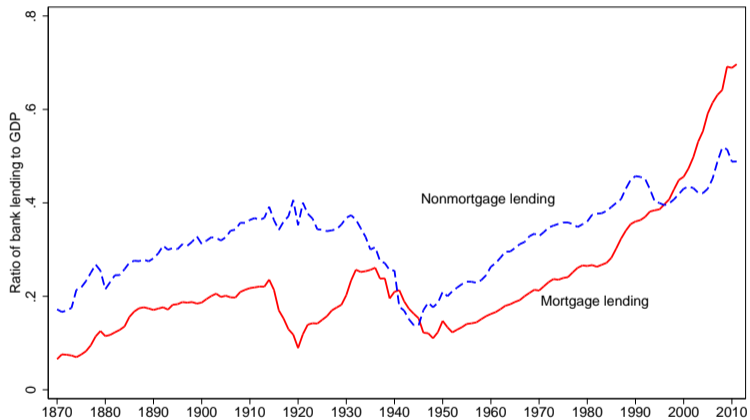
The database covers 17 advanced economies since 1870 on an annual basis. It comprises 25 real and nominal variables. Among these, there are time series that had been hitherto unavailable to researchers, among them financial variables such as bank credit to the non-financial private sector, mortgage lending and long-term house prices. The database captures the near-universe of advanced-country macroeconomic and asset price dynamics, covering on average over 90 percent of advanced-economy output and over 50 percent of world output.

Assembling the database, we relied on the input from colleagues, coauthors and doctoral students in many countries, and consulted a broad range of historical sources and various publications of statistical offices and central banks. For some countries we extended existing data series, for others we relied on recent data collection efforts by others. Yet in a non-negligible number of cases we had to go back to archival sources including documents from governments, central banks, and private banks. Typically, we combined information from various sources and spliced series to create long-run datasets spanning the entire 1870–2014 period for the first time. The table below lists the available series.

The Great Leveraging



The Great Mortgaging

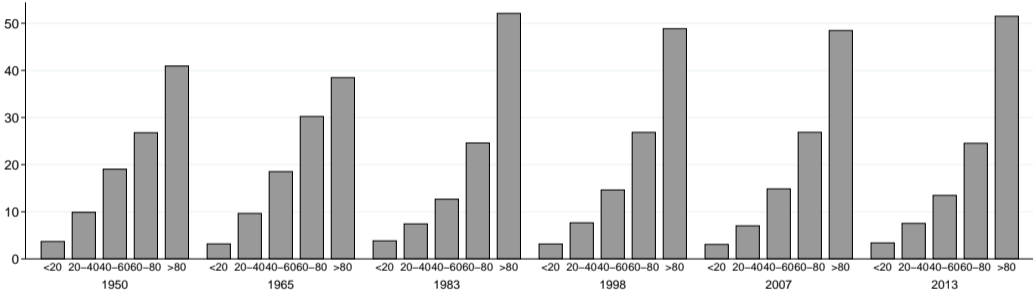


Change in bank lending to GDP ratios: 1960-2010

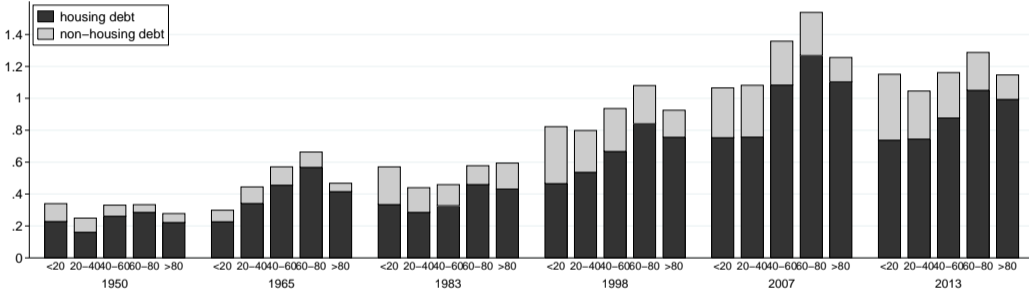
Country	(1) Total lending	(2) Real estate	(3) Unsecured	(4) Households	(5) Business
Spain	1.35	0.97	0.38	0.75	0.60
Denmark	1.31	0.98	0.33	0.74	0.57
Australia	1.13	0.70	0.42	0.77	0.35
Great Britain	0.89	0.74	0.16	0.72	0.17
USA*	0.66	0.53	0.13	0.49	0.17
Canada	0.65	0.35	0.30	0.54	0.10
France	0.61	0.41	0.21	0.45	0.17
Finland	0.61	0.26	0.35	0.43	0.19
Belgium	0.55	0.28	0.27	0.30	0.24
Italy	0.55	0.44	0.11	0.39	0.16
Germany	0.51	0.30	0.21	0.21	0.29
Switzerland	0.48	0.74	-0.26	0.50	-0.03
Japan	0.32	0.39	-0.07	0.27	0.05
<i>Average</i>	<i>0.78</i>	<i>0.55</i>	<i>0.23</i>	<i>0.53</i>	<i>0.25</i>
<i>Fraction</i>	<i>1.00</i>	<i>0.71</i>	<i>0.29</i>	<i>0.68</i>	<i>0.32</i>

*Includes credit market debt

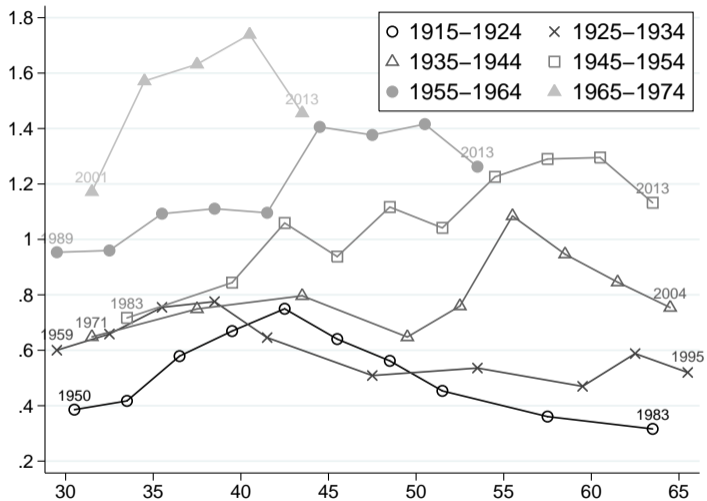
Debt shares by income quintile



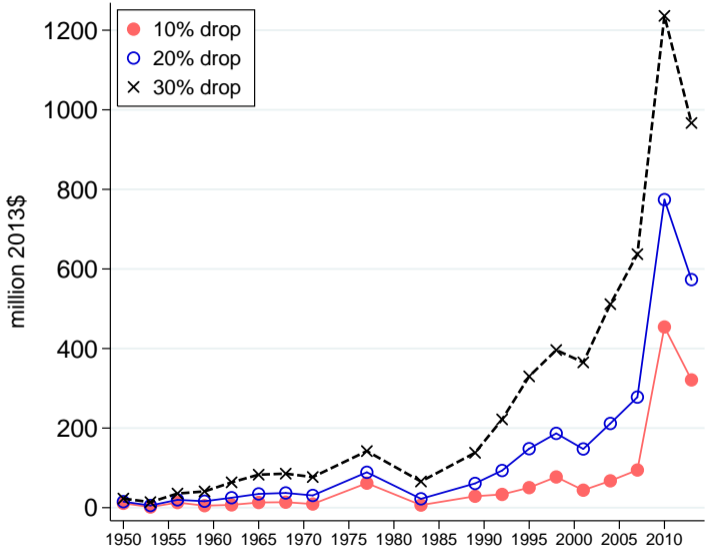
Mean of debt-to-income ratios by income quintile



Debt-to-income ratios of 10-year birth cohorts



Stress testing household balance sheets



Negative home equity by income after 20% house price drop

