

10 YEARS OF COLLAPSE

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WHERE ARE WE TODAY?

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“RECOVERY HAS BEEN WIDESPREAD, BUT UNEVEN.”

- Emilia Istrate

- The demand for goods and services was roughly 0.3 percent less than what the economy was capable of supplying. This gap caused excess unemployment and underemployment.

- The economy began growing in 2009, and has averaged 2.1 percent annual growth since then.

- 1 in 3 Americans believe they still haven't recovered. A majority of the demographic being African Americans, women, and low-income.

- Mississippi, Alabama, Michigan, New Mexico, and West Virginia are short of pre-recession job levels.

- In contrast, Colorado, North Dakota, Texas and Utah jobs surpassed pre-recession peaks in 2014.

ARE REGULATIONS LEADING TO PERMANENT RECOVERY?

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ATTEMPTS ARE NOT ENOUGH

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- World leaders used fiscal and monetary policy to fan demand.
- Despite genuine attempts to stop risky lending and products, problems still persist.
- Five years after the enactment of the Dodd-Frank Act, Congress was still in deliberation over the new rules and regulations. There has been questioning about the actual effectiveness of the Act.
- Five years after the crash, only 27% felt that country's banks had taken adequate measures to prevent another crisis.
- 61% were not confident the country would be able to avoid another crisis in the future.

WHAT TO LOOK FOR IN THE FUTURE

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AUTO INDUSTRY IS HEADED FOR THE SAME FATE

- Auto loans made to consumers with subprime credit have been accounting for an increasingly larger percentage of the market. Subprime auto loans have been bundled together and sold as “securities” to investors.

- There are cities in the U.S. where borrowers are more likely to default on their car loans within a few months of buying their cars, often a sign of a loan obtained fraudulently.

- At this moment, around \$200 billion has been loaned out by auto lenders to consumers with subprime credit.

CITATIONS

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