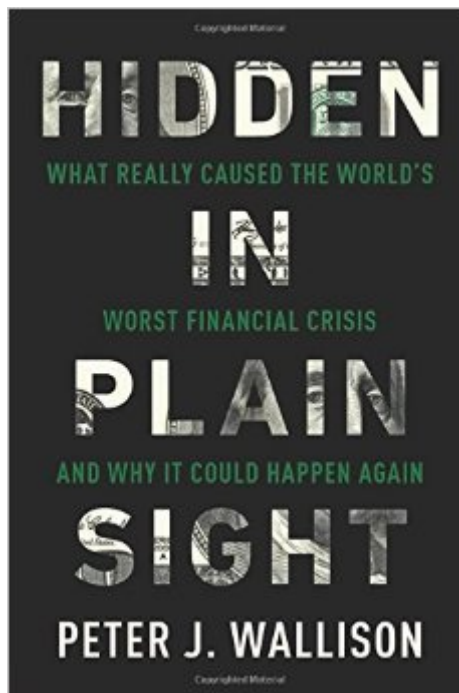


The book was found

Hidden In Plain Sight: What Really Caused The World's Worst Financial Crisis—and Why It Could Happen Again



Synopsis

The 2008 financial crisis¹, like the Great Depression², was a world-historical event. What caused it will be debated for years, if not generations. The conventional narrative is that the financial crisis was caused by Wall Street greed and insufficient regulation of the financial system. That narrative produced the Dodd-Frank Act, the most comprehensive financial-system regulation since the New Deal. There is evidence, however, that the Dodd-Frank Act has slowed the recovery from the recession. If insufficient regulation caused the financial crisis, then the Dodd-Frank Act will never be modified or repealed; proponents will argue that doing so will cause another crisis. A competing narrative about what caused the financial crisis has received little attention. This view, which is accepted by almost all Republicans in Congress and most conservatives, contends that the crisis was caused by government housing policies. This book extensively documents this view. For example, it shows that in June 2008, before the crisis, 58 percent of all US mortgages were subprime or other low-quality mortgages. Of these, 76 percent were on the books of government agencies such as Fannie Mae and Freddie Mac. When these mortgages defaulted in 2007 and 2008, they drove down housing prices and weakened banks and other mortgage holders, causing the crisis. After this book is published, no one will be able to claim that the financial crisis was caused by insufficient regulation, or defend Dodd-Frank, without coming to terms with the data this book contains.

Book Information

Paperback: 432 pages

Publisher: Encounter Books (March 29, 2016)

Language: English

ISBN-10: 1594038651

ISBN-13: 978-1594038655

Product Dimensions: 8.9 x 6 x 1.1 inches

Shipping Weight: 2.4 pounds (View shipping rates and policies)

Average Customer Review: 3.5 out of 5 stars [See all reviews](#) (212 customer reviews)

Best Sellers Rank: #58,328 in Books (See Top 100 in Books) [#24 in Books > Business & Money](#)
[> Real Estate > Mortgages](#) [#32 in Books > Law > Business > Franchising](#) [#55 in Books > Business & Money > Processes & Infrastructure > Government & Business](#)

Customer Reviews

The analysis here of causes of the 2008 financial crisis is wholly persuasive, well-documented, and

clearly written. The crisis began with the Federal Government's desire to "help" low-income Americans borrow money in order to buy homes they could not afford, and it did so by making such loans directly through the FHA or through the government-sponsored entities (GSE) or banks Fannie and Freddie. The creation of these sub-prime loans accelerated in the 1990s through the efforts of various community activist organizations such as the now defunct ACORN, for which President Obama used to work, and the United States Department of Housing and Urban Development (HUD). HUD, spurred on by community activist organizations, began requiring Fannie and Freddie (and mainstream banks) to make an increasingly large percentage of their loans to individuals without any down payment, bad credit histories, and low income. Fannie and Freddie were fully complicit with these directives because they realized very early that the way to insure their special Government status and the resultant low-cost funding was by taking on sub-prime loans, thus making them untouchable to Congress, which wanted to encourage such loans for the purpose of "social justice." What makes Fannie and Freddie especially culpable in the crisis is that, because they were free to define a subprime loan using their own arbitrary definitions, their financial statements listed almost no such loans, when in fact about half their loans, many millions of loans, were subprime. They deceived the public and the government because they wanted to keep receiving the government funding that paid their rich salaries and profits, with no thought of the possible consequences.

[Download to continue reading...](#)

Hidden in Plain Sight: What Really Caused the World's Worst Financial Crisis and Why It Could Happen Again
Hidden in Plain Sight: What Really Caused the World's Worst Financial Crisis and Why It Could Happen Again
Soccernomics: Why England Loses, Why Spain, Germany, and Brazil Win, and Why the U.S., Japan, Australia and Even Iraq Are Destined to Become the Kings of the World's Most Popular Sport
Soccernomics: Why England Loses, Why Spain, Germany, and Brazil Win, and Why the U.S., Japan, Australia and Even Iraq Are Destined to Become the Kings of the World's Most Popular Sport
Plain Again (The Plain Fame Series Book 3)
House of Debt: How They (and You) Caused the Great Recession, and How We Can Prevent It from Happening Again
The Worst-Case Scenario Survival Handbook: Middle School (Worst Case Scenario Junior Editions)
History: History of Money: Financial History: From Barter to "Bitcoin" - An Overview of Our: Economic History, Monetary System, & Currency Crisis (Digital ... Federal Reserve, Currency Crisis Book 1)
Water in Plain Sight: Hope for a Thirsty World I Knew You Could!: A Book for All the Stops in Your Life (The Little Engine That Could)
The Hidden Life of Trees: What They Feel, How They Communicate and Discoveries from a Secret

World Achieve: Find out Who You Are, What You Really Want, and How to Make It Happen: The High Achievement Handbook, Book 1 Singing Lessons for Little Singers: A 3-in-1 Voice, Ear-Training and Sight-Singing Method for Children: A 3-in-1 Voice, Ear-Training and Sight-Singing Method for Children Windows Vista®; Plain & Simple (Bpg-Plain & Simple) Windows Vista(TM) Plain & Simple (Bpg-Plain & Simple) Plain Fame (The Plain Fame Series Book 1) Plain Change (The Plain Fame Series Book 2) Plain Choice (The Plain Fame Series Book 5) Specimen Sight-Reading Tests for Harp, Grades 1-8 (pedal and Non-pedal) (ABRSM Sight-Reading) Sight Reading Mastery for Guitar: Unlimited reading and rhythm exercises in all keys (Sight Reading for Modern Instruments Book 1)

[Dmca](#)