

	1933	What They Share	2008
<b>The state of the economy</b>	<ul style="list-style-type: none"> <li>-A lot of bank failures decreased the pool of money available for loans.</li> <li>-A lot of industrial and agricultural goods were subordinated to high tariffs.</li> <li>-Massive unemployment was being beheld(20%)</li> </ul>	<ul style="list-style-type: none"> <li>-Both crisis were characterized by banks massive failures</li> <li>-crisis in the Stock Market</li> <li>- High taxes and low interest rates</li> <li>-Bad mortgages</li> </ul>	<ul style="list-style-type: none"> <li>-Banks were granting mortgages to higher risk families</li> <li>-Housing prices drove up</li> <li>-Low interest rates</li> <li>-Banks refused to give loans to homeowners</li> <li>-Housing and credit booms</li> <li>-Stock market crashes</li> </ul>
<b>How the How the outgoing president dealt with the challenges facing the economy</b>	<ul style="list-style-type: none"> <li>-Hebert Hoover established the Reconstruction Finance Corporation which made loans to state governments.</li> <li>-According to the historian Michael Parrish Hoover's response to the crisis was pathetically inadequate.</li> <li>-For ideological reasons He opposed direct federal aid to the unemployed.</li> </ul>	<ul style="list-style-type: none"> <li>-They share a similar response by the current presidents (government loans)</li> <li>-Hoover's and Bush's administration focused on the banking system.</li> <li>-Both presidents were combating the crisis by making large government loans to banks, railroads and companies.</li> <li>-Both of them were reluctant to help individual homeowners.</li> </ul>	<ul style="list-style-type: none"> <li>-He made huge loans and equity stakes and he refused to demand anything in return.</li> <li>-He attacked the crisis almost entirely by focusing on the bank system.</li> </ul>
<b>How the incoming president promised to deal with the challenges facing the economy</b>	<ul style="list-style-type: none"> <li>Roosevelt promised and accomplished many measures such as:</li> <li>-Took bad mortgages off the balance sheet of banks</li> <li>-Pushed through 15 pieces of legislation</li> <li>-Established corporations to</li> </ul>	<ul style="list-style-type: none"> <li>-Obama and Roosevelt waffled when asked what to do in their current administration</li> <li>-Both of them made a similar political calculation</li> <li>Both of them made a compromise to end the current crise.</li> </ul>	<ul style="list-style-type: none"> <li>-Obama promised to end the Recession and he did it when he Established the American Recovery and Reinvestment act in 2009.</li> <li>Obama also introduced proposals that addressed consumer</li> </ul>

	<i>refinance homes</i> <i>-Farm assistance programs</i> <i>-He established the Home Owners' Loan Corporation to refinance homes.</i>		<i>protection, Bank requirements and executive pay.</i> <i>-Obama also promised to end the high cost of health care.</i>
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<https://www.investopedia.com/terms/f/financial-crisis.asp#:~:text=Contributing%20factors%20to%20a%20financial.or%20country%20to%20the%20next.>]

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<https://www.thebalance.com/were-mortgage-crisis-and-bank-bailout-preventable-3305676>