**Uneven Distribution of Wealth Now:** This was also a huge cause for the crash of 2008 crisis.  The average income for the top one percent of earners rose 281 percent, or $973,000 per household, in the last decade, the bottom fifth saw their incomes increase 16 percent, or $2,400 per household. After the crash, the problem persisted throughout the depression, exacerbating the problem. In 2011, The top 10 percent of income earners get 48.2 percent of U.S. income. The top 1 percent of income earners got 20.9 percent of U.S. income. The top 1/10th of 1 percent of income earners got 10.3 percent of U.S. income. The top 1/100th of 1 percent of income earners got 5 percent of U.S. income!

**Easy Credit Now:** A similar spike in household debt preceded the Great Depression. Household debt almost doubled in the years leading up to the crash in 2008. Most of the debt wasn’t in the form of credit card debt—the kind of debt you may be most familiar with. Instead, most of the debt was in the form of mortgages. A mortgage is a special kind of loan that people use to buy homes. Mortgage interest rates were incredibly low before the crash, so millions of Americans borrowed heavily and bought homes they couldn’t afford. Banks were primed to fail.

**Speculation Now:** In the 2008 crash, speculative investment took place through home-mortgages rather than stocks. A mortgage is a type of loan you get from a bank to build a home. The value of the mortgage equals the value of the home in the future, so it is just like a stock. If a stock prices rises, the stock-holder gains; if a home price rises, the mortgage issuer (the bank) gains. Banks issued lots of mortgages because home prices had been rising, and seemed it like a never-ending trend. Suddenly, banks realized that the continual increase in the value of mortgages was not driven by actual increases in the worth of homes. Instead, mortgages had only occurred because of banks’ speculative investment. The mortgages were actually worthless. Banks collapsed, taking major businesses down with them

**Overproduction Now:** Just like in the 1920s, overproduction can depress both the US and Global economy. During the 2000s housing prices were on the rise. Because housing prices were going up, lots of people began investing in housing. When there is an increase in investment, there is increase in production. In this case, as more people invested in housing, more houses were built in response. However, more houses were built than people actually needed. When there is more of a product that people actually need, we call this bloating. Therefore when the housing market bloated (there was more empty houses than homes) businesses halted the building process and began laying-off employees to make up for the lost costs. This helped cause the 2008 recession.

**Unbalaned Foreign Relations Now:** Since China opened its doors to free trade the US has increaed trade relationships with China. However, we are starting to see an unbalanced relationship betweent the two countries. The United states imports a lot more Chinese goods than we export. When you import more than you export you are left with a trade deficit – kind of like a debt. As this deficit grows, the US becomes more and more reliable on China and more vulnerable. Also, because labor is cheaper in China, millions of jobs are lost in the US because some companies outsource jobs to China. As you can see, we are left with increased unemployment and international debt, much like the situation in the Great depression.