

BOOK TABLE of CONTENTS:

EPIC RECESSION: Prelude to Global Depression

Dr. Jack Rasmus

Copyright 2009

Introduction: Economic Crises: Past, Present, and Prologue

- The Experts Debate the Crisis**
- Initial Description of Epic Recession**
- Depressions and Normal Recessions**
- Some Preliminary Historical Observations**
- Causes Fundamental, Enabling, and Contributing**
- A Note on Theory**
- How to Read This Book**

Chapter 1: Quantitative Characteristics of Epic Recession

- Threefold Characteristics of Epic Recession**
- Quantitative Characteristics of Epic Recession**
 - Depth**
 - Duration**
 - Debt**
 - Deflation**
 - Default**

Chapter 2: Qualitative Characteristics of Epic Recession

- Financial Fragility**
- Financial Instability**
 - Failures**
 - Capital Loss and Insolvency**
 - Runs on the Bank**
 - Unavailability of Credit**
- Shadow Banking System**
- Consumption Fragility**
- Speculative Investment Shift**

-Global Synchronization

Chapter 3: The Dynamics of Epic Recession

- Global Liquidity Explosion**
- Global Money Parade**
- Three Economists on Speculation and Instability**
- Speculative Investing Effects on Real Asset Investment**
- Real Investment As Basis for Speculative Investing**
- Speculative Investment As Basis for Speculative Investing**
- Speculation and the Acceleration of Debt**
- Debt as Driver of Deflation**
- Deflation Feedback Effects**
- Debt-Deflation as Drive of Default**
- Default Feedback Effects**
- Debt-Deflation-Default Nexus and Financial Fragility**
- Debt-Deflation-Default Nexus and Consumption Fragility**
- Financial and Consumption Fragility Feedbacks**
- Fragility and the Real Economy**

Chapter 4: U.S. Depressions in the 19th Century

- Theory vs. History**
- Financial Crises and Depressions in the 19th Century U.S.**
 - Depression of 1837-1843**
 - Financial Crisis of 1857-1859**
 - Depression of 1873-1878**
 - Financial Panics of 1884 and 1890**
 - Depression of 1893-1897**
- Observations on 19th Century Depressions**

Chapter 5: 'Type I' Epic Recession: 1907-1914

- The Boom-Bust Process**
- The Financial Panic of 1907**
- 1907 and 2008 Banking Crises Compared**
- The Real Economy After 1907**
- Epic Characteristics of 1907-1914 Recession**
- Liquidity and Speculative Investing**
- Debt-Deflation-Default Processes**

- Financial and Consumption Fragility
- A Short Initial Note on War and Epic Recession

Chapter 6: 'Type II' Epic Recession: 1929-1931

- Strategies for Debt Unwinding: Liquidation vs. Reflation
- Phases and Stages of the Great Depression
- From Post-War to the 'Depression' of 1920-1921
- Origins of the Great Depression: 1922-1929
 - Liquidity
 - Credit
 - Debt Accumulation
 - Deflation
 - Defaults
- The Great Depression Phase I: 1929-1934
 - Debt Unwinding
 - Deflation
 - Defaults
 - Other Quantitative Characteristics
- Epic Recession 'Type II': 1929-April 1931
- A Brief Digression on Policy
- Transitioning to Depression: April-August 1931

Chapter 7: The Epic Recession of 2007-2010

- Historical Background to the Current Crisis
- Speculation and Securitization
- The Two Faces of Speculative Investing
- The Fed, Liquidity and Credit
- Securitization and Credit
- 'Global Savings Glut' and Global Liquidity
- Inequality and Liquidity
- The Shadow Banking System Post 2000
- A Partial Summary
- From Excess Credit to Excessive Debt
- The 'Dot.com' Bust
- The Jobless Recession of 2001-2004
- The \$27 Trillion Non-Recovery
- Financial Crisis of 2007

- The Recession Begins
- Epic Recession Emerges
- Banking Panic of 2008
- Epic Recession Winter-Spring 2009
- A 'Type I' Epic Recession?
- The 'Recovery' of 2009

Chapter 8: Bush-Obama Recovery Programs

- Traditional Policies and Epic Recessions
- Overview of Policies and Programs, 2007-2009
- The Greenspan Legacy in Monetary Policy
- Bernanke the Protégé
- The Perils of Paulson
- Bernanke's B-52
- The Limits of Liquidity Solutions to Epic Recessions
- Obama's \$787 Billion Fiscal Stimulus
- PIPP: Son of TARP
- TALF: Resurrecting Securitization
- Housing: Bailing Out Builders and Lenders
- A Strategic Shift?
- Obama's Failed Bank Rescue Plan
- An Historical Irony
- Elements of an Alternative Program for Sustained Recovery

Chapter 9: An Alternative Program for Economic Recovery

- Fundamental Causes of Sustained Recovery
- Part I: Homeowners Stabilization and Consumption
 1. Reset Mortgage Rates for All Loans Originated 2002-2007
 2. Reset Mortgage Principal for All Loans 2002-2007
 3. The Homeowners-Small Business Loan Corporation
 4. 15% Homeowners Investment Tax Credit
 5. Moratorium on Foreclosures and Small Business Loans
- Part II: Jobs Creation and Retention
 6. \$300 billion Infrastructure Jobs Program

- 7. \$300 billion Public Sector Jobs Program**
- 8. \$100 billion Growth Sectors Jobs Program**
- 9. \$100 billion Manufacturing Sector Jobs Recovery Program**
- 10. \$200 billion Social Safety Net Spending**

-Part III: Financing the Alternative Program

- 11. Offshore Tax Haven Asset Repatriation**
- 12. Foreign Profits Tax Recovery**
- 13. Capital Incomes Tax Cuts Rollback**
- 14. Excess Speculative Profits Surtax**
- 15. Financial Transactions Tax**
- 16. Retroactive Windfall Profits Tax**
- 17. Value Added Tax on Intermediate Goods**
- 18. Payroll Tax on Wealthiest 1% Households**
- 19. 10% Penalty Tariffs and Non-Compliance Fees**

-Part IV: Long Term Income Restructuring

- 20. 80% Coverage Single Payer Health Care**
- 21. National 401k Pool and Social Security Stabilization**
- 22. De-Privatizing the Student Loan Market**
- 23. Re-Unionizing the Private Sector Workforce**
- 24. Low and Contingent Labor Wage Indexation**

-Part V: Banking and Financial Restructuring

- 25. Nationalizing Consumer Credit Markets**
- 26. Democratizing the Federal Reserve**
- 27. Utility Banking vs. Casino Banking**
- 28. Taming the 'Global Money Parade'**