

Table 1: Anticipations of the Housing Crisis and Recession

Analyst	Capacity	Forecast
Dean Baker, US	co-director, Center for Economic and Policy Research	“...plunging housing investment will likely push the economy into recession.” (2006)
Wynne Godley, US	Distinguished Scholar, Levy Economics Institute of Bard College	“The small slowdown in the rate at which US household debt levels are rising resulting from the house price decline, will immediately lead to a ...sustained growth recession ... before 2010”. (2006). “Unemployment [will] start to rise significantly and does not come down again.” (2007)
Fred Harrison, UK	Economic commentator	“The next property market tipping point is due at end of 2007 or early 2008 ...The only way prices can be brought back to affordable levels is a slump or recession” (2005).
Michael Hudson, US	professor, University of Missouri	“Debt deflation will shrink the “real” economy, drive down real wages, and push our debt-ridden economy into Japan-style stagnation or worse.” (2006)
Eric Janszen, US	investor and <i>iTulip</i> commentator	“The US will enter a recession within years” (2006). “US stock markets are likely to begin in 2008 to experience a “Debt Deflation Bear Market” (2007)
Stephen Keen, Australia	associate professor, University of Western Sydney	“Long before we manage to reverse the current rise in debt, the economy will be in a recession. On current data, we may already be in one.” (2006)
Jakob Brøchner Madsen & Jens Kjaer Sørensen, Denmark	professor & graduate student, Copenhagen University	“We are seeing large bubbles and if they bust, there is no backup. The outlook is very bad” (2005)” The bursting of this housing bubble will have a severe impact on the world economy and may even result in a recession” (2006).
Kurt Richebächer, US	private consultant and investment newsletter writer	“The new housing bubble – together with the bond and stock bubbles – will invariably implode in the foreseeable future, plunging the U.S. economy into a protracted, deep recession” (2001). “A recession and bear market in asset prices are inevitable for the U.S. economy... All remaining questions pertain solely to speed, depth and duration of the economy’s downturn.” (2006)
Nouriel Roubini, US	professor, New York University	“Real home prices are likely to fall at least 30% over the next 3 years“(2005). “By itself this house price slump is enough to trigger a US recession.” (2006)
Peter Schiff, US	stock broker, investment adviser and commentator	“[t]he United States economy is like the Titanic ...I see a real financial crisis coming for the United States.” (2006). “There will be an economic collapse” (2007).
Robert Shiller, US	professor, Yale University	“There is significant risk of a very bad period, with rising default and foreclosures, serious trouble in financial markets, and a possible recession sooner than most of us expected.” (2006)

Note: for sources and more detail, please refer to the Appendix.