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Money makes the world go round

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1. Introduction

Money goes around the world.

But in the last time it has not been going anymore.

Everything began with the American housing crisis. Historically, Americans live in houses. No US-Citizen would ever think of renting an apartment. Instead, they borrow money from a bank, in order to buy a real estate. A typical American borrows for example 200.000 USD for 30 years. He does not have any securities but the house he intends to buy. The bank says: OK, there is a house, and probably, since everybody wants houses, its value will increase. And usually, its value DOES increase.

America has a complicated system of interest rates. A German guy borrows money for 20 years for a fix 5 % per year. American interest rates are not fixed. Instead, Americans pay interest rates according to the economic situation. From 2000 on, interest rates were very low, so people started to borrow more money. They bought cars, TVs, boats and especially houses. In 2005, interest rates went up, many Americans were not able to pay their debts anymore. OK, no problem, the banks still had the houses. They could sell them and get their money back. But since more and more houses were on the market, house prices fell dramatically and banks lost a huge amount of money. But not only American banks. In the banking system, all banks are connected to each other. Therefore, American banks were able to sell these credits to other banks. They were sold from one bank to another, to European banks, Asian banks and back to the Americans. But since these credits were now almost worthless, many banks lost a lot of money.

In fall 2008, one of America's biggest banks, Lehman Brothers went bankrupt. All banks, which lent money to Lehman Brothers lost their money. And since no bank knew, how big the financial losses of the other banks were, they stopped lending money to each other, afraid of losing it. This had a great influence on real economy: Companies were not able anymore to get the money they needed to continue working. A wave of concourses and mass unemployment followed. Until now, the crisis has not been solved. After many governments had put a lot of money into the banking system, the money circulation started again – but still real economies suffers under a lack of money for long-term investments.

So let's go back to the start: Americans made spend more money than they had. Instead of securing the future, they consumed whatever they wanted.

But. Who are these Americans? Couldn't you be one of them?

2. Question 1: How are you going to pay back the debts of today?

With money (taxes)...?

By changing the economic system.

More taxes for rich people, so there is less difference between the very rich and the very poor.

Same taxes in the EU.

I'm always concern of avoiding debts. For our state debts: I have not a lot of money, therefore it will not be me who pays back the debts.

I think it is impossible to pay all the debts in one generation. The entire economic system has to be changed.

Selling money by avoiding unnecessary costs and changing our general lifestyle.

We receive more taxes by boosting the economy.
Lower tax rates, save money, create employment.
There is no way!
Decrease the amount of money that is spent in military industry.

3. Question 2: How do you contribute to this crisis?

I don't know
I only thinking about money, everybody always wants more and more.
I am part of the system
Too worse to solve the crisis.
Probably refused credits for 30 years
Make it worse
I try to make as many compromises as I can
I cannot understand the question
Buying German products + being optimistic
I contribute as anybody does: I got some money in the bank and buy some stuff. The politicians and managers are the ones who really contribute
The bank have to be supported but smaller companies not.
I think is good to invest into the banks because they make the economy start again.
Too much consumption
Die Verantwortlichen in Politik und Wirtschaft werden keine Krise sich leisten können.
When I am not spending too much money, to let the economy go round.
Spare money
If we only save our money the economy system does not go on working. But because most of the people are not that rich they decide to save money.
Buy
Increase the economy
Consuming too much, improving other countries economy by buying their products not our products.

4. Question 3: What responsibility do you have for the next crisis?

I'll try not to make credits when I know I can't pay it back
(I can use my money well, considering that also banks can get bankrupt.
I hope I will solve the next crisis.
Don't consume too much.
I won't get a credit, if I know I can't give the money back.
We have to be careful and the state has to control the banks and their managers more.
I don't think I can have any responsibilities regarding it.
I'm not sure what I'm going to do in the future, so I don't know what responsibility I'm going to have. Maybe I'll be a manager or a nurse, so there is a different responsibility.
I need to be more economic.
I'm actually not working. I don't know what I could do to avoid the next crisis.
I should be more conscious about my power as a consumer.
Help preventing a next crisis, we must learn from this one.

I have no responsibility, the politicians do.

If we go on thinking only about ourselves and money, we'll be sure to get into a lot of crisis.

I have to employ more people in my company and don't do high risk investments and engagements???

The crisis is caused by actions that I haven't started. I don't have any responsibility-but I am responsible to criticise governmental influence in the economy.

5. Question 4: Does it make a difference how you act?

Yes, by buying local products in order to support our country's economy.

In the current it's almost impossible maybe by changing society's mentality.

Yes, by supporting German companies and by being a positive example.

It doesn't matter what I buy, only my vote can matter.

Yes; you could get a leader; be a politician; go to a demonstration; not many but a little.

I think every person's behaviour affects the crisis so everybody can do something to prevent it.

We can save money by crossing out unnecessary costs and change our way of thinking.

Yes it does, I had to work more.

It only makes a difference if you have enough influence.

Yes it is a difference we are living in a democracy and I can decide and control consumption of local products to create more sustainable development.

One person alone can not change the world but when everyone makes the right things there can be a difference.

Yes we can. Do not give money to the hedge-funds.

Yes because every decision has its good and bad consequences, even if you do not know where your decision leads. Everyone makes a difference.

Yes because I am part of the economy.

Yes maybe a little because as a little girl I can not help companies and save working places.

Yes, because we influence the market and other people.

Yes, if I tried to buy as less as possible, it would be bad.

No it does not.

I think that I can not do anything it always depends on the big leaders. No.

How I act no. But how WE act yes.