



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

Assignment 1 (Spring 2021)

Student Name: Ahmed AlMaghrabi

اسم الطالب.....

Students I.D : 2021201503

الرقم الجامعي.....

Section

Date

Course Code

Bachelor

18 / 02 / 2021

MGM112

Introduction to economics

Instructions:

تحدث عن اهم الأزمات الاقتصادية التي هزت العالم من حيث الأسباب التي أدت إلى حدوثها، ونتائجها.

*بما لا يزيد عن صفحة من خلال فهمك لأحداثها.

*يرفع الاختبار ب صيغة pdf

مع تحيات محبكم إبراهيم رائد عبد الكريم

Ibraheem@esu.edu.sa

للاستفسار من خلال البريد الإلكتروني

Instructor's Name: Dr. Ibrahim read

The Great Depression: The Crisis of 1929:

Many people believe that the free market economy or capitalism was the reason behind the crisis of 1929 or the so-called Great Depression, but what they do not know is that the main cause of this crisis was completely contrary to what they think. The crisis occurred due to government interventions in the economy and the financial system through the US Federal Reserve on the one hand, and through government interventions in the economy, on the other hand.

This was the reason why the recession was so severe and difficult to treat, that it ended up creating a Second World War that caused millions of deaths.

Huge amounts of money and cheap credit were saved in the 1920s, which led to rapid expansion and creating an imaginary bubble of boom that always gradually leads to a fatal and severe recession, and this state or cycle is called the Boom and Bust Cycle. Anyone interested in economics should understand how this cycle works. And whoever causes it.

Economic crisis 2007-2008:

The economic crisis in 2007 led to a major recession, the most severe economic crisis since the recession of 1929, and the 2007 recession devastated financial markets around the world.

The crisis erupted because of the collapse of what was called the "real estate bubble" in the United States, which led to the collapse of the "Lehman Brothers" investment bank in September 2008, and many international financial institutions were on the brink of collapse.

Ending the crisis required unprecedented government bailouts, and the recovery took about 10 years, after the world lost millions of jobs and billions of dollars.

Oil Price Crisis 1973:

The crisis began when OPEC members (especially Arabs) decided to respond to the US decision to send arms shipments to Israel during the 1973 war.

The OPEC countries decided to announce an oil embargo and stop its exports to the United States and its allies. This led to a major shortage and a sharp rise in oil prices, followed by an economic crisis in the United States and many developed countries.

This crisis has led to hyperinflation (stemming from soaring energy prices) and an economic recession. As a result, economists have called this period "stagflation", meaning recession plus inflation. It took several years for production to recover and inflation to pre-crisis levels.