

Everyone's Smart University

Assignment 1 (Spring 2021)

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Section

Bachelor

Date

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Course Code

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

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للاستفسار من خلال البريد الإلكتروني

Instructor's Name: Dr. Ibrahim read

1998 Russian financial crisis

In August 1998, when the Russian government's Announced inability to repay foreign debt accumulated by the issuance of government bonds short-term.

The default on foreign loans, this was announced by the Russian government, which marked the beginning of a comprehensive financial and economic crisis in the country. This followed the collapse of Asian financial markets as one of the most significant external factors, but internally the Russian government had accumulated huge external debt and the price of oil and other ores collapsed.

The deficit of 1998 was manifested by a 3-fold decline in the ruble exchange rate against foreign currencies, the paralysis of the banking system, the bankruptcy of many banks and companies, the sharp decline in the income and Life level of Russian citizens and the loss of confidence in the national financial system.

However, on the other hand, the previous crisis created positive factors that increased the competitiveness of the national economy, and the decline in the ruble exchange rate strengthened the circulation of domestic goods in the internal market.

The crisis of 1998 eliminated the Russian economy from ineffective elements, opened the way to the development, activation and modernization of the economy, pushed the state to adopt budget planning, and capital went to work on the development of local industries.

1973 oil crisis

In the war of October 1973 ,Egypt agreed with Syria to use oil as a weapon against Israel, and OPEC decided to ban oil exports to Israel's allies. The boycott lasted for 5 months but the impact was significant. Less than two months after the war the Nasdaq lost 97 billion dollars and since that time Japanese industries, especially in the automotive field, began to compete with American products. The U.S. then began working at lightning speed to secure stockpiles that would fill its oil derivatives needs.

2019 coronavirus pandemic

This pandemic represents a significant threat to the stability of the world economy. An estimate by a University of Washington expert estimated the value of losses of more than \$ 300 billion on the global supply chain, and that the damage to it could last up to two years. Global stock markets collapsed as a result of a surge in the number of covid-19 cases outside China. On February 27th, due to lingering fears about the coronavirus pandemic, the US stock market index reported its steepest decline since 2008, with the Dow Jones Industrial Average falling 1,191 points and major economic indicators ending the week down more than 10%.

Tourism is one of the economic sectors most affected by the pandemic as a result of the travel ban, the closure of public facilities, including tourist places, as well as government travel warnings. Many companies canceled their flights due to lack of demand, and British regional airline Flybe also collapsed. The cruise industry suffered significant damage, and a number of train stations and ferry ports were also closed.