



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

Assignment 1 (Spring 2021)

Student Name

علاء الدين صلاح محرم محمد احمد ناشي

اسم الطالب

Students I.D 2021202043

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

Defining the term economic crisis :-

The term economic crisis can be defined as a situation in which severe and sudden disturbances occur in any component of the economic system, and the term economic crisis is called economic crisis, and the occurrence of economic crises leads to some economic phenomena such as the decline in stock prices of specific companies, and the occurrence of what is known as economic downturn. In addition to the high unemployment rate among individuals who are able to work, the occurrence of inflation in the prices of goods and services, as well as the direct impact of the economic crises on the banking sector, as the occurrence of these crises contributes to bank bankruptcy, leading to a general recession in the economy. Lightening the impact of the economic crisis and reducing the incidence of economic recession if the economic crisis is addressed in a timely and effective manner.

Coronavirus crisis : -

The emergence of the new Corona virus (Covid-19) in late December 2019 in China, and its transmission to more than 115 countries around the world, and its current toll reaching more than 115 thousand infections, including more than four thousand deaths, caused a state of global panic. And the outbreak of a serious economic crisis, the repercussions of which are still continuing until this moment, as "Black Monday" witnessed the collapse of world stock markets to their lowest levels since the end of 2008, and a state of continuous exhaustion of the global economy.

The spark of this crisis erupted at the end of January, after China decided to impose a quarantine on the city (Wuhan) where the disease appeared, and closed hundreds of factories after the end of the Chinese New Year holiday, and it was the first sectors affected by the consequences of the spread of the virus, tourism and transport, coinciding with Many countries have prevented entry to citizens from China and the countries where the disease appeared.

At the end of January, the consequences of the crisis developed economically, as global financial markets from Shanghai to Wall Street witnessed a decline in the prices of primary materials imported by China in large quantities, so oil prices fell between mid-January and early February by about 20% in relation to the stock markets, and the last week of February witnessed a collapse in the stock markets. Global indices fell in Europe and the United States by more than 12%, which has not been witnessed in the world since the 2008-2009 crisis when the global economy entered a recession, and this was only the beginning of an escalating crisis.

As a result of the expected risks of deflation, there are global moves to protect the economy from the consequences of the virus, so the US Federal Reserve announced on March 3 to reduce its main interest rates, and China pumped liquidity into its economy, while Italy, Germany and France sought to support their companies, and moves are still in place to save the global economy from the repercussions of the crisis. .

This crisis revealed that any problem in a Chinese factory could disrupt the supply chain for a whole group of companies in the world, as industrialists around the world from South Korea to the United States through Germany, Japan, Italy and France faced difficulties in sourcing parts and components that Usually produced by Chinese partners. The world is still now living the repercussions of this worsening crisis.