



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

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

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Instructor's Name: Dr. Ibrahim read

European Debt 2009

Also known as the "euro zone" crisis or the sovereign debt crisis.

The results of the financial crisis that occurred in the year 2008 and reached its climax between the years 2010-2012

The crisis began when European countries declared that they were unable to pay or refinance their government debts or bail out their beleaguered items, without help from outside financial institutions. It included the countries of the southern European region such as Portugal, Greece and Cyprus before it included Spain and Italy to a lesser extent , and put the entire region on the brink of economic collapse.

This sovereign debt crisis did not affect Europe only, but also spread to the United States, and the debate erupted between Republicans and Democrats for fear of a similar debt crisis in the United States in which the country with the largest economy in the world would be unable to overcome it.

With the intensification of concerns in early 2010 and beyond, the leading European countries implemented a series of financial support measures such as the European Financial Rescue Fund and the European Stability Mechanism. The European Central Bank also contributed to solving the crisis by lowering interest rates and providing cheap loans of more than a trillion euros in order to preserve on the flows of money between European banks. On September 6, 2012, the European Central Bank calmed down the financial markets by announcing free unlimited support to all Eurozone countries that participate in the state bailout program or the hedge program from the sovereign state through some crops that reduce direct monetary transactions.

The return to economic growth and improved structural deficits enabled Ireland and Portugal to exit bailout programs in July 2014.

The crisis had major adverse economic and labor market effects, with unemployment rates in Greece and Spain reaching 27%, and the poor economic growth was blamed not only for the entire euro area but for the entire European Union and as such it can be said that it had a major political impact on the ruling governments in 10 Out of the 19 countries in the eurozone, which contributed to power shifts in Greece, Ireland, France, Italy, Portugal, Spain, Slovenia, Slovakia, Belgium and the Netherlands, as well as outside the eurozone in the United Kingdom.

The Oil crisis of 1973

It began on October 15, 1973, when members of the Organization of Arab Petroleum Exporting Countries "OPEC" (consisting of the Arab member states of OPEC in addition to Egypt and Syria) declared an oil embargo "to push Western countries to force Israel to withdraw from the Arab territories occupied in the 1967 war," OPEC" announced that it Oil supplies to the United States and other countries that support Israel in its conflict with Syria, Egypt and Iraq will be cut off.

At the same time, OPEC members agreed to use their influence over the mechanism of controlling oil prices around the world in order to raise oil prices, after the failure of negotiations with the major oil companies called the "Seven Sisters" earlier that month.

Since most industrial economies depend on crude oil, OPEC has been their primary supplier of oil. Due to the dramatic inflation during this period, mainstream economic theory blamed these price increases as suppressing economic activity. However, the causal relationship mentioned by this theory is often questioned. The target countries have responded with broad, mostly permanent, initiatives to contain their future dependence on others .The 1973 oil crisis, along with the stock market crash 1973-1974, was considered the first event since the Great Depression, with persistent economic implications.



Corona pandemic and its impact on the global economy

A new economic study concluded that the Coronavirus pandemic and the accompanying harsh lockdown measures have cost the global economy about \$ 3.8 trillion, a number expected to rise.

Researchers noted that 147 million people lost their jobs around the world, causing salary payments to drop by \$ 2.1 trillion.

The level of global consumption decreased by 4.2 percent, equivalent to \$ 3.8 trillion, which is equivalent to the GDP of a country like Germany.

The cost of the repercussions resulting from Corona exceeds the costs of the wars that the United States fought in Afghanistan and Iraq combined.

As expected, the tourism and travel sector was the most affected among the economic sectors, due to the cancellation of flights and the closure of many countries of their borders, especially in Asia, Europe and the United States.

As a result of the orders to close and close the borders, the world lost the interconnectedness and connection it enjoyed before the pandemic that began in late 2019 in the Chinese city of Wuhan.

