



جامعة الجميع الذكية
EVERYONE'S SMART UNIVERSITY

Everyone's Smart University

Assignment 1 (Spring 2021)

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الرقم الجامعي :

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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للاستفسار من خلال البريد الإلكتروني

Instructor's Name: Dr. Ibrahim read

The Covid -19 Crisis

Since its emergence in 2020, the Covid-19 pandemic in Wuhan , china, has hit world economy hard within 12 months, four billion people were trapped in their homes, and the economic effects of the pandemic consumed years of high growth. The international Monetary fund indicated a global contraction estimated at around 4.9 percent for 2020, in 2021, it rose by about 5.6 .And ,although this is a good rise , it's about six percentage points below the levels that would have occurred if the pandemic had not existed.

The magnitude of the macroeconomic losses from 7 trillion previously estimated to 12 trillion.

The impact of COVID-19 on the economy:

The sudden economic turmoil caused by the new coronavirus has greatly affected many sectors, including the travel industry, which is considered an indicator of losses that hit the economic sectors, the cause of fears of infection transmission via aircraft, as the closure of countries to their borders had a severe impact on this sector, In response, airlines suspended their flights and laid off employees, which negatively affected other economic sectors such as tourism and the exchange of goods and services.

A sharp drop in economic activity

The rapid spread of the Corona virus, which was first discovered in China, forced a number of countries to close for a long time in 2020, which contributed to a significant decrease in economic activity.

As a result, gross domestic product (GDP) has fallen to record levels in many economies. The International Monetary Fund (IMF) has predicted that the global economy will contract by 4.4 percent this year, before recovering and reaching 5.2 percent in 2021.

Although the global economy began to recover somewhat, the International Monetary Fund warned that a return to pre-epidemic levels will be distant, unbalanced and uncertain, according to what was reported on the US "CNBC" site.

There are many effects that caused the Corona pandemic to the world economy.

The Credit Crisis 1772:

This crisis began in London and spread throughout Europe, when Britain built enormous wealth through its colonial possessions and trade in the 1860s. This led to excessive optimism and rapid credit expansion by many UK banks. This optimism came to an abrupt end on June 8, 1772, when Alexander Fordyce, one of the partners of the British bank "Neil, James, Fordyce and Down" fled to France, to escape his debts.

1997 Asian Crisis:

The crisis began in Thailand in 1997 and has spread very quickly to East Asian countries. Capital inflows have affected epilepsy among the nations known as the* Asian Tigers *

In July 1997, the Thai government was forced to abandon the fixed exchange rate against the US dollar, which it had maintained for a long time, due to a lack of foreign exchange resources.

This led to a wave of panic in the Asian financial markets, which was quickly reflected in foreign investment, which reached billions of dollars.

As panic spread in the markets and investors became increasingly concerned about the potential bankruptcies of East Asian governments, fears of a global financial meltdown began to spread, and it took years to recover.