The 1970s Oil and Energy Crises

Explain the cause(s) or the story behind the recession.

The oil crisis is taken into account to be a big increase in oil prices, causing major decline within the global economy. However, oil is a vital production factor for the gross economy. The oil crisis isn't solely an imbalance of oil demand with limited oil supply But there are still problems in international politics as another reason for crisis. The first oil crisis occurred in 1973, when the worldwide economy began to expand. As a result, the oil demand has increased, while conditions of war became accelerated. Also the value of oil is rising rapidly. Energy economists first analyed the causes of oil shock were the reduction in oil producer output came at a time of economic expansion. The world's drilling capacity is now limiting Investment within the oil and gas industy was finish off non-OPEC producers increased output

What happened to GDP (or growth rate), unemployment, and inflation of affected counties?

Industrial countries, oil consumers and plenty of developing countries That don't have oil resources and still should depend on imported fuel from abroad in economics. The main affected on the balance of trade and therefore the balance of payment, on the price of production and merchandise prices, economic stability, the balance of trade also payments.