

Research Project 1

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Instructions

1. Do research on 4 economic crises:
 - The 1930s Great Depression
 - The 1970s Oil and Energy Crises
 - The 1997 Asian Financial Crisis (Tom Yum Kung Crisis)
 - The 2007-2008 Global Financial Crisis (Hamburger Crisis)
2. Answer the questions WITHIN the space provided.
(ห้ามเขียนเกินหน้ากระดาษที่กำหนดไว้)
3. You can do your work on the IPAD or the printed worksheet (scan and submit), but DO NOT TYPE.
(สามารถ Print แล้วเขียนแล้ว Scan ส่งได้ หรือเขียนบน IPAD แล้วส่งก็ได้ แต่ห้ามพิมพ์)
4. The submission is via Moodle, and the deadline is on Sunday, 7th March.
5. Any student committing plagiarism or suspected plagiarism will receive a mark of 0.

Grading Criteria

- A full mark will be awarded to those who can CORRECTLY answer the questions in the MOST CONCISE and EASY-TO-UNDERSTAND manner.
- Grammatical mistakes will have NO effect your mark, but please try to make your answer as readable as you can.
- You are not required to use all the space provided. Some questions require shorter explanations. As previously mentioned, the more concise, the better.

Hints / Tips

- Probably, you can start by looking through Wikipedia or Investopedia.
- After that, please have a wide range of research.
- Youtube will certainly help.
- Please note that some websites may contain wrong information.
- You can also add some numerical data of ONE country that was affected by the recession to support your answer for the second question.

The 1930s Great Depression

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

Throughout the 1920s, the U.S. economy expanded rapidly, and the nation's total wealth more than doubled between 1920 and 1929, a period dubbed "the Roaring Twenties".

The stock market, centered at the New York Stock Exchange on Wall Street in New York City, was the scene of reckless speculation, where everyone from millionaire tycoons to cooks and janitors poured their savings into stocks. As a result, the stock market underwent rapid expansion, reaching its peak in August 1929.

Then, production had already declined and employment had risen, leaving stock prices much higher than their actual value. Additionally, wages at that time were low, consumer debt was proliferating, the agricultural sector of the economy was struggling due to drought and falling food prices, and banks had an excess of large loans that could not be liquidated.

The American economy entered a mild recession during the summer of 1929, as consumer spending slowed and unsold goods began to pile up, which in turn slowed factory production. Nonetheless, stock prices continued to rise, and by the fall of that year had reached stratospheric levels that could not be justified by expected future earnings.

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

The GDP was decreasing rate due to production had already declined and unemployment had rose, leaving stock prices much higher than their actual value. Additionally, wages at that time were low, consumer debt was proliferating, the agricultural sector of the economy was struggling due to drought and falling food prices, and bank had an excess of large loans that could not be liquidated.

The 1970s Oil and Energy Crises

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

By the early 1970s, American oil consumption - in the form of gasoline and other products - was rising even as domestic oil production was declining, leading to an increasing dependence on oil imported from abroad. Despite this, American worried little about a dwindling supply or a spike in prices, and were encouraged in this attitude by policymakers in Washington, who believed that Arab oil exporters couldn't afford to lose the revenue from the U.S. market. These assumptions were demolished in 1973, when an oil embargo imposed by members of the Organization of Arab Petroleum Exporting Countries (OPEC) led to fuel shortages and sky-high prices throughout much of the decade.

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

The GDP or growth rate was decline about because the crude oil price was exceeded by 350% since 1973. The unemployment rate became very high. Moreover, the rate of inflation increase extremely high since the rest of the decade to the beginning of 1980. However, after the recession ended, the unemployment rate reached its peak to 9.5% in the United States.