

Cases of Financial Crisis

BFI Lecture 8.2.

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- 1 Cases of Financial Crises in the US
- 2 Financial Crises in the Rest of the World

The Great Depression

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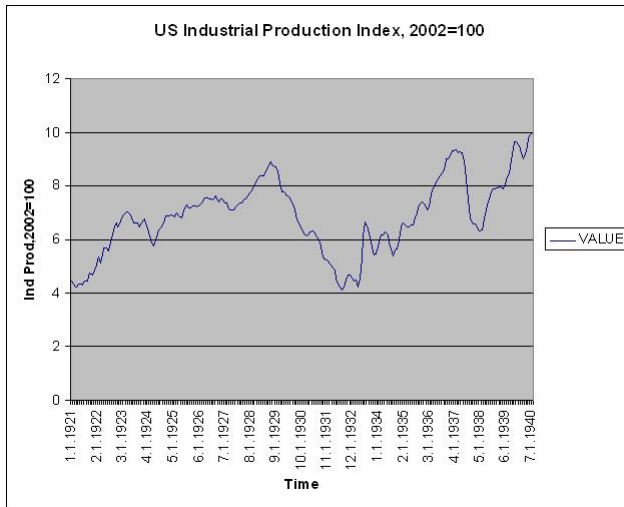
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- What was the unemployment rate?

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- 5 Economy stagnated

Exacerbating factor: The Government.

- 1 large budget deficits
- 2 foreign investors refuse to lend + increased interest rates
- 3 the G forces local investors to lend but does not repay back
- 4 net worth of local investors and banks goes down