

GloboTrends wiki digital textbook: Credit crisis 2007-2009:history of economic crisis and currency devaluations

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- [Credit crisis 2007-2009](#)
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see document here: <http://www.scribd.com/doc/9376716/Financial-Crises-Past-Present>

charts & graphs: comparing crisis 09 to past:

http://www.cfr.org/content/publications/attachments/2009OutlookFinal_Long.pdf

Banking Crises

see our discussion on [banking crisis](#)

History of Crises

[Stock Market Crash of 1929](#), also called the Great Crash or the Wall Street Crash, leading to the [Great Depression](#)

1960's - Vietnam War

Latin America crisis

If there is an economic crisis...military steps in, fixes things, then goes back to barracks, but in 1960's...what happened, was the military regimes didn't leave. But, instead of solving, in this time, they made things worse....in Brazil...disaster...military didn't stop spending..They spent more, and borrowed more...and also were brutal. In 60's this was a theme.

1973 - oil crisis

Stock market crash of 1973-4

1979-1980 - energy crisis

Early 1980s recession - 1982 and 1983, caused by tight monetary policy in the U.S. to control inflation and sharp correction to overproduction of the previous decade which had been masked by inflation

Great Commodities Depression - 1980 to 2000, general recession in commodity prices

Latin America debt crisis - 1980s -

Mexico 1982 - default on debt....led to many other Latin Crisis...and "lost decade"

Black Monday - October 19, 1987

Black monday: lessons & analysis from FT.com 'Short View'

http://www.ft.com/cms/bfba2c48-5588-11dc-b971-0000779fd2ac.html?_i_referralObject=567134059&fromSearch=n

Early 1990s recession - 1990 to 1992, collapse of junk bonds and a credit crunch in the United States leads to one quarter of US GDP decline, and therefore not an official recession.

Japanese recession - 1990 to 2003, collapse of a real estate bubble and more fundamental problems halts Japan's once astronomical growth

United Kingdom - 1992 - when George Soros "broke the bank of England" by currency speculating against the European currency unit peg

Mexico crisis 1994 - http://en.wikipedia.org/wiki/1994_economic_crisis_in_Mexico

Asian Crisis 1997

SE Asia Crisis - 1997 & 1998 http://en.wikipedia.org/wiki/Asian_financial_crisis

South Korea - 1998

Russia - 1998 http://en.wikipedia.org/wiki/Russian_financial_crisis

USA - Long term capital management - hedge fund meltdown - 1998 - causes were SE Asia Crisis of 1997, and Russia crisis of 1998

http://en.wikipedia.org/wiki/Long-Term_Capital_Management

Brazil - 1999 - currency Real was pegged to US dollar, then forced to float

[Early 2000s recession](#) - [2001](#) to [2003](#): the collapse of the [Dot Com Bubble](#), [September 11th attacks](#) and [accounting scandals](#) contribute to a relatively mild contraction in the [North American](#) economy

Argentina 2001 -2002

Uruguay 2002

USA - subprime crisis / credit crunch - 2007

Global macro economic events that effected Argentina

see [Argentina - Macroeconomic issues](#)

1. The USD appreciated, pulling the peso up with it.
 - * vs the Japanese Yen after 1995 (why? due to earthquake?)
 - * vs currencies of SE Asia after 1997 (crisis of 1997 and 1998)
 - * vs european currencies in 1999 and 2000
2. Commodities prices were low
 - * terms of trade = negative
3. Brazilian currency devalued in 1999
 - * making Argentinian exports to Brazil non-competitive, and flooding the Argentinian market with Brazilian imports