HOW TO REDUCE THE IMPACT OF GLOBAL FINANCIAL CRISES IN THE FUTURE IN EUROPE? DERIVED FROM ECONOMIC DEPRESSIONS IN THE PAST

Marvin Teschner

6317190017

SUBMITTED IN THE PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE DEGREE OF MASTERS IN BUSINESS ADMINISTRATION

INTERNATIONAL PROGRAM, GRADUATE SCHOOL OF BUSINESS,

SIAM UNIVERSITY, BANGKOK, THAILAND

2023

Title of Research:	How to Reduce the Impact of Global Financial Crises in the Future in Europe? Derived from Economic Depressions in the Past
Author:	Marvin Teschner
ID:	6317190017
Major:	International Business Management
Degree:	Master in Business Administration (International Program)

This is independent study has been approved to be partial fulfillment in

Master of Business Administration Program

....

(Dr. Tanakorn Limsarun)

Advisor

Date..

....

(Assoc. Prof. Dr. Jomphong Mongkolvanich)

Dean, Graduate School of Business

Siam University, Bangkok, Thailand

Date Nov 9, 2023.

Research Title : How to Reduce the Impact of Global Financial Crises in the Future in Europe? Derived from Economic Depressions in the Past

Researcher : Marvin Teschner

Degree : Master of Business Administration (International Program)

Major : International Business Management

Advisor : ……………………………………

(Dr. Tanakorn Limsarun)

……….. / …………… / …………

Abstract

This research paper aims to examine the financial crisis in Europe and its impact on the region. The paper will begin by summarizing the central aspects of the crisis and then proceed to investigate the causes and impacts of the financial crisis. Additionally, the paper will explore possible strategies for avoiding an economic recession in Europe. The current crisis in Europe is a complex issue that has been exacerbated by a number of factors, including the slow recovery from the COVID-19 outbreak, the ongoing drought that has affected much of the continent, the recent energy shortage, rising inflation, supply disruptions, and the significant concern over Europe's economic future brought on by Russia's conflict in Ukraine. These events have collectively had a negative impact on global economies. To investigate the seriousness of the situation, the paper will employ an empirical research approach, which will provide a detailed analysis of the financial crisis in Europe. This research will demonstrate the complexity of the current situation in Europe, and will ultimately lead to the conclusion that it is better to prevent a crisis than to respond to one after it has occurred. By taking preventative measures, it may be possible to mitigate the negative effects of the crisis. However, according to projections for the entire global economy, a recession is all but certain to occur. Therefore, politicians must take the necessary steps to lessen the impact of the crisis. If politicians fail to take action or place more emphasis on the immediate costs of action than the long-term benefits, it could result in a financial crisis in Europe. In conclusion, this research paper explores the causes and impacts of the financial crisis in Europe and examines possible strategies for avoiding an economic recession in the region.

Keywords: Financial crisis, Recession, European Economy.

ACKNOWLEDGEMENT

In this section, I would explain that I cannot enough thanks to express my gratitude to my advisor Dr. Tanakorn Limsarun, Dean, Graduate School of Business, Siam University, Thailand for a caring supervision by means of his educational excellence. My completion of this paper could not have been accomplished without the support of Dr. Tanakorn and Siam University. I am most thankful to the deep understanding and caring of this paper. Much appreciated and duly noted.

Marvin Teschner
2.11.2023

CONTENTS

1. Introduction

1.1 Research Background

There are many problems related to the financial crisis, Smith, (2022) stated that the governments of Europe must decide whether to face an energy crisis or a financial disaster. According to Kenton, (2021), a serious energy shortage, rising inflation, supply interruptions, and tremendous concern about Europe's economic future have resulted from Russia's war in Ukraine, a slow recovery from the Covid-19 outbreak, and drought across much of the continent. War in Ukraine has had the biggest impact on the European economy due to the agreed ban on almost 90 percentage of all Russian oil imports by the end of the year. This has disrupted supply chains and routes used, propelling the path toward an inevitable recession. (Stackpole, 2022).

According to Mounier, 2022, governments are moving quickly to provide aid to those who need it most. Despite widespread uncertainty, most people agree that a recession is on the horizon. According to (Pedisic, 2022), one possible reaction is to allow energy prices to grow, giving the private sector time to readjust. For manufacturers, this would mean more significant expenses; for homeowners, it would mean higher heating bills; and for everyone, it would mean less money to spend on other things. An analogy that best describes this scenario is the energy price shock of 1979 and the subsequent economic downturn, argued by Kenton, (2021). According to the argument of Chuck, (2018), the magnitude of the downturn usually exceeds that of the original price shock.

1.2 Research Problems

The recent financial crisis brought to light the urgent requirement for increased oversight and regulation inside the banking industry. For this reason, the European Commission has proposed roughly 30 different rules to ensure that all financial players, products, and markets are suitably regulated and effectively supervised. These rules are the basic framework for all the 28 member states of the E.U. and are the pillars of a properly functioning single market for financial services. These regulations that ensued from the eurozone crisis added an extra dimension highlighting the need for a better governed and deeper monetary union for a single currency in the long run (European Commission, 2013).

The EU is the United States largest trading partner and has historically assisted in solving global political issues. Given that the banking crisis is projected to cause Europe to experience a new economic downturn and that the growth of extreme anti-EU parties in numerous countries is threatening E.U. unity and the Eurozone, U.S. interests inside the region might suffer significant harm. Financial unrest in some E.U. is commonly blamed on a lack of adequate regulation, which are essential factors contributing to this crisis. There are numerous problems in this regard SP Berkmen, (2011). One is how the United States will react to the bank run, which the National Security Council is meeting. Some U.S. banks that carry the debt of vulnerable French banks are at risk of contracting the European continent's instability Hartwel, (2020) financial problems in Europe. Findings from studies detail Europe's efforts to combat inflation in these historically trying times. Symptoms of previous global downturns are already appearing. The European economy now entered its greatest decline since 1970, following a post- recession bounce. This recession is quite significant in terms of the economic activity in the European region. Naturally, economies tend to grow, and when they don't, they raise a lot of concerns since it is considered an anomaly Porters & Arial, (2019). While the world's three greatest economies (United States, China, and the Eurozone) have reportedly all been slowing down recently. Even a relatively minor hit to the global economy over the next year could be enough to send it into recession. The current downturn is fairly typical of the type that calls for countercyclical policies to stimulate growth. Despite the global economy contracting at an alarming rate, policy support is being withdrawn in many nations due to inflation fears and a lack of fiscal leeway.

1.3 Scope of the Study

After decades of stability and growth within the European Union, the countries face several common and individual challenges. Therefore, the main focus of this paper will be to research the current situation, leading to the question if the European Union can build the unity and coherence required to succeed in a world that is becoming more divided and complex.

1.4 Research Significance

This study highlights how European nations face individual challenges, which are all connected, leading to the current instability, and uncertainties. The paper shows how fragile the system can be. For example, the 2008–2009 financial crisis hurt the global economy. Trust in the institutions that have brought exceptional development and riches is diminishing Wang et al., (2022). These shifts may shatter the global economic system. Rising trade tensions, disagreement with and within some global institutions, and weakening initiatives to solve cross-border issues like climate change, cybercrime, and refugee flows are indicators of fragmentation.

Another example was the subprime mortgage crisis which originated in the U.S. and led to a severe contraction of the financial markets. The crisis rapidly extended worldwide and caused the worst financial crisis and recession since the Great Depression. The beginnings of the financial crisis began during the years of rock bottom interest rates which propelled a housing price bubble in America that later spread to almost every other part of the globe. Many of this crisis's far-reaching effects have caught policymakers off guard, and it has compelled a reevaluation of the global interconnectedness of financial markets. A financial system crisis may have far-reaching consequences for the economy, including a slowdown, an increase in bankruptcies, and a spike in unemployment. As a result, it is essential to keep people apprised of potential hazards and to keep an eye out for developments and weaknesses that could trigger a financial meltdown. Working with other regulatory bodies in Europe and throughout the world to shape financial regulatory frameworks that improve stability and efficiency Smith, (2022) appears crucial.

2. Literature Review

2.1 Financial Crisis

Financial crises can be traced back to the Roman banking house crises of the 1st century, ever since financial problems recurred worldwide with increasing impact. While the world was getting more industrialized and finally starting to globalize, many nations suffered crises simultaneously, beginning with the Great Depression in 1932. This was the longest and the most devastating depression ever experienced by the industrialized western world. The event sparked fundamental changes in economic institutions and macroeconomic policies Pells & Romer, (2019). Within the following century, six significant crises should follow—the Suez Crisis (1956), the International Debt Crisis (1982), the Russian Economic Crises (1992-97), the East Asian Crisis (1997-2001), the Latin American Debt Crisis (1994-2002), and the Great Recession (2008). Each time, high growth rates and crashes during the year of financial turbulence preceding the global catastrophe. However, each crisis originates differently: domestically or externally, from private or public sectors with different shapes and sizes, evolving into various forms and rapidly spreading across borders. (Claessens & Kose, 2013).

One of the most recent crises is the eurozone crisis. This was the biggest challenge faced by the members of the European Union, and more significantly, it hit its administrative structures. This economic catastrophe began with Greece defaulting on its debts, and in three years, it escalated into sovereign debt defaults from Italy, Portugal, Italy, Ireland, and Spain (Amadeo, 2022).

Since the beginning of the Eurozone crisis in 2009, the European Union has seen several challenges, including a substantial influx of refugees, Brexit, the coronavirus pandemic, and Russia's invasion of Ukraine, Berkmen, 2(011). It is reasonable to expect that this crisis will continue for a while. A more challenging climate than the union has ever faced is created by geopolitical rivalry and unrest in adjacent countries, severe economic and social inequality, and increasing global warming. The previous ten years of crisis management by the E.U. have taught valuable lessons that can be applied to current and future problems.

Some initiatives intended to reduce risk at the level of individual institutions have inadvertently raised risk in the system as a whole. The need for more "zero risk" investments like government bonds is a significant factor in this development (Pedisic, 2022). Ample evidence suggests that the regulatory changes that accompanied the response to the financial crisis encouraged firms to deleverage and move into government bonds:

For example, higher capital ratios created more significant incentives for banks to strengthen their capitalization and encourage substitution out of retail-and-other-loan assets and into risk-free, more liquid government bond securities (Zer, 2016). To understand the issue properly, we must look at retailers' economic impact. Retailers make money by purchasing goods from suppliers and manufacturers. They usually raise prices well above the cost of labor and other expenses such as equipment and distribution (Estevez, 2022). Moving away from retail credit has been bad enough for the real economy. However, laws along these lines have had the added impact of driving different financial institutions into essentially uniformly identical risk exposure to government activities. The financial sector would be at risk in an area where it had not previously been considered to be at risk if, for example, more sovereign debt crises were to emerge in the Euro region. Although some Member States have acknowledged this is possible under current legislation, the ECB has discouraged reforms on correctly estimating sovereign risk because they may disadvantage European banks (Chuck, 2018).

2.2 Recession

In 2008, according to the study of SP Berkmen, (2011), the banking system in Iceland collapsed, setting off a chain reaction that primarily affected Portugal, Italy, Ireland, Greece, and Spain in 2009. This led to the rather derogatory moniker "the Eurozone debt crisis." This has caused consumers and investors to lose faith in European companies and economies. This phenomenon is commonly observed in developing countries, which in most cases, tend to have low economic growth due to financial insecurities. Many developing nations do not have adequate resources to stimulate the economy and protect their populations to the same extent as the developed nations, which explains their slow economic growth (Gurtner, 2010).

According to Gros & Alcide, (2010), the European countries financial assurances were motivated by their fear of a euro collapse and financial contagion. The International Monetary Fund's rapid response allowed them to get the situation under control. Attig et al., (2015) states that several countries in the Eurozone had their debt ratings cut recently. At one point, Greece's bonds were downgraded to junk status. As a condition of their bailout loans, countries had to implement austerity measures to reduce the increase in their public debt.

Since the beginning of 2018, consumer confidence and general sentiment regarding the state of the European economy have taken an unexpected turn for the worse Chuck, (2018). Since the fourth quarter of 2018, additional indicators such as industrial sentiment have turned negative and persisted throughout the year, and this is just looking at the benchmark Economic Sentiment Index (ESI) compiled by Eurostat, which has fallen precipitously due to declines in EU-wide and euro area GDP. According to Zer, 2(016), the unemployment rate in Europe has dropped to record lows, and consumer spending has been strong, but these positive trends may be the result of asset price inflation (the value of all assets in the Euro Area has risen by 19.2 percent since 2014, according to the Floss Bach von Storch Research Institute in Germany). However, since businesses across Europe plan to reduce investment, it is unrealistic to expect these promising outcomes to last, as stated by Dermine, (2013). Particularly in southern Europe, banks have grown highly dependent on borrowing from the European Central Bank, even as price/earnings ratios have risen significantly from their levels just before the recession in 2007, according to Stephany, (2009). The signals are there that Europe's tepid recovery after the conclusion of the euro crisis in 2013 has petered out, and a recession may be on the horizon.

2.3 European Economy - Impact/ Outlook (in different countries)

Germany: Germany, Europe's largest economy, is expected to enter a recession in 2023, as defined by the OECD, with GDP declining for at least two consecutive quarters. While a growth of 1.7% was predicted for German production in 2019, economists now predict a 0.7% decline instead. Germany probably will suffer most this winter from the energy shock (Kenton, 2021). German manufacturing, which is very vulnerable to disruptions in energy supplies, accounts for a large share of the German economy, hence a recession is to be expected. The French finance ministry expects a 1% growth in 2023 budget projections, while the Italian and Spanish ministries expect growth of 0.4% and 1.5%, respectively, and all three countries are projected to avoid recession.

Russia: Russia's unjustified and unprovoked war on Ukraine has prompted sanctions primarily aimed at weakening the country's ability to finance the war, which has necessitated the need for these sanctions to be quite extreme. The restrictive measures are not necessarily aimed at Russia's general population; however, they still feel the impact in one way or another (European Council, 2022). The conflict and the sanctions have severely hampered the global economic recovery during the COVID-19 recession. Russia's economic growth is predicted to slow by 30 years due to the war.

United Kingdom: It was reported that the United Kingdom is currently amid a "mild four-quarter recession," which started in the second quarter. The reason is, with inflation already hovering around 10% and predicted to grow much further throughout the winter, consumers will be hesitant to splash the cash in the coming quarters. Interest rates at the Bank of England are currently at 2.25%, but it is expected to rise to 3.25% by February 2023 (Smith, 2022). This will significantly reduce economic activity and help return inflation to the 2% goal over the next few years. There will be significant protection for household budgets against an even stronger inflation strain over the winter thanks to government fiscal support measures, especially the upper limit established on typical household energy bills.

"Brexit"

In a referendum held in June 2016, the people of the United Kingdom decided to break away from the European Union. The result of the vote emboldened Eurosceptics across Europe, and many began to wonder if other countries would follow Britain's lead and withdraw from the European Union. Brexit finally occurred on January 31, 2020, after months of negotiations, although it did not spark a mass movement of countries leaving the European Union. Campaigns have portrayed the European Union as a "sinking ship," and it is widely believed that this movement gained traction due to the debt crisis. The departure of the United Kingdom from the European Union has significantly impacted both sides since it has affected labor mobility and the overall output of jobs. The bonds between U.K. and E.U. ran deep since the U.K. was among the 27's biggest economies and trading partners, accounting for roughly 13 percent of the whole region's participation in the trade of goods and services (Chen et al., 2018).

Italy: Banks in Italy were already struggling by the middle of 2016 due to various factors, including market instability caused by Brexit, questionable performance by politicians, and a poorly managed financial system. The Italian banking system required a massive bailout since 17% of all loans, or over $400 billion, were nonperforming (Mounier, 2022). Due to its enormous economy, Italy poses a greater threat to the European economy than Greece, Spain, or Portugal. Italy has frequently sought the E.U. for assistance, but new "bail-in" regulations ban countries from bailing out financial institutions with government money without investors bearing the first loss.

3. Research Methodology

In order to conduct research on the subject of the financial crisis in Europe and the various strategies for mitigating the effects of the financial crisis in Europe, the empirical research methodology was utilized. Empirical researchers like to base their investigations on tangible instances and data collected from the real world whenever it is practicable to do so. In other words, all of the evidence that is presented in this study is derived from the various articles and literatures that have been written by other academics on the subject of the financial crisis in Europe. It has been utilized to validate a wide variety of hypotheses and contribute to the expansion of human knowledge on the prevention of financial crises. In this particular piece of empirical study, the qualitative research approach has been utilized for the purpose of examining the manner in which the government has attempted to address the problem of the ongoing monetary crisis.

4. Findings & Conclusion

Findings

The outlook for the general global economy predicts that a recession is almost unavoidable. The ongoing war in Ukraine continues to cause a strain on trade, and this is more pronounced in Europe than in any other region. This occurs as the markets wait for a full recovery as the Chinese markets reopen following months of the disruptive Covid-19 lockdowns (Garver, 2022). According to a new estimate by the World Bank, if central banks around the world continue to raise interest rates in response to inflation, this could lead to a global recession in 2023 as well as a succession of financial collapses in emerging market and developing countries (Gros & Alcide, 2010).

The increasing energy prices will push most European countries' inflation substantially, with the U.K. hitting a 10% increase, a figure roughly five times higher than the target set by the bank of England (Lawson & Mason, 2022). The Bank of England will raise interest rates from 2.25% to 3.25% by February 2023, drastically chilling the economy to get inflation back to its 2% target in the long run. Volatility in the pound's exchange rate and the gilt markets that persists or worsens might lead to more unfavorable financing circumstances and exacerbate the overall economic environment beyond the global and regional dangers associated with the current war in east Europe. The Ukraine war has raised a lot of concern in regard to the affordability of energy in Europe. Europe is facing a deepening energy crisis as it prepares for winter. Gas prices have reached a record high, and supplies are running low (Melimopoulos, 2022). Managing the upcoming energy shortage and of manufacturing industries and European economies, in general, might become just as important as the financial challenges in determining the outcome. Companies in energy-intensive industries are already feeling the effects of the sharp rise in energy prices, which is causing them to cut back on operations (Smith, 2022). When it comes to solving energy issues, most governments prioritize households and public services like hospitals. This is where the impact of a recession would be felt most strongly across Europe this coming winter. The manufacturing sector may be the first to feel the effects of gas and electricity cuts should the energy crisis intensify. Since this industry accounted for 23 percent of the EU GDP in 2021, the World Bank estimates that this will severely impact European economies. Governments could use fiscal policy to ease the pain, but they should not spend too much and make inflation worse. Although fiscal support can help cushion the impact of high energy costs on households and businesses, incentives to reduce energy consumption might be even more critical, as the government cannot keep giving out money to raise living standards when inflation is high. Likely, the energy sector will not return to normal for years, no matter how the governments handle this crisis in the short term.

Conclusion

Excellent contingency planning might be the key to minimizing the outcome of those crises: Work to avert economic collapse requires a high level of preparedness: An effective crisis organization with established protocols for making decisions and a range of support measures is essential for handling any type of crisis. As a result, the Riks bank frequently participates in crisis management exercises alongside other government agencies and private sector organizations (Attig et al., 2015).

Macroeconomic policies to manage capital flows and reduce financial risks: Macroeconomic policies that aim to reduce or eliminate major external and internal imbalances are an important first line of defense against economic and monetary collapse. Boom-and- bust cycles are a common source of economic instability because of the complex interplay between macroeconomic causes and vulnerabilities in the financial and business sectors (Pinnuck, 2011).

For instance, if financial firms engage in overly risky lending due to lax regulation and government assurances of financial liabilities, the economy may boom.

5. Recommendations

Considering the research done in this paper, the following personal recommendation is to take precautions ahead of time to avoid a crisis is preferable to reacting to it after the fact. However, policymakers frequently yield to other influences. If politicians prioritize the short-term costs of action over the long- term benefits, governments may fail to take necessary measures. A possible contributor is faulty research and analysis. There is a strong lobbying effort from those who stand to lose from legislation that will reduce the likelihood of crises. Efforts to strengthen it have an immediate negative impact on bank owners, managers, shareholders, and politically-connected businesses is necessary. At the same time, the positive effects are slow in coming and widely dispersed. Policymakers change their actions based on the lessons they learn from disasters. Particular focus should be paid to the part played by the regulatory measures that are being implemented to cope with it. As shown in this paper the situation in Europe is complex. Therefore stating clear recommendation for the future are hard to make. However some crucial points to consider are:

- Avoiding a recurrence of the 2008 financial crisis hinges on ensuring that loans are not overly concentrated in any one economic sector, area, or category of assets.
- In light of the lessons learned from the response to the COVID-19 epidemic, the central bank's function as a lender of last resort needs to be reevaluated.
- Changes to managerial remuneration structures are needed so executives are not incentivized to gamble with shareholders' money.
- Become self-sufficient as a European union to eliminate the independence for resources of other countries

A further option for the Governments, as the Policymakers, could be to implement fixed or quasi-fixed exchange rates to:

- Minimize currency rate volatility
- Prevent nominal appreciation and ensure foreign competitiveness
- Give a nominal anchor to sustain internal stability.

However, fixed or pegged exchange rates may become unsustainable and expensive as private capital inflows accelerate. They can negatively impact domestic macroeconomic goals, such as lowering unemployment and causing inflationary pressures. When capital flows increase, governments often respond by building up their reserves in an effort to steady the exchange rate and prevent a sudden reversal.

References

Amadeo, K. (2022). *Eurozone debt crisis: causes, cures, and consequences*. The Balance. https://www.thebalancemoney.com/ eurozone-debt-crisis- causes-cures-and-consequences-3305524

Attig, N., Boubakri, N., El Ghoul, S., & Guedhami, O. (2015). The global financial crisis, family control, and dividend policy. *Financial Management*, *45*(2), 291–313. https://doi.org/ 10.1111/ fima.12115

Berkmen, S. P., Gelos, G., Rennhack, R., & Walsh, J. P. (2012). The global financial crisis: Explaining cross-country differences in the output impact. *Journal of International Money and Finance*, *31*(1), 42–59. https://doi.org/10.1016/ j.jimonfin.2011.11.002

Chen, Ebeke, C., Lin, L., Qu, H., & Siminitz. (2018). *The long- term impact of Brexit on the European Union*. IMF. https://www.imf.org/en/Blogs/Articles/2018/08/10/ blog-the-long-term-impact-of-brexit-on-the-eu

Chuck, F. (2018). *How we can prevent another financial crisis*. Futurity. https://www.futurity.org/financial- crises- regulation-insolvency-1712122/

Dermine, J. (2013). Bank regulations after the global financial crisis: Good intentions and unintended evil. *European Financial Management*, *19*(4), 658–674. https://doi.org/10.1111/ j.1468-036x.2013.12017.x

Estevez, E. (2022). *The retail industry and its impact on the economy*. The Balance. https:// www.thebalancemoney.com/what-is-retailing-why-it-s- important- to-the-economy-3305718

European Commission. (2013). *Press corner*. European Commission. https://ec.europa.eu/ commission/ presscorner/detail/de/MEMO_13_679

European Council. (2022). *Impact of sanctions on the Russian economy*. Consilium Europa. https:// www.consilium.europa.eu/en/infographics/impact-sanctions- russian-economy/

Garver, R. (2022). *World economic Outlook for 2023 increasingly gloomy*. VOA. https:// www.voanews.com/a/ world-economic-outlook-for-2023- increasingly-gloomy-/ 6850942.html

Gros, D., & Alcidi, C. (2010). The impact of the financial crisis on the real economy. *Intereconomics*, *45*(1), 4–20. https:// doi.org/ 10.1007/s10272-010-0320-0

Gurtner, B. (2010). The financial and economic crisis and developing countries. *Revue Internationale de Politique de Développement*, 1, 189-213. https://doi.org/10.4000/poldev.144

Jean-Luc Mounier. (2022). *Severe economic slowdown' awaits Europe as energy crunch bites*. France 24. https://www.france24.com/en/business/20220929-severe-economicslowdown-waits-europe-as-energy-crunch-bites

Kenton, W. (2021). *European sovereign debt crisis definition*. Investopedia. https:// www.investopedia.com/terms/e/european-sovereign-debt- crisis.asp

Lawson, A., & Mason, R. (2022). *UK inflation will hit 18% in early 2023, says leading bank Citi*. The Guardian. https://www.theguardian.com/business/2022/aug/22/ uk-inflation-will-hit-18-per-cent-in-early-2023-says-leading- bank-citi-gas- electricity

Melimopoulos, E. (2022). *How bad could Europe's energy crisis get this winter?* Aljazeera. https:// www.aljazeera.com/news/2022/10/4/how-bad-could-europes- energy-crisis-get-this-winter

Pedisic, R. (2022). Cointegration analysis of financial market indices during financial shocks focus on global financial crisis and COVID-19 pandemic crisis. *Bulletin of Applied Economics*, *Risk Market Journals*, *9*(2), 59-78.

Pells, R. H., & Romer, C. D. (2019). Great depression. In Encyclopædia Britannica. https://www.britannica.com/event/Great-Depression

Pendleton, A. (2019). Financial participation in Europe: Opportunities and risks for employees. *SSRN Electronic Journal*. https://doi.org/10.2139/ ssrn.3449940

Pinnuck, M. (2011). To what extent has financial accounting contributed to the global financial crisis? *Australian Accounting Review*, *21*(1), 1–2. https://doi.org/10.1111/ j.1835-2561.2010 .0 0125.x

Porters, C., & Arial, C. (2019). *A review of past recessions*. Investopedia. https:// www.investopedia.com/articles/economics/08/past- recessions.asp

Stackpole, B. (2022). *Ripple effects from Russia-Ukraine war test global economies*. MIT Sloan. https:// mitsloan.mit.edu/ideas-made-to-matter/ripple-effects-russia- ukraine-war-test-global-economies

Stephany. (2009). *The financial crisis and its impact on developing countries, international policy centered for inclusive growth*. Research Gate. https:/ www.researchgate.net/ publication46463126_The_Financial_Crisis_and_Its_Impact_on_ Developing_Countries#

Wang, C., Wang, D., Abbas, J., Duan, K., & Mubeen, R. (2021). Global financial crisis, smart lockdown strategies, and the COVID-19 spillover impacts: A global perspective implications from Southeast Asia. *Frontiers in Psychiatry*, 12. https://doi.org/ 10.3389/fpsyt.2021.643783