

Question Bank

The Second Semester

Subject: Financial Crisis

Stage: Fourth

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**Q/ The financial crisis consists of a compound term and is explained separately.**

**Q/Fill in the following blanks:**

1-A -----is a sharp deterioration in the----- of a country or a group of countries, and one of its most prominent features is the ----- to perform its main tasks, which is negatively reflected in a significant deterioration in the -----, which results in negative effects in the financial sector. ----- and -----, which results in a redistribution of ----- and ----- among the -----.

2- The systemic event means the occurrence of a -----as a result of ----- --.

3- There are two types of systemic events: -----and-----.

4- The dimensions of the financial crisis are represented by -----, -----, and----- --.

5- According -----investors will tend to -----of a certain range of assets, which makes them continue to -----on the-----to obtain the maximum return.

6-Excess liquidity resulting from -----or -----from financial devices supports the -----.

7- The----- that is the transfer of financial and currency crises or the fall of stock markets and their spread to other countries.

8-The pre-financial crisis stage is characterized by an increase in the -----, -----, and the --- -----, and the events are not defined.

9- The stage of the financial crisis is characterized by the inability to control the variables that cause the crisis, such as a -----, the -----, and the provision of----- to institutions by the government.

10- The phase of the financial crisis receding and ending is represented by the government changing its -- -----and the ----- , as well as the crisis passing through the stages of economic cycles, leading to the end of the crisis.

**Q/ What are the characteristics of the financial crisis?**

**Q/Define each of the following terms:**

- Financial Crisis
- banking crisis
- exchange rate crisis
- Credit risk
- Liquidity risk

**Q/ Why did the distortion of the incentive system cause the financial crisis?**

**Q / What is the content of the bubble burst theory?**

**Q / Why is the debt crisis considered one of the most dangerous financial crises?**

**Q / What are the reasons behind the failure to pay debts by the borrowing countries?**

**Q/What are the empirical models that explain financial crises? Explain them in detail.**