

ECO 300: In class activity

Please answer the following questions based on “Inside Job” we have watched in the class. Again, your description should include all details about global financial crisis, which are mentioned in the documentary of “Inside Job”

1. What are the causes of global financial crisis of 2008? What are the examples of financial innovation and complexity? Please explain them in detail. (2 point)

2. Analyze this housing crisis with the IS-LM model. You should have appropriate graphs (2 points).

3. Analyze how monetary policymakers may response to this crisis with the IS-LM model. You should have appropriate graphs (1 points).