The Great Recession of 2008

Backgrou

Prior to the recession, Wall Street firms were striving off of risk to the point where they no longer feared it but instead, abused it. During this time period excessive home building and investments in high risk mortgages alongside derivatives such as CDOs and MBSs created a housing bubble in which many were trapped. While Wall Street bankers walked away with bonuses, many homeowners defaulted on their mortgages as the housing bubble burst. This catastrophic event caused unemployment to rise 10% within the United States making the 2008 recession the largest economic downturn since the Great Depression.

Questions

The repercussions of the recession left many companies in debt/ filing for bankruptcy, why do you think this happened? What could the banks have done to prevent it?
Explain how the theory of the firm and greed had to do with the recession.
Using a micro and macroeconomic viewpoint explain how there were shifts in supply and demand throughout various markets.
Was government intervention necessary to resolve this issue? Did any monetary policies have an impact on this issue?
Which stakeholder had felt the greatest impact of this event? Did late government intervention have an effect on this?

Resources

ttps://www.forbes.com/sites/stevedenning/2011/11/22/5086/#2f76cc83f92f	https://www.weforum.org/agenda/2014/10/olivier-blanchard-financial-crisis-macroeconomics/	http://www.thirdway.org/memo/your-cheat-sheet-for-the-big-short	https://themarketmogul.com/causes-aftermath-2007-2008-financial-crisis/	https://www.federalreservehistory.org/essays/great_recession_and_its_aftermath