

**Übungsgruppe: Qianli Wang und Nazar Sopiha**

**Im Jahr 1929:**

<b>Genaues Datum des Ereignisses</b>	<b>Ereignis(inkl. Textbeleg)</b>	<b>Quelle</b>	<b>In der Quelle angegebene Quellen</b>	<b>Kommentare zur Glaubwürdigkeit, Verständigkeit der Quelle</b>
24.10.1929	<p>1. Stock market crash (the market dropped by 11%)</p> <p>2. Stock market became unstable for some time</p> <p>3. The cause(signal) of upcoming depression</p> <p>4. Dow Jones Industrial Average has risen up 10 times.</p> <p>5. Investors facing margin calls decided to get out of the market</p> <p>6. Record of 13m shares were traded and newspapers reported losses as high as \$5bn</p>	<a href="https://en.wikipedia.org/wiki/Wall_Street_Crash_of_1929">https://en.wikipedia.org/wiki/Wall_Street_Crash_of_1929</a>	<a href="https://web.archive.org/web/20081010121915/http://online.wsj.com/mdc/public/page/2_3047-djia_alltime.html">https://web.archive.org/web/20081010121915/http://online.wsj.com/mdc/public/page/2_3047-djia_alltime.html</a>	convincing
25-29.10.1929	1. The bubble explosion was followed by a 13% fall on Black Monday and a further 12% tumble on Black Tuesday	<a href="https://www.theguardian.com/business/2008/oct/04/useconomy">https://www.theguardian.com/business/2008/oct/04/useconomy</a>	-	not so convincing (because no original source), but another sources are giving the same information
June 1932	By June 1932, companies quoted on the New York stock exchange had lost 90% of their value and the world had changed utterly.	<a href="https://www.theguardian.com/society/2017/mar/04/crash-1929-wall-street-what-the-great-depression-reveals-about-our-future">https://www.theguardian.com/society/2017/mar/04/crash-1929-wall-street-what-the-great-depression-reveals-about-our-future</a>	-	we've checked this information and turned out that bottom date is 8.07.1932 (July, not June) and it fell to nearly 90%, so not really 90% ( <a href="https://www.politico.com/story/2013/07/this-day-in-politics-july-8-1932-093787">https://www.politico.com/story/2013/07/this-day-in-politics-july-8-1932-093787</a> ) (ORIGINAL SOURCE: U.S. LIBRARY OF CONGRESS)

Ursache	Textbeleg	Quelle	In der Quelle angegebene Quellen	Kommentare zur Glaubwürdigkeit, Verständigkeit der Quelle
<p>1. Stock prices have reached the peak.</p> <p>2. Too many people borrowed money to buy more stocks.</p>	<p>The huge increasingly gains and profits set up a crescendo of stock-exchange speculation that led hundreds of thousands of Americans to invest heavily in the stock market. A significant number of them were borrowing money to buy more stocks.</p> <p>Meanwhile, the rising share prices encouraged more people to invest, hoping the share prices would rise further. Speculation thus fueled further rises and created an economic bubble. Because of margin buying, investors stood to lose large sums of money if the market turned down—or even failed to advance quickly enough.</p>	<p><a href="https://en.wikipedia.org/wiki/Wall_Street_Crash_of_1929">https://en.wikipedia.org/wiki/Wall_Street_Crash_of_1929</a></p> <p><a href="https://www.theguardian.com/society/2017/mar/04/crash-1929-wall-street-what-the-great-depression-reveals-about-our-future">https://www.theguardian.com/society/2017/mar/04/crash-1929-wall-street-what-the-great-depression-reveals-about-our-future</a></p>	<p><a href="https://www.thirteen.org/wnet/newyork/">https://www.thirteen.org/wnet/newyork/</a></p> <p><a href="https://trove.nla.gov.au/newspaper/article/85141129">https://trove.nla.gov.au/newspaper/article/85141129</a></p>	Convincing
<p>3. Low wages, the proliferation of debt, a struggling agricultural sector</p>	<p>Stock market underwent rapid expansion, reaching its peak in August 1929 after a period of wild speculation during the roaring twenties. By then, production had already declined and unemployment had risen, leaving stocks in great excess of their real value. Among the other causes of the stock market crash of 1929 were low wages, the proliferation of debt, a struggling agricultural sector and an excess of large bank loans that could not be liquidated</p>	<p><a href="https://www.history.com/topics/great-depression/1929-stock-market-crash">https://www.history.com/topics/great-depression/1929-stock-market-crash</a></p> <p><a href="https://en.wikipedia.org/wiki/Wall_Street_Crash_of_1929">https://en.wikipedia.org/wiki/Wall_Street_Crash_of_1929</a></p>	<p><a href="https://www.history.com/news/what-caused-the-stock-market-crash-of-1929">https://www.history.com/news/what-caused-the-stock-market-crash-of-1929</a></p>	Convincing

### Im Jahr 1987

Genaues Datum des Ereignisses	Ereignis(inkl. Textbeleg)	Quelle	In der Quelle angegebene Quellen	Kommentare zur Glaubwürdigkeit, Verständigkeit der Quelle
19.10.1987	<p>1. The Dow Jones Industrial Average (DJIA) fell exactly 508 points (22.6%)</p>	<p><a href="https://en.wikipedia.org/wiki/Black_Monday_(1987)">https://en.wikipedia.org/wiki/Black_Monday_(1987)</a></p>	<p><a href="https://www.federalreserve.gov/Pubs/feds/2007/200713/200713">https://www.federalreserve.gov/Pubs/feds/2007/200713/200713</a></p>	Convincing

	<p>2. Large stock market crash</p> <p>3. The S&amp;P 500 and Wilshire 5000 indices each declined more than 18 percent and the S&amp;P 500 futures contract declined 29 percent.</p>		<a href="#">pap.pdf</a>	
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Ursache	Textbeleg	Quelle	In der Quelle angegebene Quellen	Kommentare zur Glaubwürdigkeit, Verständigkeit der Quelle
<p>1. The introduced tax bill</p> <p>2. Unexpectedly high trade deficit</p>	<p>The United States House Committee on Ways and Means introduced a tax bill that would reduce the tax benefits associated with financing mergers and leveraged buyouts. Second, unexpectedly high trade deficit figures announced by the</p>	<p><a href="https://en.wikipedia.org/wiki/Black_Monday_(1987)#Background">https://en.wikipedia.org/wiki/Black_Monday_(1987)#Background</a></p> <p><a href="https://www.thestreet.com/politics/black-mondays-1987-14738772">https://www.thestreet.com/politics/black-mondays-1987-14738772</a></p>	<p><a href="https://www.semanticscholar.org/paper/The-International-Crash-of-October-1987%3A-Causality-Malliaris-Urrutia/95462224b7f1c1f19f19665af598f3b501584a8c">https://www.semanticscholar.org/paper/The-International-Crash-of-October-1987%3A-Causality-Malliaris-Urrutia/95462224b7f1c1f19f19665af598f3b501584a8c</a></p> <p><a href="https://www.federalreserve.gov/Pubs/feds/2007/200713/200713pap.pdf">https://www.federalreserve.gov/Pubs/feds/2007/200713/200713pap.pdf</a></p>	<p>Convincing</p>
<p>3. The adjustment of trade deficits.</p> <p>4. The computer program-driven trading models</p>	<p>Computer program-driven trading models on Wall Street contributed to both the rise in stock prices to overvalued levels prior to the crash and the steepness of the decline.</p> <p>It is speculated that the roots of the crash lay in a series of monetary and foreign trade agreements— the Plaza Accord and the Louvre Accord—that depreciated the U.S. dollar in order to adjust trade deficits and then attempted to stabilize the</p>	<p><a href="https://www.investopedia.com/terms/s/stock-market-crash-1987.asp">https://www.investopedia.com/terms/s/stock-market-crash-1987.asp</a></p> <p><a href="https://www.investopedia.com/ask/answers/042115/what-caused-black-mondays-stock-market-crash-1987.asp">https://www.investopedia.com/ask/answers/042115/what-caused-black-mondays-stock-market-crash-1987.asp</a></p>	<p><a href="https://www.investopedia.com/terms/p/program-trading.asp">https://www.investopedia.com/terms/p/program-trading.asp</a></p>	<p>Convincing</p>

	dollar at its new lower value.			
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**c)** One of possible causes of stock crash in 1987 is relevant with computerization. (s.o. 4. Punkt in der Tabelle)

Computer, or “program trading,” was still relatively new to the markets in the mid-1980s. The use of computers enabled brokers to place larger orders and implement trades more quickly. In addition, the software programs developed by banks, brokerages, and other firms were set to automatically execute stop-loss orders, selling out positions, if stocks dropped by a certain percentage.

(<https://corporatefinanceinstitute.com/resources/knowledge/trading-investing/black-monday/>)

There were such technologies as computers and it was new for that time, but nobody could predict the level of the possible impact in the market because the consequences of a system capable of placing thousands of orders during a crash had never been estimated or tested.

**d)** There were a lot of possible direct or indirect reasons which may lead to the crash. We’ve come to the conclusion that the rapid development of technologies brought some impacts and they just broke out in one day, when the market was unstable, which could also be seen as a coincidence.

**e)**

<https://www.theguardian.com/society/2017/mar/04/crash-1929-wall-street-what-the-great-depression-reveals-about-our-future>

It has a lot of true information, but some exact data (for example info about the lowest point of the market) is false because of the data agreement between other articles with original sources. And there are no original sources.

It could be fake if:

- stunning/shocking headings or facts
- no original sources
- conspiracy theories are named
- against popular experience and intuition
- super popular and spreads rapidly

**f)** We’ve seen different types of sources. Some of them were for the general audience and some for the specialists in that concrete branch. The articles of the second type are much harder to understand because of obvious reasons.

If it is about details of some specific branches, it is always hard to understand every bit of information without being an expert in that theme. We assume that nothing would change with the changing of the field, we could understand only general sources perfectly.

To understand the problem or event properly you have to either spend a lot of time researching, devoting on it or to be an expert in the field, where problem appears.