

Example of argumentative essay on how the coming expo 2020 might cause another ec...

[Business](#), [Marketing](#)



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Introduction

There are certain laws which actually supports with the prevailing laws and regulations of economics, and among them there is a name of Economic Life Cycle as well. Likewise Product Life Cycle (PLC), there is a name of Economic Life Cycle (ELC) as well, which is one of the most important aspects that can deliver effectiveness to the market (Brinkman, Holroyd & Gardner, 2013). In the ELC, a country or an economy move towards a specific place and then went down drastically in the market. Most of the times, the ELC have been regarded as the economic crisis (Brinkman, Holroyd & Gardner, 2013). There are number of economies of the world that affected brutally from the current Global Financial Crisis (GFC), and among those economies there was a name of Dubai as well. However, the country resilient effectively after the severe economic slump, and stand on its feet accordingly.

After that time period, the economy of Dubai has been growing effectively in the market, creating number of opportunities for the businesses to enhance

their core productivity and level of efficacy (English. alarabiya. net, 2014).

Recently, Dubai won the hostage of World Expo 2020, which will have a direct linkage with the financial position of the country. However, some of the authors are against with this fact. The core those of this paper lies in the same fact by delivering the stance with the economic benefits of the World Expo 2020

It is saying that the world Expo 2020 will bring another new economic crisis on the economic position of the country, and the same will be examining in this analysis.

Analysis & Findings

Dubai is the most populous city of emirate in the United Arab Emirates (UAE), and the second largest size after the Capital, Abu Dhabi. Dubai has emerged as a global city and business hub in the Persian Gulf Region and it is also a major transport hub for the passengers and Cargo (English. alarabiya. net, 2014). There are number of things that found in the favor of the country like Burj Khalifa, the tallest buildings of the world and others. Dubai has now emerged as the most expensive cities of the world, and came on the 22nd place particularly. From the year 1960, the economy of Dubai was based specifically on the revenues from trade and other important aspects (English. alarabiya. net, 2014). The country has recently launched number of mega projects to be commenced in the cities soon which are attracting number of people around the globe to have investment in them. Recently, Dubai is planning to come up with yet another airport in the Jebel

Ali area which will certainly increases their financial and strategic belongings in the upcoming years in the market.

History of the Economic Crisis

Financial crisis is a term that applied on a situation in which the economy of a country started to lose a large part of their assets heavily. The world has had experienced number of economic downturns in their history, and every financial crisis affected the country heavily (Kreeger, 1999). There are number of economic crisis which were actually happened in the country that affected the entire financial part of the world, and it is equally applied over the stance of Dubai as well. Though there were numerous small and large economic crises that hit the world during different periods of time, however the crisis after World War II, known as the Great Depression cannot be forget due to its severity and intensity at the same time. Most of the authors found that, the crisis was a serious matter of inefficiency of the policy makers. It was the same year in which the World War II has been fought which devastated number of economies of the world (Squires & Heurkens, 2013). The theory of John Maynard Keynes (JMK) has been applied on the same aspect accordingly, and found that continuous exchange of hands of the money will certainly increases the multiplier effects of the money and will enhance the productivity of the economies accordingly (Squires & Heurkens, 2013). The crisis was very brutal even for the developed countries of the world like the American and European region as well. After that period, there were number of economic crisis that associated with different economies of the world, but that was not as severe as the great depression in particular

(Squires & Heurkens, 2013).

In the year 2007, the confidence of the people of the United States started lifted up from their economy in terms of investment and in terms of consumption as well. There were numerous things that found interactive in this particular part to enhance the level of consumption in particular. The recent economic crisis was very ineffective for lots of big economies of the world. Apart from the US and UK, Germany, France and some of the other parts of the world affected very heavily with the current economic crisis. Some of the biggest financial institutions like City Bank and other important banks went bankrupted (Squires & Heurkens, 2013).

American and European economies have a high unemployment rate at that time period due to which the trade legislation and stance had been devastated completely for the country. Due to this particular effect, Dubai has been affected very heavily in the market as well. Because, most of the trade initiation of the country depends upon the working of the UK and the US region (Squires & Heurkens, 2013)

The countries which affected heavily during the current economic crisis gave healthy amount of bailout packages to their economies to stand again accordingly in the market with a positive outbreak. The Obama Administration had also taken effective actions in terms of analyzing the core effects of the country in the market. The rate of unemployment in these regions have increased heavily in that time period created numerous problems for the countries as far as creating problems are concerned.

With the onset of the financial crisis of 2007 to 2010, the real estate market of the country declined after a clear boom of six years. Several times during

the current economic downturn, the government of Dubai announced that the economic crisis would be ineffective for them in the market. There were number of companies of Dubai which affected heavily during the current economic downturn (Squires & Heurkens, 2013).

Dubai Government has announced during the current economic downturn that they were unable to pay the debts because of the liquidity crunch (Squires & Heurkens, 2013). Some of the major influential effect has been envisaged on the basis of economy of Dubai. The real estate market of the Dubai region had affected a lot during the current economic crises which were on the top some year before the actual arrival of the current economic slump. There was a clear boom in the economic consequences of the UAE, and that is the main thing why lots of people started to invest in the country for their effectiveness particularly (Squires & Heurkens, 2013). With that boom lots of people of the country were going to Dubai Region for renting out their property and buying of property in the region, but that were a bubble burst and the entire function of the Dubai property market affected a lot heavily by the country that created problems for them. It was the same time in which the country had laid off hundreds of thousands of job from the market, and made the things not in their core favor of the country. It is also found from the analysis that the market structure of Dubai was also like the same of the structure of the US and the UK, as the level of buying on credit has been increasing in this region due to which the severity of the crisis gained its pace in the market.

One of the main reasons of the downturn of Dubai is their heavy resilience over the tourism sector which accounts for 28% of the total GDP of the

country (Squires & Heurkens, 2013) . Dubai is not an oil rich country of the world which increased the stance of problems and influence over the country in terms of giving their tendency in the market. Most of the investors who put their money in the stocks and property market of Dubai had taken out their money back from the market during the current economic crisis that led to a severe bubble pop in the stock market and real estate market of Dubai. Stock Market which is one of the most important resources of getting and welcoming the foreign direct investment (FDI) in the country was not in the right manner during the current economic downturn (Steiner-Khamsi & Waldow, 2012).

However, the power of resiliency of Dubai is remarkable that made it able to increase their financial belongings in an effective manner. Dubai is one of those countries of the world which learned a detailed lesson from their crisis and one of those countries of the Arab region as well as the world who stand again on their feet after the severity of the current economic crisis that created problems for different parts of the world (Steiner-Khamsi & Waldow, 2012). Some of the major actions that initiated by the Dubai's Government is pledging the money of the investors with the Government institutions that also includes the bank's deposits as well. The strategies were perfect as far as enhancing the economic consequences of the chosen country again, and make them able to follow on a certain level in an effective manner.

Expo 2020 might cause another economic crisis in Dubai

In the year 2013, the United Arab Emirates won the core rights of hosting of the world largest Expo of 2020 to be held in the heart of the UAE, Dubai in

the year 2020 (Expo2020dubai. ae, 2014). This particular thing is very effective in terms of gaining advantage for the economy of the Dubai region. This will be the first time that the expo of the world is staged in the region of the Middle East, North Africa and South Asia, known as the MENA region particularly (Expo2020dubai. ae, 2014).

According to the theme, the World Expo of Dubai will serve as a Catalyst that connects the mind from different parts of the world in particular that inspires the participants to mobilize around the shared and effective challenges.

According to estimation, the World Expo of 2020 is expected to attract more than 25 million visitors in the Dubai region, and out of this amount 70% would be from the overseas market (Expo2020dubai. ae, 2014). Considering this huge insurgency of tourists in the country, Dubai has now introduced to establish a new Airport in the Jebel Area that has the tendency to welcome more than 100 million passengers at a single time. It will become the largest airport of the world, as the current Dubai International Airport of the country has surpassed the London Airport in terms of passenger arrivals, as Dubai reported a passenger of 66. 5 million last year (English. alarabiya. net, 2014).

The caliphs of Dubai region are very confident about this new event and starting to invest in different projects as well. According to them, the World Expo will increase the level of employment level within the country in an effective manner, and will also be effective for the country as far as gaining high amount of FDI as well from the market (English. alarabiya. net, 2014).

Apart from these statements, there are some authors as well which are totally against the World Expo 2020, as according to them it might cause yet

another economic crisis in the Dubai region particularly.

The successful bid to host the Expo of 2020 may lead to the core creation of an economic bubble in the country as surveyed specifically by the CFA society. The survey includes more than 200 investment professional working specifically in the UAE market. Most of these big investors found in the favor of the country, however some of them are ensuring that this successful bid of hosting the World Expo 2020 will create yet another bubble burst within the country (Gulf Business, 2013).

The UAE, specifically Dubai hit very hard and with full of severity during the current financial crisis of 2008, with the price of the property declined heavily in particular. Most of the respondents and investment professionals are in the fact that high regulations of the Government of Dubai on the real estate market during the World Expo 2020 will increase the level of immunity of yet another bubble pop in the market. One of the main reasons behind the same is the rocketed prices of apartments on rent in the current time, and it will be increased more heavily at the time of economic crisis. This particular thing may increase the level of ineffectiveness in the rent market of Real estate in Dubai that may influence most of tourists to change their strategic views in the market (Gulf Business, 2013).

There will be a surge in the foreign investment from different players of the world to invest in the real estate business of Dubai, which may also increase the economic efficiencies of the country particularly. On the other hand to this, there are number of professionals as well which are in the favor current expo 2020 to increase the economic outlook of the country with a positive mean and favor. The government of Dubai found very confident that the

country will increase the level of business and employment opportunities in the region, with the increment of direct investment in the market (Gulf Business, 2013). It is an important aspect from the viewpoint of the country as far as having effectiveness in the market with positive and effective means accordingly. The appreciation which Dubai gets after the World Expo 2020 is remarkable and unmatched, and it will certainly create lots of benefits particularly in the market.

This idea is in the favor of the country, therefore it can be said that the new world expo will create economic efficiency of the country, and will not create any sort of bubble pop in the market.

Conclusion

Economic consequences and efficiencies are some of the major aspects that are associated with an economy. Ups and Downs are some of the major parts of the economic consequences, and it is equally applied over every country of the world. There are a number of economies of the world which have gained lots of ups and downs in the market with a particular type in particular. The downfall of the economic consequences usually associated with the financial crunch and crisis in particular. Dubai is one of those regions of the world which are having the similar strategy in particular. There were a number of ups and downs have found even in the economic consequences of Dubai, and it is equally applied over this particular stance in particular.

During the current economic crisis, Dubai affected a lot in terms of their real estate business, and the same stance is expected again in the 2020 as well with the winning of Dubai Expo 2020 particularly. This particular analysis

revealed that the possibility of another economic crisis is not possible in the year 2020 particularly. From this particular analysis it is also revealed that economic position of the country will certainly enhance with the passage of time by welcoming and winning this World Expo in the year 2020. It will create lots of effectiveness for them in the future in the market in a better financial and economic position.

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