

# [The of dollars in his account. their business](https://assignbuster.com/the-of-dollars-in-his-account-their-business/)

Themovie “ Inside Job” described the overall reasons and effects of the2008 crisis on the world economy. I watched the whole movie, however the mostimpressive part in it was Part3 – “ The Crisis”, where the main reasons were disclosed and people who were responsible tried their best to conceal illegaltransactions, massive frauds of huge multinational companies and bankruptciesin US and not only. It was discussed that the Lehman Brothers, which were oneof the fourth biggest investmentbanks in US, triggeredthe global recession, which was the strongest after the Great Depression. Oneof the main issues connected with the collapse of Lehman Brothers was the misrepresentation of the financial position of a company.

The corrupted and irresponsiblebehavior of the chief executiveand senior managers lead to the massive bankruptcy in September 15, 2008, leaving millions of people unemployed without savings and homes, and massivemanufacturing companies closed. It contributed to the erosion of nearly $10trillion in the marketcapitalization from global equity markets. Due to the unethical behavior of theupper management of the bank, CEO Richard Fuld and CFO Erin Callan and theexternal partners like auditing and accounting firms, more than 25, 000international employees lost their jobs, thousand investors and millions ofcustomers lost big amounts of money. In his interviews and public speeches RichardFuld days before the collapse of the investment bank, tried to convince thepublic by providing a favorable image. His unethical and irresponsible costednot only a bankruptcy of Lehman Brothers, but the collapse or weakenedfinancial situation of many other banks and companies.

However, the CEO RichardFuld left Lehman Brothers with millions of dollars in his account. Theirbusiness partners also tried to conceal the bad financial situation from thepublic, as Lehman Brothers were a massive partner, and losing them would becostly. It took many years for the whole world economy to overcome the bigloses after the crisis.