

The of dollars in his
account. their
business



**ASSIGN
BUSTER**

The movie "Inside Job" described the overall reasons and effects of the 2008 crisis on the world economy. I watched the whole movie, however the most impressive part in it was Part 3 - "The Crisis", where the main reasons were disclosed and people who were responsible tried their best to conceal illegal transactions, massive frauds of huge multinational companies and bankruptcies in US and not only. It was discussed that the Lehman Brothers, which were one of the fourth biggest investment banks in US, triggered the global recession, which was the strongest after the Great Depression. One of the main issues connected with the collapse of Lehman Brothers was the misrepresentation of the financial position of a company.

The corrupted and irresponsible behavior of the chief executive and senior managers led to the massive bankruptcy in September 15, 2008, leaving millions of people unemployed without savings and homes, and massive manufacturing companies closed. It contributed to the erosion of nearly \$10 trillion in the market capitalization from global equity markets. Due to the unethical behavior of the upper management of the bank, CEO Richard Fuld and CFO Erin Callan and the external partners like auditing and accounting firms, more than 25,000 international employees lost their jobs, thousand investors and millions of customers lost big amounts of money. In his interviews and public speeches Richard Fuld days before the collapse of the investment bank, tried to convince the public by providing a favorable image. His unethical and irresponsible costed not only a bankruptcy of Lehman Brothers, but the collapse or weakened financial situation of many other banks and companies.

However, the CEO Richard Fuld left Lehman Brothers with millions of dollars in his account. Their business partners also tried to conceal the bad financial situation from the public, as Lehman Brothers were a massive partner, and losing them would be costly. It took many years for the whole world economy to overcome the big losses after the crisis.