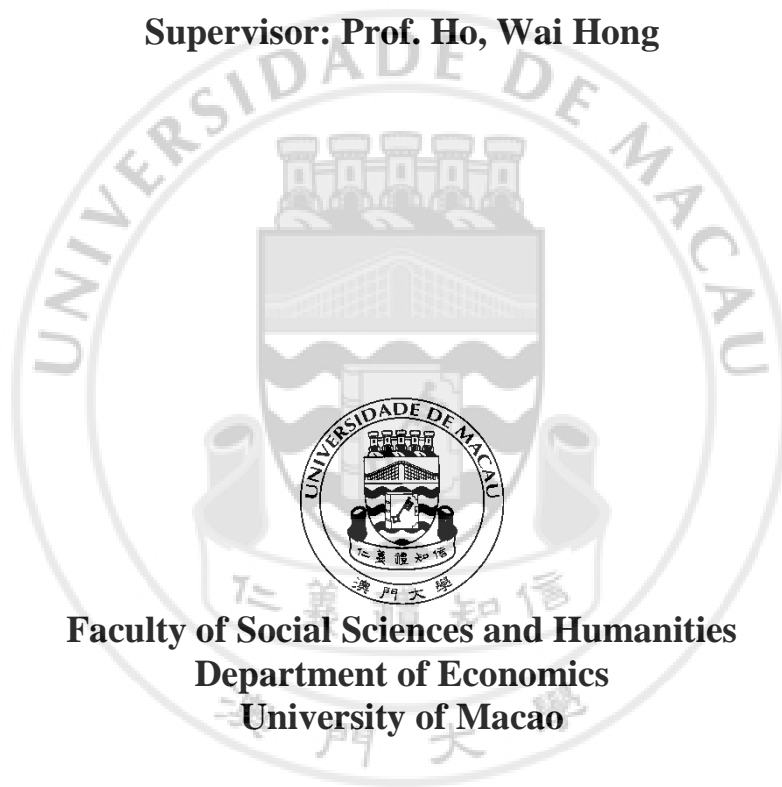


How Asian Economies Respond to Financial Crisis: a Cross-Section Analysis

by

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Statement

I, Li Mengcheng, hereby state that this thesis is my own and original work, apart from the sections where origins are clearly stated. All the materials in this thesis have never been used (partially or wholly) in fulfilling the requirements for any degree or qualification in this or other universities prior to this submission.

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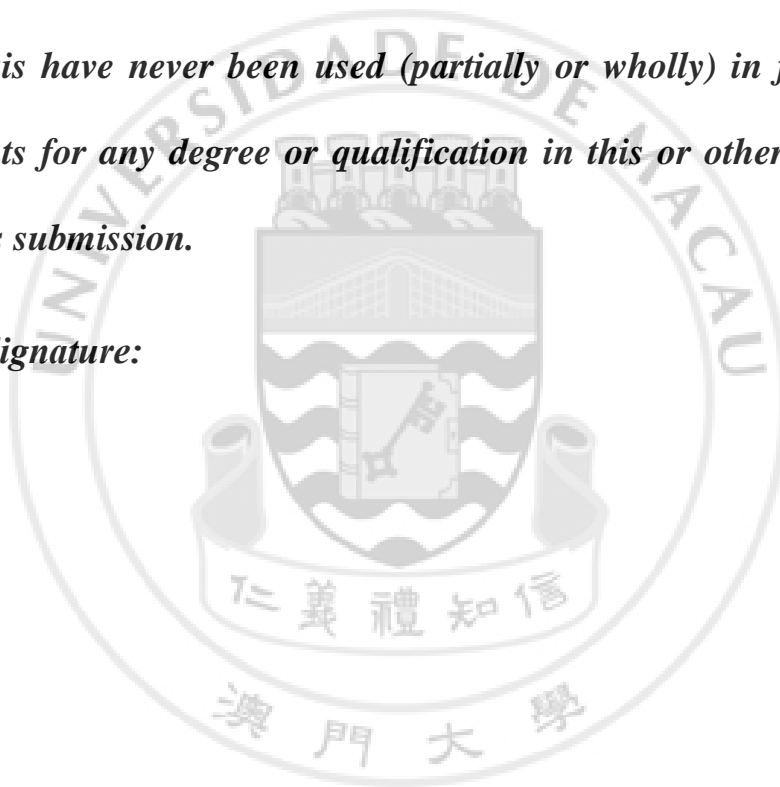


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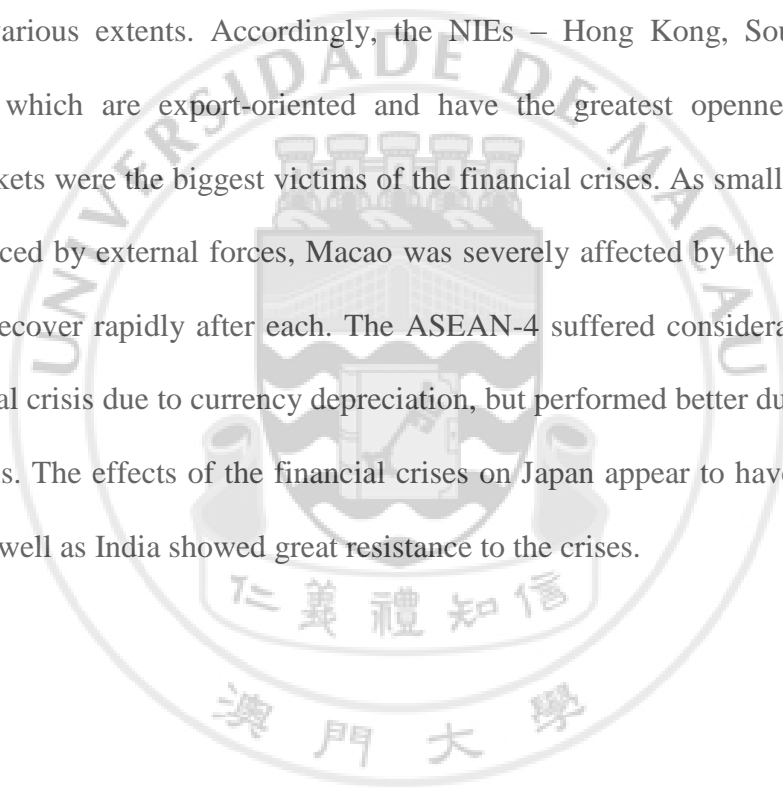
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Abstract

In 2008, economies worldwide were affected by a financial crisis originating in the U.S. Financial crisis thus became a controversial topic of global debate at this time. It also reminds us of the 1997 Asian financial crisis which is widely considered as currency crisis. Eleven major Asian economies – Japan, China, India, Hong Kong, South Korea, Singapore, Thailand, Indonesia, Malaysia, the Philippines and Macao suffered from both crises with various extents. Accordingly, the NIEs – Hong Kong, South Korea and Singapore – which are export-oriented and have the greatest openness and largest financial markets were the biggest victims of the financial crises. As small economies are easily influenced by external forces, Macao was severely affected by the two crises, but appeared to recover rapidly after each. The ASEAN-4 suffered considerably during the Asian financial crisis due to currency depreciation, but performed better during the global financial crisis. The effects of the financial crises on Japan appear to have been limited, and China as well as India showed great resistance to the crises.



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