Speculative investment drives out good investment: why it is important to minimize

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Abstrak

Put in simple terms, a 'bubble' refers to financial assets (like stock or land) whose price grows out of proportion from its 'fundamental value'. Once the bubble bursts, the economy could Jail into reccession, and in the worst case scenario turns into an economic financial crisis. While most ASEAN economic suffered instantly from the burst of the crisis in 1997, mature economics, such as Singapore, japan and the US, only buffered minor ittifnuts at the tune Now, htwwer, concerns arc being raised as tltew mature en'itomic-. h<i>\- time expciicna'd i:orti>itjt?raltle I'coiiotnu. slowdowns, mo*t notably in jiipan and Singapore, bat also to n lesser extent rn the US- ft iV plfiusihlt1 that bi:ihlc probh'in^ could reappear as tut a re cri±e> in the^c economies, ///is t-^stnf attempts to understand the anatomy of such bubbles and deta mine whether Sifigaf<on' t^ prone to sifC/f a problem.