

The Business Cycle

(money makes the world go round, the world go round, the world go round)

1. Definition:

-the upswings and downswings of a market economy is called the business cycle; it has four stages:

- 1) prosperity
- 2) recession
- 3) depression
- 4) recovery

2. Recession and Depression:

A recession is when a neighbour has to tighten his belt.
 A depression is when you have to tighten your own belt.
 And a panic is when you have no belt to tighten and your pants fall down.

--T. C. Douglas, first leader of the NDP

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