**ECONOMIC POLICY during the GREAT DEPESSIONand the CRISIS after 2008**

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**Abstract.**

The economic crisis that hit the global economy since 2008 year was without precedent in the post- war economic history and it can be compared only with the Great Depression in1929- 1933.The crisis started in the USA real estate market, and from there spread to the EU and other regions of the world.This article compares the economic policy during Great Depression in 1929- 1933 and current economic crisis. The purpose of this study is the analysis of the causes of today’seconomic crisis andthat of Great Depression to determine high performance policy to overcoming crisis.To develop effective methods to combat the crisis and prevent breakdowns of Great Depression changes must cover not only to elaborate better economic policy of the states, but also a mechanism for international cooperation. The articletry to find an answer to the fundamental question, what changes should make the countries to overcome the present crisis and prevent their occurrence in the future. The analysis covered countries deeply affected by the economic crisis (USA, euro area countries). Permanent answer to the crisis can be only economically transformation of states and to formulate proper policiesmix that would be able to prevent a decline in production and an increase in unemployment.

**Key words:**

**Economic crisis**

**Economic transformation**

**Economic policy**

**Structural policy**

 **Public debt**

 **Budget deficit**

 **Banking reforms**

**Great Depression**

**Proper policy mix between monetary policy and fiscal policy**

**Methods of overcomingcrisis**