



STUDY TRIP GUIDE: “GREECE IN THE EUROPEAN UNION”
MASTER 211 INTERNATIONAL ECONOMIC EXPERTISE 2021/2022

Athens

20/03/2022 - 27/03/2022

MACROECONOMIC OVERVIEW OF GREECE

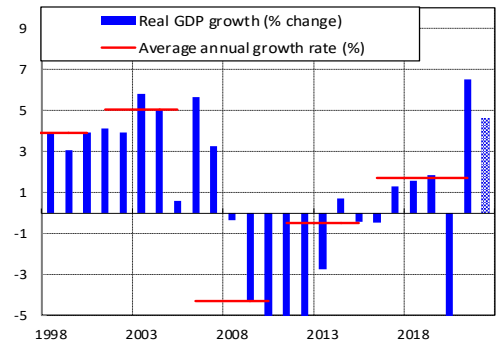
Summary: The Greek economy, which was on the right track, has been severely impacted by the Covid-19 crisis. Growth contracted by 8.2% in 2020 (WEO Oct 2021) but is estimated at 3.3% in 2021 and 5.4% in 2022, driven by public investment (Next Generation EU ~ 18% of GDP 2021-24), tourism recovery and consumption. Public debt exceeded 200% of GDP in 2020, but the risk is mitigated by the creditor structure (80% official creditors) and by EU and ECB stimulus measures. In addition, the ECB has included Greek bonds in its quantitative easing program, which has reduced borrowing costs to historically low levels. With the implementation of one of the largest fiscal stimulus packages in the eurozone under ECB supervision, the banking sector was able to maintain largely accommodative funding conditions. However, Greece's external imbalances are not negligible, and the pandemic has added further pressure (the current account deficit has widened sharply to -7.5% of GDP in 2020 from -2.2% in 2019). Public debt is very high, 213% of GDP in 2021 and is expected to fall to 197% of GDP in 2022. Greece's overall external debt is higher most of other European economies, reaching 300% of GDP in 2021 (expected to reach 285% in 2022). Thus, while the Greek economy is recovering, it still faces many challenges.

Macroeconomic indicators

	2020	2021(p)	2022(p)
Output			
Real GDP growth (%)	-8,2	3,3	5,4
Employment			
Unemployment (%)	16,4	16,5	15,2
Prices			
CPI inflation (period avg., %)	-1,3	-0,3	0,8
General government finances (percent of GDP)			
Revenue	50,2	49,7	49,2
Expenditure	60,7	59,8	53,3
Overall balance	-10,5	-10,1	-4,1
Primary Balance	-7,5	-7,2	-1,1
Public debt	211,2	213,8	204,1
Balance of payments			
Current account/ GDP (%)	-7,4	-6,6	-3,5
FDI /GDP (%)	-1,5	-2	-2,1
External debt /GDP (%)	303,9	299	285,6
Exchange rate			
REER (percent change)	-0,8	-0,9	-0,6

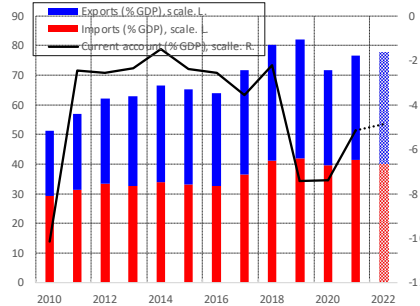
Sources: Bank of Greece, ELSTAT, Eurostat, Ministry of Finance, World Bank, World Development Indicators, IMF, International Finance Statistics, IMF, Direction of Trade Statistics, and IMF staff projections.
(p) projections

A difficult return to growth



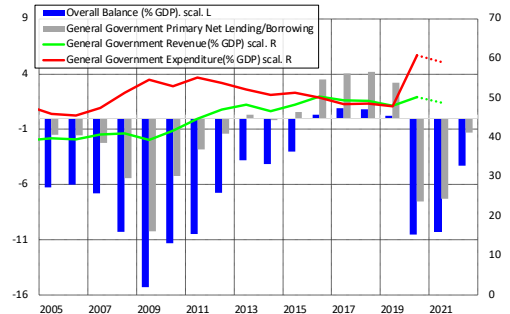
Source : FMI (WEO)

A structural trade deficit

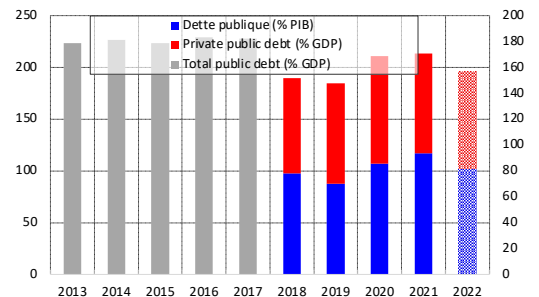


Source : FMI (ISF), WDI

A deteriorated budget balance but a lower deficit expected in 2022...

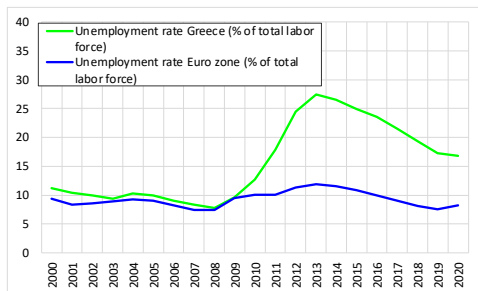


...resulting in a still high debt ratio.



Sources : FMI (Artcl.IV), WEO oct.2021, calculs

A more stable but still high unemployment rate



Source : World Development Indicators

PEDAGOGICAL CALENDAR

	LUNDI 21 mars	MARDI 22 mars	MERCREDI 23 mars	JEUDI 24 mars	VENDREDI 25 mars (Férié)
<i>MATIN</i>	Institut Nikos Poulantzas (10h-13h)	Ministère des affaires étrangères (10h-12h)	Public debt mangement agency (à l'IFG) (9h30h-11h)	MSc in Economics (10h-12h)	
<i>MIDI</i>			Hellenic foundation for European and foreign policy (12h-13h)		
<i>APRES MIDI</i>		MSc in International Economics (15h-18h)	Hellenic foundation for European and foreign policy (14h-15h)	BEI (13h-15h)	

Nikos Poulantzas Institute



Topics: economic, social and geopolitical issues.

Presentation:

The Nicos Poulantzas Institute is an intellectual, political and research foundation affiliated to Syriza, the Greek Left party. The Institute was founded in 1997 and aims to foster the values of the Left and to develop and disseminate awareness on contemporary social, ecological, political and cultural issues. Moreover, the Nicos Poulantzas Institute is a founding member of the European Network of Alternative Thinking and Political Dialogue “transform! Europe”, the political foundation affiliated to the party of the European Left.

The Institute is named after the Greek-French marxist theorist Nikos Poulantzas (1936-1979). Nikos Poulantzas is known for his theory on the capitalist state, the state of emergency, social classes, power relations and socialist strategy. He settled in Paris in 1961 and worked there as university professor.

Speakers:

- **Marica Frangakis** : economic issues

Marica Frangakis Ioannou is a British-trained economist whose work focuses on macroeconomics and finance questions, especially those that relate to the European Union. Ms. Frangakis has a Bachelor of Science in Economics from the London School of Economics and a Master’s in Arts in Development Economics from the University of Sussex. She has worked for many years in the banking sector (most notably within the Agricultural Bank of Greece and the National Bank of Greece Group). Currently, Marica Frangakis Ioannou is an independent researcher and a member of the Board of the Nicos Poulantzas Institute (a member of the Transform! Network), a founding member of ATTAC Hellas and a member of the Steering Committee of the European Economists for an Alternative Economic Policy in Europe (EuroMemo Group).

- **Yannis Eustathopoulos**, Coordinator of the Sustainable Development Observatory, Institute for Alternative Policies ENA : social issues

Born in the city of Grenoble (France) in 1975, he studied Economics specialising in economic analysis and policy (Maîtrise en Sciences Economiques, Mention Analyse et Politique Economiques) at the University Pierre Mendès France (UPMF – Grenoble II). He has been working since the year 2000 as an economist and consultant in Greece and Cyprus, and at the EU-level for organisations including Eurofound, ITC-ILO, ECORYS. From 2015 to 2019, he has been working as a senior adviser on 4 main portfolios: (a) The National Growth Strategy of Greece (b) Government ownership strategy (c) Social policy (d) EU economic governance (European Semester, National Reform Programme, mainstreaming of SDGs).

His areas of expertise are:

1. Design and evaluation of public policies
2. SOEs, regulation of network industries (energy, telecommunications, water supply, etc), SGEIs
3. Strategy and policies for SMEs, innovation, productivity, regional development, structural competitiveness, the service sector and industrial policy
4. Policies on employment and social cohesion
5. Restructuring, anticipation and management of change. He is an eligible expert of the E.C for the implementation of reforms in the fields of SOEs' management, SMEs and business environment and labour market/social cohesion policies.

He speaks Greek and French (native speaker), English and Spanish.

- **Lefteris Stoukogiorgos**, Member of the Central Committee of SYRIZA and in charge of International Relations: geopolitical issues

Questions:

- Question regarding the current situation in Greece: In April 2021, the Greek Prime Minister said "The national recovery plan can add seven additional growth points over the next 6 years". This statement suggests that Greece wants to seize the opportunity left by the Covid-19 crisis to boost economic growth and revitalize the country. What reforms do you think are necessary for Greece to achieve this level of economic growth over the next few years?
- Greece has been experiencing a strong migration crisis for several years. Before the Covid crisis, tens of thousands of migrants were stuck at the Turkish border. The European inaction was widely criticized by the Greeks and by the international community. What do you think about the actions of European institutions and how do you perceive the issue of migration today in Greece?
- The sovereign debt crisis has been a great challenge for Greece in the past decade. How did the Greek institutions perceive this crisis? How much of a say did they have in restructuration programs, mostly imposed/lead by exterior parties? What is the view of the population on these reforms?
- The sanitary crisis has put a sudden additional burden on state deficits (with a sharp decrease of fiscal revenues and a need for governmental spendings), making several countries reach alarming sovereign debt ratios. Focusing on the European Union, should we expect a new sovereign debt crisis? If so, do you think it would threaten European integration or to the contrary push member states toward more solidarity, with a form of debt mutualisation for instance?

- Regarding the euro zone, and balancing the benefits and constraints of the common currency: is it relevant for Greece to be part of the euro zone? Is it adapted to its economic challenges and position in the EU?
- The recent approval of the Greek Recovery and Resilience plan by the EU Commission is likely to foster firms' access to funding and investment in the country. However, will it be enough to impulse a long-term dynamic?
- What about the evolution of the situation if the ECB hikes its rate?
- In your paper on the ECB's unconventional policies, one of the two documents you've shared with us, you say that "dogmas and attitudes need to adjust": with the Covid crisis, the whatever it takes of governments and the solidarity that raised in the EU and that led to the NGEU, is it the adjustment that you expected? Considering the recent negotiations on the Stability and Growth Pact, do you think a revision of our current budgetary rules should be done? Do you have any recommendations on which rules to adopt?
- Media freedom in Greece has recently been under scrutiny from EU authorities. Can we fear that an arm-wrestling game similar to the ones observed with Poland and Hungary on the question of human rights may equally arise between Greece and the EU?
- **[To Marika Frangakis]** You have been rather critical of the EU policy line of austerity in dealing with the sovereign debt crisis from 2010. According to you, what would have been a better way of approaching the crisis from a European standpoint?

Ministry of Foreign Affairs



HELLENIC REPUBLIC
MINISTRY OF FOREIGN AFFAIRS

Topics: Strategic Contextualization of Greek Foreign Policy / Overview of Greek-Turkish relations / The Franco-Hellenic Strategic Partnership for Defense and Security Cooperation: A Strategic Alliance or the Strategy of an Alliance?

Presentation:

The Greek Ministry of Foreign Affairs is the governmental institution in charge of the formulation and coordination of the foreign policy of the Hellenic Republic. The Ministry is currently headed by Mr. Nikos Dendias who previously served as Minister of Defense from 2014 to 2015 under the coalition government of Antoni Samaras.

The Diplomatic Academy is a body dependent of the Ministry in charge of the initial professional training of the candidates who passed the preliminary exams for the diplomatic service as well as the professional training of the already operational personnel of the Ministry. In addition to these objectives of training diplomatic agents, the Academy is also in charge of organizing educational seminars for Greeks and foreigners aimed at presenting Greek foreign policy issues. It is precisely in this framework that the class of Master 211 will be received by high-ranking officials of the Ministry.

Speakers:

- **Alexandros Dimitrakopoulos**, Senior Advisor, Strategic and Operational Planning Directorate
- **Nicolas Sigalas**, Senior Advisor, Deputy Director, Directorate A4 / Turkey

- **Theóphilos Zafeirakos**, Senior Advisor, Head of Department for Western European Countries, Directorate A1 for European Countries

Questions:

On the Greek/Turkey relations and the French/Greek partnership

- Can we speak of a “Hellenic alliance” from which Cyprus could benefit? If so, how does Turkey perceive these movements at the gates of its so-called “Blue Homeland”? Could it lead to the termination of the negotiation on the Cypriot dispute?
- How does this Franco-Greek partnership fit into the European strategic autonomy project? By limiting itself simply to an alliance between two states of the European Union, is it not a demonstration of the impossibility for Europeans to unite against a hostile third state?
- Are the negotiations between Greece and Turkey making progress on the delimitation of the EEZ or are we at a standstill?
- To build up on the previous question, can we expect a revival of tensions over the ownership of natural gas resources in the Eastern Mediterranean region given the current global price pressures in the energy sector?

MSc in International and European economic studies



Agenda:

INVITATION

“Greece into the European Union”
One-day conference
22nd March 2022, 15:00-18:00

AGENDA

- 15:00-15:30 Welcome and Introduction: Dean’s Welcome Message | Professor Thomas Moutos
- 15:30-16:00 Professor George Pagoulatos | Greece in the EU: The transformative impact of Europeanization
- 16:00-16:30 Professor George P. Zaniias | Greece and the European Union during the Crisis Years
- 16:30-17:00 Break
- 17:00-17:30 Associate Professor Spyros Blavoukos | Foreign Policy and Security Integration in the EU: A View from Athens
- 17:30-18:00 Professor George Karydis & Special Teaching Staff George Anagnostaras | The dialogue between Greek courts and the Court of Justice of the European Union

Presentation of the Master:

The Master of Science in International and European economic studies, at Athens University of Economics and Business, is enrolled in the Department of International and European Economic Studies.

The objective of the Master is to provide its students with scientific training, and the ability to apply their knowledge and skills to current economic, political and legal issues which concern modern

economies and businesses within the international and European economic and business environment.

A fundamental feature of the program is the combination of **interdisciplinary instruction** (a specialization in economics supplemented by the fields of political science and legal science) and **practical experience** in the analysis of business, economic and institutional realities in the international and European economy, through the provision of specialized postgraduate studies in the main fields of International and European Economic Studies.

Speaker's presentations and questions

- **Dean's Welcome Message | Professor Thomas Moutos**

Thomas Moutos is the Dean of the School of Economic Sciences of the Athens University of Economics and Business (AUEB), Professor of Economics in the Department of International and European Economic Studies, and a Research Fellow of CESifo. His main fields of interest are macroeconomics and international economics. He has authored and edited books with Cambridge University Press, Elsevier, and The MIT Press. Among his journal publications are papers in the American Economic Review, Canadian Journal of Economics, Journal of Development Economics, Oxford Economic Papers, and Scandinavian Journal of Economics.

- **Professor George Pagoulatos Greece in the EU: The transformative impact of Europeanization**

George Pagoulatos is Professor of European Politics and Economy at the Athens University of Economics and Business (AUEB) and Visiting Professor at the College of Europe in Bruges. He is the Director General of the Hellenic Foundation for European and Foreign Policy (ELIAMEP). In 2011-12 he served as senior advisor and director of strategy at the PM Office under Greece's two non-political prime ministers. He is currently the advisor on European affairs to the President of the Hellenic Republic. He has been a member of the High Council of the European University Institute (EUI) in Florence (2010-13), President of ECSA-Greece (2013-14) and member of the Governing Board of the Brussels-based European Policy Centre (EPC) (2015-20). He is a regular columnist in the Sunday edition of the main Greek centrist newspaper Kathimerini since 2007. Pagoulatos holds a Law degree from the University of Athens, MSc. and D.Phil. in Politics from the University of Oxford, where he was a Rhodes scholar. His research and publications focus on the EMU and the European Union, Greek and Southern European political economy, economic governance, the political economy of reform.

- Greece joined the European Union in 1981 and therefore had to abide by the economic and political rules of the Union from that date on. Do you think that Greece's integration into the European Union was sufficiently prepared? Do you think that Greece has done enough to prepare its integration into the European Union?
- In the 1980s, there were many differences between countries on various aspects but there was a real divide between the so-called "southern" countries and the others. Do you think that this divide has been reduced since then?
- Do you think that Europe should go further in the transformation of states by touching on regalain domains such as defense and health?
- How can the integration of Greece in the EU can be improved?

- **Professor George P. Zanias Greece and the European Union during the Crisis Years**

Professor of Economics and former Chairman of the Department of International and European Economic Studies. He holds a Doctorate from Oxford University and currently teaches to the incoming

Erasmus students the course: The Changing European Monetary Union. During the crisis he was Chairman of the Council of Economic Advisers of the Greek Government, representing it in the Euro Working Group, and, briefly, the Minister of Finance.

- What assessment can be made of the structural adjustment plans imposed by the Troika on the country? And what were the main lessons learned, particularly in terms of European governance?
- Do you think 2008 crisis has significantly raised Euroscepticism?
- During negotiations what was, the most significant moment of the crisis?
- Greece had to make many economic and financial efforts after the crisis of the 2010s to meet the European criteria. However, today, we are witnessing a significant questioning of the European criteria, particularly on the public deficit and public debt. Do you think that Europe should have questioned these criteria as early as 2010? Do you think that this questioning comes at the right time?

- **Associate Professor Spyros Blavoukos Foreign Policy and Security Integration in the EU: A View from Athens**

Spyros Blavoukos is Associate Professor at the Department of International and European Economic Studies, at the Athens University of Economics and Business (AUEB) and Director of the interdisciplinary MSc in International Negotiations. He is the Director of the Jean Monnet Network on EU-UN Relations (EUN-NET, 2016-19) and a Senior Researcher of the Jean Monnet Centre of Excellence on the Multilateral Diplomacy of the European Union. He is a Senior Research Fellow at the Hellenic Foundation for European and Foreign Policy (ELIAMEP) and Head of the 'Ariane Condellis' European program of ELIAMEP. He is member of the Advisory Board of the United Nations University Institute on Comparative Regional Integration Studies (UNUCRIS). His research and recent publications focus on the EU foreign and security policy and more specifically on EU defense integration and the EU international interactions with other international and regional organizations, most notably the UN.

- We have seen Athens hosts the European Union Agency for Cyber Security. Do you know how much Greece is threatened by cyber-attacks, especially by Turkish hackers?
- How can the EU implement an effective migratory policy in Europe, in particular within the context of the Ukrainian crisis?
- Faced with rising tensions with Turkey, Greece has turned to Europe to develop its army and weapons, following the example of the sale of 3 ships from France to Greece in September 2021. Do you think Europe is doing enough to defend Greece's security?
- How Putin's invasion of Ukraine has been an accelerator for European unity on foreign and defense policy?

- **Professor George Karydis & Special Teaching Staff George Anagnostaras The dialogue between Greek courts and the Court of Justice of the European Union**

Karydis Georgios, Professor of European Law at the Athens University of Economics and Business in the Department of International and European Economic Studies and holder of Jean Monnet Chair. Attorney at law at the Supreme Court, member of the Athens Bar Association. PhD (Doctorat d'Etat) in European community law (droit communautaire) - University of Paris I-Sorbonne / DEA University of Paris I -Sorbonne and Law School Degree of the Athens University. His research interests focus on the substantive and procedural aspects of EU Competition and state aid law, on the general principles

of EU law and on the relationship between EU law and international law. He has a significant number of publications in these fields.

Georgios Anagnostaras is a Lawyer (Thessaloniki Law Bar) and provides his services as a Legal Expert to the Hellenic Radio and Television Council. He is a graduate of the Law School of the Aristotle University of Thessaloniki and holds a Master's Degree (LLM in European Legal Studies) and a PhD Degree from the University of Bristol (United Kingdom). His main interests are in the areas of European Union Law, European Public Law and Media Law. He has taught for many years (1998-2021) at undergraduate and postgraduate level in several Universities both in Greece and abroad (University of Bristol, University of Amsterdam). He has over fifty publications, most of them in the most prestigious European legal journals (European Law Review, Common Market Law Review, German Law Journal, Oxford Yearbook of European Law, European Business Law Review, European Papers). His work has been widely recognized and he is regularly cited in academic legal literature.

- What could happen in the event of a repeated breach of EU law? For example, is there a procedure to exclude a country from the European Union?
- Are there situations where European law contradicts Greek law? If so, which ones?
- At the end of 2020, Greece was sanctioned by the Court of Justice of the European Union for its overly favorable income tax legislation and the Greek judiciary was blamed by the EU. Do you think that the court of justice of the European union should always take precedence over a national court on tax issues?

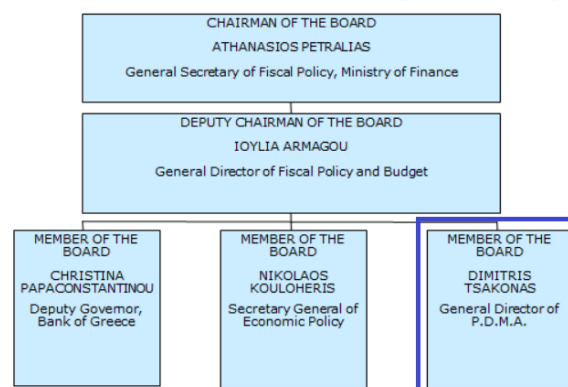
Public Debt Management Agency



Presentation of the PDMA:

The Hellenic **Public Debt Management Agency** (PDMA) is a government agency created in 1999 with the purpose of “[undertaking] the **financing of the needs of the State**, the **improvement of the cost of funding** and the **achievement of the best possible structure** (composition and maturity) **of the public debt** according to the needs of the Hellenic State and the prevailing international economic conditions”.

The PDMA is headed by a Board of Directors appointed by the Ministry of Finance, consisting of five members and chaired by the General Secretary of Fiscal Policy (A. Petralias). It includes representatives from governmental directorates (Gov. Budget and Economic Policy) and from the Bank of Greece, as well as the General Director of the PDMA (**D. Tsakonias**).



In line with the annual orientations of the Minister of Finance's "program of financing the funding requirements of the State", the Agency is responsible for:

- managing and executing the borrowing program;
- managing the debt portfolio;
- reporting on public debt and submitting proposals for debt management policy and debt structure;
- providing financial advice for the contracting of loans by the public sector, monitoring the servicing of such loans, coordinating public borrowing programs, and evaluating the effects of public debt and its servicing.

Biography of the speaker, Dimitrios Tsakonas:

Dimitris Tsakonas is the General Director of the PDMA since 2019. He joined the agency at the time of its creation, in 1999, acting as Expert in the Portfolio Management Department for 10 years. Between 2009-2015, Mr. Tsakonas took office as Head of Department A' in the Public Debt Directorate of the Ministry of Finance. He then returned to the PDMA as Director of Funding & Portfolio Management, before being appointed as Alternate Director General in 2018 and tenured the following year.

Questions:

- 2012 sovereign debt crisis:
 - How did the PDMA strategy evolve during the debt crisis?
 - With the hindsight we now have, would you have done some things differently?
 - What was, according to you, the most significant moment of the crisis and of the negotiations?
 - How did the PDMA decide which debt to reimburse in priority? How do those negotiations go?
- Current debt crisis management:
 - What is the long-term strategy of the PDMA with regards to debt maturities, and is longer always better?
 - Debt management in Greece is being lauded by the different agencies (S&P, Moodys... etc), with Greece soon to be or recently returning to "investment grade".
- Greece obviously had to make difficult choices to reach a deficit surplus – how did they select or decide (arbitrate) on those cuts?
- What is the mentality amongst the Greek population: support, fatigue, sense that the cuts were inevitable?
- Is it a good sign that Greek debt owned by the private sector is increasing? Or could it cause future vulnerabilities in the future?
- Future debt instruments
- What are your thoughts on State-contingent debt instruments – do you think Greece should emit parts of their debt in SCDI?
- Next Generation EU bonds allow for mutualized debt – do you think this instrument should be perpetuate it? And how would you go about negotiating it with the Frugals?
- NextGenEU: should Greece use this package to reimburse the high-interest debt or low maturity debt?
- [Risk Awards 2019](#): PDMA's innovative €35bn swap programme helps slash sovereign's interest rate payments – how does it work?

Hellenic Foundation for European and Foreign Policy



Presentation :

Established in Athens in 1988, the Hellenic Foundation for European and Foreign Policy (ELIAMEP) is an independent, non-governmental, nonprofit think tank. The Foundation's mission is to contribute to the development of evidence-based responses to key European and foreign policy challenges. It is recognized as one of the leading think tanks on European and foreign policy affairs in Greece.

The policy-oriented research conducted by ELIAMEP covers a wide range of geographical and functional areas :

- EU institutions and policies
- Security, international relations and conflict resolution (with a special focus on the Balkans, the Black Sea, the former Soviet space, the Mediterranean/Middle East and Asia)
- The management of migration
- Transatlantic relations
- Democracy, human rights and civic participation
- Good governance and the rule of law
- Gender equality as a cross-cutting theme
- Religion, culture and diversity
- The role of mass media in the era of fake news
- Socioeconomic development, employment and cohesion
- Energy, sustainability and climate change.

The most recent publications of the foundation include the following :

- *The CHP in the « New Turkey » : The Formation of a Governing Party ?* – 03.2022, Ahmet Erdi Öztürk
- *What will happen if Germany cuts its energy imports from Russia ?* 03.2022, Georgios Manalis, Manos Matsaganis

Speakers :

- **George Pagoulatos** is the Director General of the ELIAMEP. He also is Professor of European Politics and Economy at the Athens University of Economics and Business (AUEB), and Visiting Professor at the College of Europe in Bruges. He has advised the Greek government on several occasions. In particular, he served as Senior Advisor and Director of Strategy at the Prime Minister's Office under two Prime Ministers of Greece (2011-2012). M. Pagoulatos is board member of various academic and civic organizations as well as author of several books and many articles. Pagoulatos holds a Law degree from the University of Athens, MSc. And D.Phil. in Politics from the University of Oxford, where he was a Rhodes scholar. His research and publications focus on the EMU and the European Union, Greek and Southern European political economy, economic governance, the political economy of reform.

- **Loukas Tsoukalis** is President of ELIAMEP as well as Professor of European Integration at the University of Athens. Visiting Professor at King's College, London and the College of Europe, Bruges. He is also member of several advisory councils and think tanks in several European countries. Author of many books and articles on European integration and international political economy. In addition, he is author of numerous books and articles on European integration and international political economy.

Questions :

- To your opinion, why did the EU refuse Ukraine's admission into the Union ?
- Do you think two different euros (north and south) could be a solution to euro-scepticism ?
- What is Greece's role in the EU ? How does Greece contribute to peace in the Balkan region ?
- How did the relationship between Greece and the EU changed after the crisis ?
- From a more general perspective, should we harmonise the tax system in Europe ?
- What is the current state of relations between Greece and Turkey ?

MSc in Economics



Presentation of the MSc in Economics, Athens University of Economics and Business:

Athens University of Economics and Business (AUEB) is the first Economics and Business University in Greece and the third oldest University in the country. It is made of three Schools, comprising eight Departments offering study programs in Economics, International Relations, Management, Accounting, Marketing, Informatics and Statistics.

The University offers 28 Masters programs, many of which taught entirely in English, attracting students from both Greece and abroad. In addition, AUEB attracts more than 250 Erasmus+ students per year, ranking the University as second in Greece in terms of its percentage of incoming international Erasmus+ students. The high quality of staff, many of whom have been educated abroad, and the campus location in downtown Athens make for an international institution at the forefront of regional and global education and research.

The MSc in Economics is a continuation of the first Master's in Economics program to operate in Greece (1978). It aims to educate economists in Economic Theory and Policy. The areas covered by the program are: Macroeconomic and Microeconomic Theory, Theoretical and Applied Econometrics, Finance, Industrial Organization, Public Finance, Fiscal and Banking Policy, Competition and Regulation Policy, Game Theory, International Economics, Environmental and Energy Economics, Debt Valuation, Applied Microeconomics, Mathematical Economics, Labour Economics, Economic Development, Economic Theory, Social Policy. The program is targeted toward Economics and Natural Sciences graduates.

Speaker's presentations and questions

- **Topic: The Greek economy in the pandemic and after**

Alongside other European countries, the Greek economy was hit by the Covid-19 crisis at the beginning of 2020 and adopted several measures to contain the spread of the virus (nearly total lockdown, closure of non-essential business and education institutions). Income support and compensation measures were put in place for the unemployed and the employed persons whose labour contracts were suspended, as well as for the beneficiaries of the "Guaranteed Minimum Income" scheme which expired in February 2020. The Greek GDP contracted by 9%. The tourism sector, which represents more than 20% of the GDP, was hit especially hard, with a sharp fall in tourist arrival from abroad.

In order to put the Greek economy back on track after the Covid-19, a recovery plan called Greece 2.0 has been laid out. To fund the plan, Greece will receive 30.5 billion euros from the European Recovery and Resilience Facility (18.43 billion euros in grants and 12.73 billion euros in loans) while the European Investment Bank has aggregated to 5 billion euros participation. The primary goal of the recovery plan is to fill the large gap in investment, national product and employment — an endemic gap in the performance of the Greek economy over the last decade — which has worsened due to the COVID-19 pandemic. The four pillars of the recovery plan are green, digital, social, economic and institutional reform.

Speaker:

Apostolis Philippopoulos is a professor of Economics in the Department of Economics at the Athens University of Economics and Business since 2003. He holds a BSc in Economics (National University of Athens), an MSc in Economics (Athens School of Economics and Business) and a PhD in Economics (Birkbeck College, University of London). He is a research fellow at CESifo, a global and independent research network based in Munich. He has published around 50 papers in academic journals in the area of macroeconomic theory and policy. He is also the editor of "Public Sector Economics and the Need for Reforms", published by MIT Press and CESifo. His research field includes macroeconomic theory and public policies.

Questions:

- Are there any specific impacts of the Covid-19 on the Greek economy compared to other European countries?
- Does the European funding of the recovery plan imply any sort of compensation/mandatory reforms?
- What are the biggest issues for the Greek economy in the next future?

- **Topic: ECB policy stance and financing conditions in Greece in the current conjuncture**

In 2015, the ECB turned to non-standard measures, like Quantitative Easing (QE), to avoid deflation and economic stagnation in a context where key interest rates were already very close to their effective lower bound. As part of these non-standard measures, the ECB has been implementing several Asset Purchase Programme (APP), influencing long-term interest rates. Moreover, these programs place the ECB as a lender of last resort for European sovereign bonds, assuring eurozone countries access to low interest rates financing. Unfortunately, this is not the case for all European countries. Greece is the only country in the eurozone that cannot benefit from the ECB's QE programmes. Given its drastically high debt-to-GDP ratio (197.3 % in 2021) and the precedence of a

53.5 % debt write-down in 2012, Greek sovereign bonds possess a sub-investment-grade status, making them non-eligible for the ECB QE. Even though the country has been left out of several asset-purchase rounds, it has recently benefited from the Purchase Emergency Pandemic Programme (PEPP), to face the devastating arrival of the Covid-19 in 2020. Up to February 2022, the ECB has bought 36,9 billion euros of Greek sovereign bonds, lowering the countries 10-year bond yield from 2.4% when the PEPP started in 2020 to a record low of 0.5% in August 2021. To prevent turbulence in financial markets, the PEPP will buy Greek sovereign bonds until late 2024, supporting its spectacular recovery after the pandemic. However, there is an emerging debate on whether Greek sovereign bonds should be included or not in future QE programmes once the PEPP ends to further support its economic recovery and strengthen its position in the eurozone.

Speaker:

Spyros Pagratis is Assistant Professor of Finance at the Department of Economics, Athens University of Economics and Business (AUEB). Prior to coming to AUEB he served as a Member of Staff at the Bank of England, Systemic Risk Assessment Division, where he specialized on the UK banking system and acted as special secretary of the Bank of England Property Forum. He completed his Ph.D. thesis at the London School of Economics under the supervision of Hyun Song Shin. His research interests are in the areas of finance and banking. His publications include articles in journals such as the Journal of Empirical Finance, Financial Management, Economica, International Journal of Central Banking, Journal of International Money and Finance. He has taught finance and economics at the London School of Economics and the Athens University of Economics and Business.

Questions:

- What factors can influence the position of the ECB towards Greek sovereign bonds once the PEPP ends in 2024?
- Given the reduction of 10-year bond yields, what mechanisms can be implemented to avoid an unsustainable increase of the Greek debt?
- We know that Greece has not met the debt-to-GDP ratio reduction to 124% by 2020, however it is still being supported by the BCE on one way or another. Is there a limit to the ECB's help?

- **Topic: The Greek political system before and after the crisis**

Questions about the organization of society are rooted from Ancient Greece, the precursor of political philosophy being theorists such as Plato and Aristotle. Since then, however, Greece has undergone major political transformations and the economic crisis of sovereign debts in 2010 has been one of the recent factors.

The mismanagement of the debt crisis in 2010 was the result of Greece's mismanagement of its economy and public finances (widespread fraud and an absence of public accountability) as well as its lack of control over monetary policy due to its membership in the Eurozone, which was incompatible with its political and financial objectives. In 2009, the Greek parliament was largely represented by socialists and center-right MPs. In 2015, the majority turned to the radical left. Nevertheless, in 2019, Greek politics took another turn with the arrival of the New Democracy party in power, represented by many technocrats whereas the ruling Syriza party of Alexis Tsipras suffered a defeat. This turnaround took place as the party disappointed many voters due to the failed negotiations with the country's creditors, the signing and ratification of the third bailout plan related to the crisis involving more taxes than spending. On the contrary, the party of Kyriakos Mitsotakis (New Democracy) arrived

with the promise of providing strong economic growth and had convinced by criticizing the current government on law and order, the deal with North Macedonia and administrative failures in dealing with deadly wildfires in eastern Attica.

Speaker:

Pantelis Kammis is an Assistant Professor at the Department of International and European Studies (AUEB) where he currently teaches Public Finance and Fiscal Policy courses. He holds a B.A. in Economics (1998) from the Aristotle University of Thessaloniki, a MSc in International Economics (2000) and a PhD in Economics (2006) from the Athens University of Economics and Business. His research interests include fiscal policy in open economies, political economics, comparative politics and political behaviour and has published articles in international academic journals such as Journal of Macroeconomics, Public Choice, Journal of Comparative Economics... Two of its most recent collaboratives working papers focus on “The effect of ethnic diversity on the participation in social groups: evidence from trade unions” and “The Role of Institutions on the Nexus between Inequality and Public Education” (March 2022).

Questions:

- What is the political situation since the health crisis? Has it weakened it? Have the promises made by the new government materialised as agreed?
- Greece has taken in many refugees in recent years and has indeed been one of the hubs for access to European countries. What political measures were taken during this period and did this crisis impel the changes in the structure of the political system that we see today? Do you think that the current crisis in Ukraine could impact the Greek political system again and to what extent?
- What would be your recommendations in fiscal or budgetary matters to improve the economic and political situation in Greece, which has been living under the burden of austerity since the crisis?
- Can we somewhat fear a political crisis in Greece in the future because of the accumulation of all these events (economic crisis, migrant crisis, health crisis...)?

European Investment Bank



Presentation of the EIB:

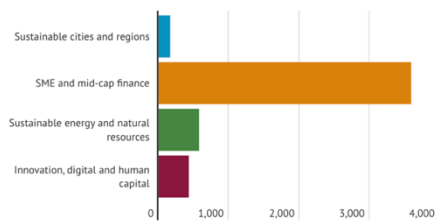
The EU bank was established in 1958 and has since invested over a trillion euros. It intervenes in over 160 countries around the world, focusing on priority areas such as climate and environment, development, innovation and skills, small and medium-sized businesses, infrastructure and cohesion. It also develops initiatives, currently six which are: response to Coronavirus outbreak, economic resilience initiative, gender equality, circular economy, preserving oceans, investing for youth.

The EIB has been active in Greece since 1963. It has helped many small businesses in an economic context strongly marked by the financial crisis. Thanks to its support, Greece has better roads and more sustainable transport, as the example of the Athens metro (which carries 130,000 people every

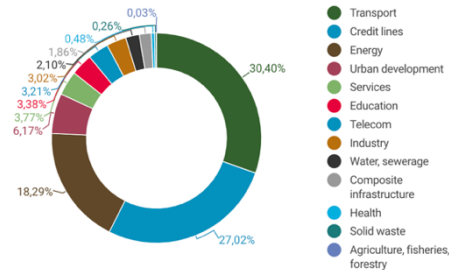
day) shows. The Bank has also provided Greece with various multi-billion euro "framework loans" for schools and museums, the tourism sector and the environment.

Last year's EIB Group activity in Greece by priority

(In € million, last updated at previous year end)



EIB activity in Greece by sector since start of operations



Biography of the speaker, Tatiana Dermati:

Tatiana Dermati is Institutional Relations Officer at the European Investment Bank Group Office in Athens, Greece, since September 2017. She has worked in the Legal Affairs Department of EIB since 2003, initially providing legal support to financing operations in Greece, Cyprus and Western Balkans, and later on to innovative financial products and investment funds. Previously she worked as legal counsel in Athens as well as in a startup company in London. She holds a law degree from the University of Athens, Greece, and an MBA degree specialized in Finance from City University (Cass Business School) in London, UK.

Questions:

- The EIB has a local partnership with 6 Greek banks (Alpha bank, Black Sea Trade and Development Bank, Eurobank, Piraeus Bank, National Bank of Greece, Pancretan Cooperative Bank). On what criteria are these partnerships based? Are there standards such partners must be respecting?
- The EIB is, in its designation, an investment bank, yet advertises its fight against poverty as a top priority. What differentiates it from a development bank?
- Does the national office of the EIB prioritize focus area of the global institution or local needs?
- A few weeks ago, the EIB has decided to accompany Greece in its digital transition by granting 125 million euros. Concretely, what is it going to finance and to what aim?
- Environment preservation is one of the main focuses of the EIB group and it seems to translate well into actions Greece, where islands can be a privileged research and observation ground. Do you have any example of concrete programs applied in Greece in this area?
- How are the sectors of priority chosen? Is the EIB starting projects based on needs observation or does it join on programs which seem promising and relevant from other actors?