

Course No. ECON/PSCI326

Crisis and Change in Greece and Europe

Fall Semester, Academic Year 2018-2019

Instructor: **Dr. Ritsa Panagiotou**

Course Description

The Greek sovereign debt crisis and the eurozone crisis have dominated European attention since 2009; the causes, repercussions and outcomes of these unprecedented and interconnected crises have been the focus of much study, research and debate over these past years. While the Greek crisis is still not resolved, and the EU economies are still not fully out of recession, crucial new geopolitical, security and socio-political challenges have emerged in Europe that exacerbate and compound the already existing financial/ economic ones. In this context, the term "European Crisis" is no longer defined solely as the Greek sovereign debt/ eurozone crisis but rather comprises far more complex, multi-layered and potentially dangerous issues that impact the fabric and the very future of Europe. These issues include the departure of the United Kingdom from the EU (Brexit), the ongoing refugee and migration crises, the escalating threat of terrorism, the rise of Islamic fundamentalism and authoritarianism in Turkey and the rise of right wing extremism in Europe.

This political economy course is specially designed to provide students with a broad overview of the crisis in Greece and Europe, the reform efforts to tackle the structural deficiencies of the Greek economy and the Eurozone system, and the attempts to defend the European integration process from the escalating internal and external challenges. The political economy approach is an attempt to understand the complex interplay between politics, interests, institutions, ideas and policies both at the European and at the national level.

Learning Objectives:

The goals of the course are a) to acquire knowledge of the mechanisms and objectives of the European Union's Economic and Monetary Union and the creation of the common currency; b) to provide an overview of the Greek/Eurozone crisis from institutional, political, social and economic perspectives; c) to appreciate the interdependence between the countries of the Eurozone and the implications of this interdependence, and d) to understand the complex new economic, social and geopolitical realities and challenges facing Europe, that are threatening to undermine decades of economic integration and political cooperation on the continent.

The course will be categorized into several core themes:

1. The Institutional Background: The European Union's Economic and Monetary Union (what it was meant to achieve, creation of the Eurozone and launch of the euro, the stability criteria, role of the European Central Bank)
2. Explaining the Greek crisis – The long term structural causes of the crisis.
3. Eurozone Crisis: Background and Responses: timeline of events; how the global crisis came to Europe; explosion of the Greek crisis; role of the Troika (IMF/Eurogroup/ECB); austerity measures implemented; impact of measures
4. Repercussions and Impact of the Crisis: how the Greek crisis became a Eurozone crisis; the contagion/ domino effect of the Greek crisis; is the eurozone in danger of unraveling economic, political and social fallout of the crisis in Greece and beyond.

5. New Challenges beyond the eurozone crisis: Impact of Brexit, the refugee/ migration crises, the spectre of terrorism in Europe, crackdown on freedom in Turkey, rise of right wing extremism in Europe, the future of the eurozone and the EU.

Course Requirements/Assessment

Students must come to class prepared on the basis of the assigned readings per lecture, and **class participation is considered essential**. There will also be required **group presentations** in the last sessions of the course, a **mid-term** and a **final exam**.

The **breakdown of the final grade** is as follows:

- Class participation: 20%
- Group presentations: 30%
- Mid-term exam: 20%
- Final Exam: 30%

Use of Laptops: In-class use of laptops is permitted if that facilitates course-related activities such as note-taking, looking up information and references, etc. Laptop privileges will be suspended if they are not used for class-related work. Academic dishonesty will be dealt with according to the Academic Regulations of College Year in Athens

Books, Course Materials, Moodle

Core Readings:

Class handouts, including a broad compilation of current articles, surveys and reports concerning the crisis. All class handouts will be uploaded and available on Moodle.

Additional Readings:

Cini, Michelle (ed.) *European Union Politics*, Oxford: Oxford University Press, 4th edition, 2013.

Dinan, Desmond, *Europe Recast: A History of European Union*, Palgrave Macmillan, 2nd Edition, 2014.

Pagoulatos G., *Greece's new political economy*, Palgrave Macmillan, 2003,

Tsoukalis, Loukas. *In Defense of Europe: Can the European Project be Saved?* Oxford University Press, 2016.

Periodicals and Websites

Since the course will be closely following current events (literally day-to-day), reading daily/weekly online newspapers and magazines is **HIGHLY** recommended. Sources such as the BBC (<http://www.bbc.co.uk>), the Economist (<http://www.economist.com>), the Financial Times (<http://www.ft.com>), and the International Herald Tribune (<http://www.ihf.com>) are particularly helpful.

A wide range of material on the EU is available on-line, and students are encouraged to consult the official EU website (Gateway to the EU: <http://europa.eu>) as part of their weekly preparation. Other websites with relevant material are <http://euobserver.com> and <http://www.euractiv.com/en>

Class Schedule

This is a preliminary schedule of lectures. Part of the order may change and some topics may be replaced by others, depending on current developments in Greece or in the EU during the course.

Class Day	Day/Date	Topic / Readings / Assignments Due
1	Tues Sept 11	Introduction to the topic, introduction to course objectives <ul style="list-style-type: none"> • These are the Real Differences between Americans and Europeans (World Economic Forum)
2	Thur Sept 13	The Institutional Background: Economic and Monetary Union and creation of the common currency <ul style="list-style-type: none"> • Michelle Cini, <i>European Union Politics</i>, Ch. 201 • European Union: the road to Lisbon • EMU and the euro (eu4journalists) • Why was the euro created? (I. Chapple, CNN) • Eurozone crisis as historical legacy (M. Sarotte) •
3	Tues Sept 18	Eurozone Crisis: Background and Responses <ul style="list-style-type: none"> • In Defense of Europe, Ch. 3, Ch. 4 (L. Tsoukalis) • The eurozone crisis by numbers • Timeline of crisis (greekreporter) • A very short history of the crisis (The Economist) • Eurozone crisis explained (BBC) • Greece and the eurozone crisis: two narratives (Y. Kitromilides, Crisis Observatory) • How Goldman Sachs helped Greece to Mask its true debt (spiegel online)
4	Tues Sept 25	The impact of the crisis on Greek/ European economy and society <ul style="list-style-type: none"> • The Terrible human cost of austerity (Forbes) • The True Cost of Austerity - Greece case study (Oxfam) • Europe is Destroying Greece's Economy for no reason at all (Washington Post) • Young, gifted and Greek: Generation G (Guardian) • What austerity looks like inside Greece (New Yorker) • Greece's successful death (N. Chrysoloras, Crisis Observatory) • The Social impact of the Economic Crisis in Europe (Hanan) • A cautionary tale (Oxfam)
5	Thur Sept 27	"First Time Left": The rise and fall of the anti-austerity movement in Greece (Film: The Greek Debt Crisis Explained) <ul style="list-style-type: none"> • Syriza's Victory: restoring the dignity of Greece (Forbes) • Ending Greece's nightmare (International NYTimes) • Staring into the abyss (Economist) • Greece on the Brink of financial collapse as IMF deadline looms (Guardian) • Alexis Tsipras's U-Turn (The Economist) • Three Days to save the euro (Guardian) • Greece signs up to a painful, humiliating agreement (The Economist) • Was this humiliation of Greeks really necessary? (H. Smith) • Has Greece escaped catastrophe? (Guardian) • Brain drain hampering recovery (Greekreporter) • Greece will feel deep scars of austerity long after bailout (New Statesman) • Demands on Greece were too heavy (ekathemerini)

		<ul style="list-style-type: none"> Greece successfully concludes bailout programme (ESM) How crisis and bailouts have affected Greek economy (Bloomberg)
6	Tues Oct 2	<p>A Greek Crisis, A European Crisis Class Activity: Classify characteristics, responses and outcomes of countries in Crisis</p> <ul style="list-style-type: none"> The Eurozone in Crisis (Council on Foreign Relations, 2015) Economist Intelligence Unit Country Reports: Portugal Economist Intelligence Unit Country Reports: Italy Economist Intelligence Unit Country Reports: Ireland Economist Intelligence Unit Country Reports: Greece Economist Intelligence Unit Country Reports: Spain
7	Thur Oct 4	<p>Guest Speaker</p> <ul style="list-style-type: none"> The Greek Crisis in Global Media (Antoniades) IMF admits disastrous affair with the euro (Telegraph, 2016) IMF admit to errors in international bailout of Greece (FT, 2013) Austerity vs Democracy in Greece (Foreign Affairs) What is the European Debt Crisis? European Disunion (I. Traynor)
8	Tues Oct 9	<p>Film: "The Greek Resistance"</p> <ul style="list-style-type: none"> What's next for Greece (CFR) Greece braces for New Year drama (S. Nixon) Grexit remains the likely outcome (F.T.) Euro crisis: why a Greek exit could be much worse than expected (M. Sivy) Fears of social and political unrest if Greece leaves euro (S. Castle) Would Grexit have been a better deal? (BBC) Greece debt crisis (BBC) Harsh Greece deal (BBC) Merkel's bittersweet victory (Carnegie Europe) The EU in Crisis: Two economists disagree on why (NYT Book Review)
9	Thur Oct 11	<p>Visit to the Museum of the Bank of Greece</p> <ul style="list-style-type: none"> Euro-zone contagion: If Greece goes... (Economist) Greek Debt Crisis: Why should I care? (BBC) Greek debt crisis (R. Plummer) Why the Greek meltdown became a Euro-Zone crisis The domino effect in Europe's debt crisis (K. Chibber) If Greece exits, here is what happens (T. Durden) Fear the Grexit (Bloomberg) My Big Fat Greek Funeral From rage to resignation (Economist)
10	Tues Oct 16	Class Activity: Whose Fault is the Greek Crisis?
11	Thur Oct 18	Mid-term exam
12	Tues Oct 30	<p>Guest Speaker</p> <ul style="list-style-type: none"> In Defense of Europe, Ch. 6 (L. Tsoukalis) Greece must walk the talk, and soon (H. Dixon) It's Time to stand up to Troika Austerity (Part I) It's time for the EU to stop bullying Greece (J. Cassidy) The Future of the euro: let's get real (Cohen) The economics and politics of the euro crisis (P. Hall)

13	Thur Nov 1	<p>Beyond the eurozone crisis: Europe's new challenges (I) Brexit: the European Union without the UK</p> <ul style="list-style-type: none"> • Britain and Europe (The Economist) • The roots of Euroscepticism (The Economist) • Economic implications of Brexit (Brookings Institution) • After the UK Referendum, the main trial: save Europe! (P. Efthymiou, Crisis Observatory) • A Background Guide to Brexit (The Economist) • Brexit: The Consequences for the EU's Political System (UCL Briefing Paper) • 4 Brexit Scenarios (Carnegie Europe) • Labouring towards a new Brexit vote (Carnegie Europe) • Brexit and British youth (The Guardian) • Brexit and Irish border (The Conversation)) • Hard vs Soft Brexit (The Conversation)
14	Tues Nov 6	<p>Class activity Debate: Brexit Negotiations</p>
15	Thur Nov 8	<p>Beyond the eurozone crisis: Europe's new challenges (II) The refugee / migration crisis</p> <ul style="list-style-type: none"> • Desperate crossings (UNHCR) • Re-energising Europe; pp. 13-15 (New Pact for Europe Report 2017) • Why is EU struggling with migrants (BBC) • 2015: The Year of Europe's Refugee Crisis (UNHCR) • Refugee Crisis in the European Union (Council of Foreign Relations) • A crisis within a crisis (aljazeera)
16	Tue Nov 13	<p>Deutsche Welle Film: Germany's Safe Haven</p> <ul style="list-style-type: none"> • How is the Migrant Crisis dividing EU countries? (BBC report) • Divided Europe seeks long term answer to refugee crisis (Guardian)
17	Thur Nov 15	<p>Guest Speaker</p> <ul style="list-style-type: none"> • Refugees in Greece: Rising Tide (The Economist) • Is Greece about to be martyred again? (P. Eleftheriadis) • Greece left alone in the Refugee Crisis (DW) • Greece managed refugee crisis with dignity (ekathimerini) • Can Greece cope both with austerity and the refugee crisis? (Debating Europe)
18	Tues Nov 27	<p>Beyond the eurozone crisis: Europe's new challenges (III) The spectre of Terrorism in Europe</p> <ul style="list-style-type: none"> • Re-energising Europe; pp. 16-18 (New Pact for Europe Report 2017) • The new normal (The Economist) • These 5 facts explain why Europe is ground zero for terrorism (The Economist) • Terrorist atrocities in Western Europe (Economist) • Islamic terror could drive Europe into the arms of the far right • Why Belgium is front line in war on terror (CNN)
19	Thur Nov 29	<p>Beyond the Eurozone crisis: Europe's new challenges (IV) The rise of populism and extremism in Europe</p> <ul style="list-style-type: none"> • Populism is a symptom of real policy failure (Chatham house) • Re-energising Europe; pp. 28-29 (New Pact for Europe Report 2017) • Islamic terror could drive Europe into the arms of the far right

- Rising fear of terrorism pushes Europeans to rethink approach to right wing parties
- The Rise of the Far Right (Harvard Political Review)
- Europe's far right is surging (The Guardian)
- Defending EU values in Poland and Hungary (Carnegie Europe)
- The Rise of Europe's antipopulists (Carnegie Europe)
- Countering a regressive and illiberal Europe (EPC)

20	Tues Dec 4	<p>Beyond the eurozone crisis: Europe's new challenges (V)</p> <p>Tensions in the neighbourhood, tensions within Europe</p> <ul style="list-style-type: none"> • The EU in stormy seas (Carnegie Europe) • 3 versions of Europe (Foreign Policy) • Arrogance could bring down the EU (Paul Hockenros, CNN) • In Defense of Europe, Ch. 7 pp. (L. Tsoukalis) • Turkey's ruthless President (BBC) • The rise and fall of free speech under Turkey's Islamists • Europe's policy options on Turkey (Carnegie Europe) • Turkey seeking better EU ties as journalists await prison (EUobserver) • EU unity beyond Brexit (Carnegie Europe) • Europe is being torn apart (T. Garton Ash) • What are the big challenges facing Europe? (BBC report) • The EU is not out of the danger zone (Carnegie Europe)
21	Thur Dec 6	Group presentations
22	Tue Dec 11	Group presentations
23	Thur Dec 13	Group presentations
24	Tues Dec 18	Final exam
