



The Twentieth International Symposium

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Education, Dialogue, Advocacy

“Transatlantic Security and Financial Crisis”

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Venue: Amphitheatre of the Ministry of Foreign Affairs of Greece, Academias 1

Session : Security in the Era of Economic Crisis (summary)

Mr. Koutsogiorgas is an economist and former Member of Parliament. In the beginning of his speech he stated out that we are experiencing the greatest and most important economic crisis in the history of the Western world, pointing out that it hasn't yet reached its climax. The crisis as he said threatens the very existence of the Euro zone and the European Union proving that it is a matter greatly interwoven with security issues in Europe as well as other regions (Iran- Afghanistan-Pakistan)

Mrs. Panaritis is Member of the Greek Parliament and an Economist. Goal of her speech, as she said was to show how National and Transnational Security is affected by the shocks created by what Economists call Economic Disequilibria. She pointed out that structures within a society that support productivity are essential to create an Economic Equilibrium point facilitating balance and stability in a Society or an Economy. To give examples of economic “shocks”, in a national or transnational levels she referred to the Cartel that regulates the global prices of oil products(international) and the problems that the inefficient bureaucratic mechanism of the public administration institutions in Greece create for civilians and companies, both of them are factors with tremendous affect in economic stability and productivity. Continuing she explained the differences between “short term shocks” that are created by a Liquidity crisis, that are easily surpassed, and deeper shocks that have structural and systemic causes that trigger crises of Fidelity, which are far more dangerous and difficult to surpass. This is the case with the Greek problem. Mrs. Panaritis stated that there was a “wrong diagnose” for the endogenous problem of the Greek Dept that had mistaken the crisis to be a Liquidity one. The deep structural problems of the Greek Economy hurt the resources and the Capital itself, making the State an entity with only marginal control over the production process and diminishing capability of intervening to restore Equilibria. This situation undermines not only the Fidelity between the State and the Markets (not only the Financial Markets but generally the people) but also the Relations between States and other States as well as the negotiating capabilities of States. At the end of her speech she referred to the systemic economic and development issues of the E.U and the changes implemented by the Globalization process and the problems it creates to Economies and States.

Mr. Notis Mitarakis is a Member of the political party New Democracy. In the beginning of his speech Mr. Mitarakis referred to the role of Greece in the major Western institutions, E.U and NATO, and its part in tackling crucial security issues such as piracy. Continuing he stated that the economic crisis that the World currently experiences is a source of major stability and security issues that need to be decisively addressed. He stated that multilateral diplomacy within the European Union and NATO is greatly affected by the ongoing crisis, but as he says this is one more reason for decisive action to be taken against it. This is because a stable and safe Europe can be a source of Security for the rest of the world and vice versa. About the common currency of the Euro zone he forecasted that it will manage to survive the crisis, “it must survive the crisis. About the Greek Dept problem he said that Greece was affected so deeply by the Economic crisis because of its excessive dept and its chronic structural inefficiencies that have never been tackled before in the past. He also mentioned as causes of the escalation of the crisis in the Euro zone the institutional vacuums related with the planning of the Euro zone, vacuums that must be covered. He opposed a long-term austerity for Europe saying that it would make Europe even less competitive against the ever-growing B.R.I.C. economies, which them alone were responsible for a



30% increase to the World's production from 2000 to 2008. He declared that it's a matter of vital importance for Europe to address collectively the problem by increasing its competitiveness but, as he said "in an environment of Fiscal Discipline". Europe must aim to defend the strength of its currency. He opposed the dichotomy of Europe into the Hard-core and the Periphery and he said the common currency is a strategic long-term choice that should not, cannot and will not be reversed. He stated that the E.C.B must acquire the necessary macroeconomic tools that other major banks of the World poses, even that of following expansive monetary policies, "despite the fears that some of the partners have", thus saying that recession can be proven more dangerous than inflation and that the lesser of two evils must be chosen. The essence of his speech was that "we need more Europe not less Europe to overcome the Crisis", meaning that the integration process will be the answer for Europe's problems.