



OUTLOOK

THE GREEK CRISIS

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In Brief

We analysed the Greek situation in the light of the expert information flows¹ regarding economy, which were entered into the database during the last five weeks and focused on this issue.

Based on the G-MAP repository², this analysis brings to light the following structuring elements:

- 1) *Three sectors rule this crisis situation*: globalisation, industry and finance.
- 2) If Greece encounters problems financially and industrially - the situation even worsens between December 2009 and known - *the other basics of the economic and geopolitical field are satisfactory*: Europe, politics, international relations and world economy.
- 3) *On the other hand, the societal basics are poor*: two segments are missing and three segments out of six set in the red zone.
- 4) *Complete absence, or almost, of two fields which could have been growth engines*: environment and sciences and technologies. Nevertheless, the “Environment and Climate” field slightly improved in comparison to December 2009.

A projection of the present situation by the end of the first semester, *on a like-for-like basis and in a constant context*, shows changes towards a very high pressure from the segments Europe and world economy as well as the one of the human rights.

The financial pressure should decrease and be replaced by the European pressure as well as the one from the economic world.

1 - *Expert information flows are qualified by measures of complexity and high synthetic levels.*

2 - *The G-MAP repository is based on the 21st Century fields of major changes and their segments. Four fields: society, climate & environment, economy & geopolitics, sciences & technologies. Each field is subdivided into segments. For example: global warming, agriculture, finance, international relations, ICT, nanotechnologies, human rights, territories...*

Thus, Greece would move out from the “storm centre”. The return to a relative economic stability and the rise recorded on the “Environment” segment can lead to expect a first step toward an economic recovery.

On the other hand, the increase of social pressure is obvious. It lets to point to *an explosive social situation* – pressure on the “Education” and the “Human rights” segments –, which could oppose the European supports.

So, we think that the efforts, which the Greek government agreed to make, and the control of the Greek economy by the European authorities, which will result in the implementation of a drastic belt-tightening plan, will allow Greece to move out from the crisis because the basics are correct. Indeed, the phase of worsening was a direct consequence of the speculative pressure and so these effects should ease.

Nevertheless, we must keep watching over the evolution of the social climate and the risks of long-experienced social explosion in a European country. This monitoring must be set up as from now and carried on during the next five months.

The following elements allow a better comprehension of the current and future situation, by identifying:

- 1) *The missing segments in the Greek political background*, which are potential vectors of imbalance because of their absence in itself.
- 2) The present segments, but involving quite high conditions of imbalance;
- 3) *The main sectors, which the current Greek policy is based on*. These sectors allow identifying the whole dynamics of the system.
- 4) The driving forces behind the Greek dynamics and *their direction* by five months.

Missing Segments

SOCIETY	ECONOMY & GEOPOLITICS	CLIMATE & ENVIRONMENT	SCIENCES & TECHNOLOGIES
Foresight	Security - Defence	Climate change	Sciences
Health		Raw materials	Nuclear
		Bioenergy	ICT
		Water	Space - Aeronautics
		Biodiversity	Physics - Chemistry
		Agriculture	Nanotechnologies
			Biotechnologies
2 / 8	1 / 7	6 / 8	7 / 7

First observation: the whole segments of the « Sciences & Technologies » field and almost all the segments of the « Climate & Environment » field are missing.

Rating of the Represented Segments

The average range of values is between **5.6** and **9.33**. The segments, whose the values are lower or higher, can cause imbalances. They are the following:

Globalisation (5.36) - Education (10.43)
 Human rights (12.79) - Industry (5.21)
 Finance (5.43) - Environment (11.29)

	SOCIETY	ECONOMY & GEOPOLITICS	CLIMATE & ENVIRONMENT	SCIENCES & TECHNOLOGIES
Missing	2 Segments	1 Segment	6 Segments	7 Segments
Warning	3 Segments	2 Segments	1 Segment	
Total	5 Segments	3 Segments	7 Segments	7 Segments
Rating	3/8	4/7	1/8	0/7
Score	D -	C -	E	F

Average current score: E+

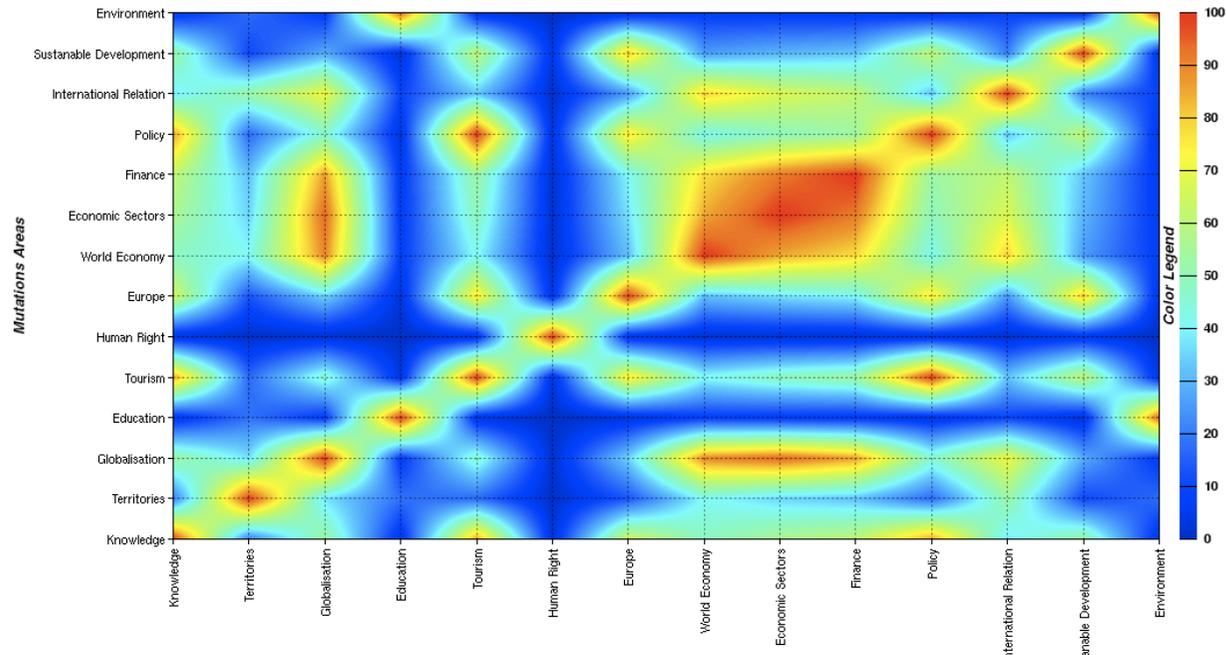
The economic and geopolitical situation have deteriorated between December 2009³ and now. It reflects the market pressures put on the country. On the other hand, the “Sustainable Development” segment shows slight improvement. It is a possible harbinger of a way out of the crisis.

3 - For your information, in December 2009, the Greek scores were:

	<i>SOCIETY</i>	<i>ECONOMY & GEOPOLITICS</i>	<i>ENVIRONMENT</i>	<i>SCIENCES & TECHNOLOGIES</i>
<i>Missing</i>	2 <i>Segments</i>	1 <i>Segment</i>	6 <i>Segments</i>	7 <i>Segments</i>
<i>Warning</i>	3 <i>Segments</i>	2 <i>Segments</i>	1 <i>Segment</i>	
<i>Total</i>	5 <i>Segments</i>	3 <i>Segments</i>	7 <i>Segments</i>	7 <i>Segments</i>
<i>Rating</i>	<i>3/8</i>	<i>4/7</i>	<i>1/8</i>	<i>0/7</i>
<i>Score</i>	<i>D-</i>	<i>C+</i>	<i>F</i>	<i>F</i>

December 2009 average score: E

Main Sets



According to the map above, some segments clearly converge, outlining the following sets:

- 1) Globalisation, world economy, finance, economic sectors (industry) and international relations.
- 2) Knowledge, tourism, Europe, sustainable development and politics.
- 3) Education and environment.

Two segments are not linked to any specific sets: human rights and territories.

Thus, the Greek crisis hinges on three major sets:

- 1) A main block, actually substantial, dealing exclusively with the economic crisis.
- 2) A secondary block, which covers various thematic topics, from the social concerns to the European challenges and the environmental issues. Because of its wide positioning, this block could represent a response to the economic problems.
- 3) A more marginal block including the segments « Education » and « Environment ».

Dynamics and Engines of the Dynamics

For the system to be balanced, its extremes must be progressively brought back to a satisfactory average.
The projection introduced by Globe Expert suggests a simulation relying on:



Here, we observe that *the system tries to alleviate the impacts of the economic crisis* by balancing the main block, as described above. *On the other hand, the other dynamics brought to light is, in our opinion, more negative.* If it involves “Education” and “Environment”, both positive factors at first glance, it also places “Human rights” at the heart of the process. In the present context, this segment indicates a *social conflict risk*, which could originate from student upheavals. For the dynamics to be effective, they must be provided by accurate sources. The projection by 5 months, compared with the current map, allows bringing to *light the segments presenting the highest variations, which fuel the Greek dynamics*. Thus, among the segments to be watched, we notice:

SEGMENT	PRESSURE VARIATIONS
Globalisation	Back to normal
Education	The pressure is still increasing
Human rights	Overheating
Economic sectors (industry)	Stable
Finance	Back to normal
Environment	The pressure is still increasing

The dynamics bring to light two new segments: *world economy and Europe*. It clearly proves that Europe should play a key role in the next weeks, but also indicates a highly-charged pressure on the “Human rights” segment.

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