

# EU DYNAMICUS NEWSLETTER

## *Dear readers,*

Welcome to the newsletter of the Jean Monnet Chair at the Faculty of Political Science and Journalism at Adam Mickiewicz University in Poznań.

JM Chair started to operate in October 2016. Teaching and research activity conducted within the chair focuses on the crucial social and economic processes which currently take place in the European Union.

Our team consists of: prof. Maciej Walkowski (head), Tomasz Brańka (PhD), prof. Jarosław Jańczak, Joanna Skrzypczyńska (PhD) (see the photo).

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We are supported by PhD students: Kinga Jasiak and Rafał Szymanowski. Our newsletter will be published twice during the semester.



## **JM CHAIR ACTIONS**

### **COLLEGIUM POLONICUM CONFERENCE**

On February 2-3, 2017 members of the Jean Monnet Chair “European Union – Economic Development, Young Europeans and Innovations in Crisis overcoming and Union’s Sustainability” together with their colleges from other universities in Poland took part in the international scientific conference “Europe of the 21st Century” on “Future of Europe and the European Union in the face of new challenges” in Collegium Polonicum in Słubice.

During the plenary session “**EU and its economy after the crisis**” they explored in particular the political and economic determinants of the current situation of Europe and the European Union.

## JM CHAIR COURSES



As part of the JM Chair, courses are available to students of the Faculty of Political Science and Journalism at AMU.

Courses (in Polish and English) are conducted both in the form of a traditional lecture as well as through e-learning.

The following courses were available on the master and bachelor level in the winter semester of 2016/2017:

- Przedsiębiorczość i zatrudnienie w gospodarce międzynarodowej
- Międzynarodowe determinanty rozwoju społeczno-gospodarczego Polski



## COMMENTARY

### PIIGS after crisis

*Maciej Walkowski*

The collapse of the mortgage markets in the United States (August 2007) was the beginning of world economic crisis. In many countries in Europe the state of public finances deteriorated. The Crisis particularly affected the countries referred to as a PIIGS (P-Portugal, I-Ireland, I-Italy, G-Greece, S-Spain) – peripheral states with bad budgeted situation. Confidence in the financial markets has been shattered and threat of bankruptcy of these countries had forced states from eurozone to develop savings programs.

The lack of sufficient economic preparations to the adoption of a new currency and failure to comply with the convergence criteria has led to the budget deficit in Greece of 13,6% of GDP (April 2010). The Spaniards in 2006-2007 built more homes than Germans and French in total and the value of investments in real estates amounted to one third of GDP.

In Ireland the prices of real estates have raised up and economic growth was based on *the real estate bubble*.

*„The Crisis particularly affected the countries referred to as a PIIGS (P-Portugal, I-Ireland, I-Italy, G-Greece, S-Spain) – peripheral states with bad budgeted situation”*



*Prof. Maciej Walkowski in Słubice*

## ***PIIGS after crisis***

Portugal, being one of the poorest countries in UE, had a trouble with growing problems related to adaption of common currency and Italian economy wasn't competitive and stagnant. These factors lead the above-mentioned countries to the brink of bankruptcy. Problems in countries from the PIIGS group constituted the real threat to economic stability - of both Eurozone and the EU as a whole. A number of aid programs has been formulated to limited spreading crisis. A three-year aid package - amounting to € 110bn and reform programme which was aimed at reducing the deficit were offered to Greece. Spain received € 100bn of which only € 41,4bn has been used for recapitalization banks. In case of Ireland and Portugal - € 85bn and € 78bn was granted. Apart from external aid, national governments undertook a sequence of rescue operations in order to cut the deficit, reduce the debt to GDP ratio and also to restore the trust of investors.

Crisis has hurt the economic development of PIIGS countries. Spain and Greece still face problems with the high youth unemployment. Currently in Spain the public debt of the finances is growing up to the GDP at the same time causing higher of the trade exchange (more goods are sold too border than imported). In Portugal - unfortunately inversely- export exceeds import. In Italy the growth rate is lower resulting in accusations towards EU of not fulfilling its economic goals for the development of the whole community. Greek public debt equals 176,9% of GDP. Ireland has travelled the road from crisis-ridden country to one of the fastest developing economies in Europe. PIIGS countries are still experiencing the effects of living beyond their means. However, the situation is stabilizing. This is evidenced by normalization of the labor markets and debt repayments.

## ***European labor markets in the post-crisis era***

*Magdalena Kacperska*

The analysis of unemployment statistics in individual EU countries indicates that the crisis has intensified that problem, but its scale has not been uniform. Unemployment has risen the most in Greece and Spain (from 8% in 2007 to 27.5% in 2013 and from 8.8% to 26.2%), with the others rising by a few percentage points. In Poland there was a slight increase in the unemployment rate during this period: from 8.2% to 10.4%, while the special situation took place on the German labor market, where unemployment fell from 8.2% in 2007 to 5.2% in 2013 and 4.1% in 2016.

Many studies show that European labor markets are starting to suffer from a new problem, namely the lack of hands on work. Pro-development policy, the situation on the world markets, and demographic trends have led some European economies to face such a dilemma.

Increasing average life expectancy, falling fertility rates mean that the population is aging and fewer people of working age. Potential sources of workforce scarcity should therefore be identified. One of the most important will probably be the migration, but it remains open, of what kind; intra-EU or third countries.

*European labor markets are starting to suffer from a new problem, namely the lack of hands on work*

## Upcoming Events



### **Conferences**

**26-28 September 2017 r.**, members of the JM Chair will take part in the II National Congress of European Studies in Szczecin. The theme of this year's meeting will be in the State in the European Union.

### **Online courses spring 2017/2018**

**Multiculturalism in business practice**

**Cities in Europe as a Source of Economic Growth and Social Policy**

### **Lectures spring 2017/2018**

**Innowacje i myślenie kreatywne na rynkach Unii Europejskiej**

**Procesy globalizacji i regionalizacji w gospodarce światowej**

