

Event this week

[Business](#), [Management](#)



Event This Week Summary of Event A very notable event has happened in regard to Greece and its bailout this week. A representative of Greece creditors have called on Greece to commit to the previously agreed reforms. The creditors called upon Greece minister of finance to come up with a workable economic reform program. Although Greece Prime Minister Alexi Tsipras had managed to get a €240bn bailout, he had not showed any visible reforms, which is frustrating the creditors (Traynor, 2015).

Context

The financial crisis in Greece has been in existent for many years. Indeed, Greece crisis is a reflection of problems facing the Eurozone. Greece financial crisis has been marked by high budget deficits and unsuccessful bailouts. Although the problem seems to span for more than a decade, the real financial crisis picture became evident beginning 2007. IMF and Eurozone members have been giving bailouts to Greece by demanding austerity measures from Greece. However, the bailouts have only worsened the financial situation in both Greece and Eurozone as well.

International implication

Greece may be only one member of Eurozone. However, the financial problems seem to drag the entire economic Zone down a financial recession. It seems that Greece financial problems cannot be solved by giving them money but by helping them to put into place strong money generating structures. Giving bailouts to Greece is like giving fish to a hungry man instead of showing a man how to fish. The rest of the world is watching how Eurozone mends its financial affairs. The strong Euro currency has been dropping with time and has actually recorded a 12-year low as of today.

Relation to Course learning

The Greece financial crisis ties very closely to this course. The situation shows how global economics are interrelated. A financial problem in one part of the global economy can have a large implication in other aspects of global economy. Therefore, the situation is relevant to the course learning about local and international economics.

Reference

Traynor, I. (2015). Eurozone calls on Greece to come up with credible reforms. The Guardian. 9 March 2015. Retrieved from <http://www.theguardian.com/world/2015/mar/09/eurozone-greece-credible-economic-reforms-brussels-eu>