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The Global Economy

Thesis/Outline

- I. Thesis: In the wake of the 2008 global economic crisis, the fragmented Greek government decimated its middle class with rising taxes and poor welfare tactics. This made the middle class citizen struggle to maintain their livelihood and suffer the consequences of the government's decisions.
- II. Greek post-recession economic state
- III. Greek government and increasing taxes
  - A. The realization of the deficit rising to 12.5% of gdp from 3.7% makes The greek government start austerity measures  
[\(https://www.econcrises.org/2017/07/20/the-greek-financial-crisis-2009-2016/\)](https://www.econcrises.org/2017/07/20/the-greek-financial-crisis-2009-2016/)
    1. This will help us show how the government was trying to push for austerity measures when the populous because of this pushed for anti-austerity.
  - B. These austerity measures ended up rising tax rates by a range of anywhere from 7-12% on the average middle class earner. On top of this they increased corporate tax by approx. 10%, this caused unemployment to increase.  
[\(https://www.econcrises.org/2017/07/20/the-greek-financial-crisis-2009-2016/\)](https://www.econcrises.org/2017/07/20/the-greek-financial-crisis-2009-2016/)

1. This shows one of the main austerity points that caused the middle class to suffer, we will use this evidence to prove a point on how the austerity affected people

#### IV. Impact on the Greek middle class

- A. Unemployment increased up to a staggering 25% for the middle class, and hasn't completely recovered.

(<https://www.thebalance.com/what-is-the-greece-debt-crisis-3305525>)

1. This point is an important one to show one of the main effects of the crisis on the middle class.

Rough Draft

One of the worst economic crisis in modern day America not only affected the U.S. but had a widespread effect on the entire world making it a global recession. Greece in the crisis many problems had arose compared to other countries. Many government decisions controlled the outcome of citizens in Greece, and affected the mass majorities social, political, and economic outlooks. In the wake of the 2008 global economic crisis, the fragmented Greek government decimated its middle class with rising taxes and poor welfare tactics. This made the middle class citizen struggle to maintain their livelihood and suffer the consequences of the government's decisions.

The start of the Greek economic crisis is one that is surprising. As many people were still focusing on the world banking crisis greece economy began to decline. On top of this the Greek government leading up to the crisis had been increasing their deficit and debt by a factor of almost 10%(KindReich), due to the economic boom beforehand and all the spending they had done. When the Greek government and investors finally acknowledged their problems it was too late. Greece was cornered by the European union and when they tried to instate spending and lower the investment rates to stimulate economic growth and investment it was too late. The Greek Government's debt and deficit had reached levels that essentially trapped them in crisis for the time being, with no foreseeable escape.

Once the Government had realized their situation entirely this is when the bailouts came and they enacted their own policies. Early on Austerity policies were not too harsh on the

citizens, but still caused mass unemployment. When the 3rd Austerity enactment came, this had a massive effect over all citizens. Their plan was to increase taxes, amounting to a 30 billion euro increase in revenue. Although that number doesn't seem too high it made tax evasion become a widespread survival method in middle and lower classes.