

CHALLENGES FOR THE GREEK ECONOMY AND THE NECESSITY OF A NATIONAL STRATEGY FOR THE NEW INDUSTRIALISATION OF GREECE

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Abstract: This paper focuses on the research and analysis of the main systemic structural imbalances in the Greek economy, which require urgent addressing. We have shown that most of these imbalances originated during the Greek debt, financial and economic crises that emerged from 2010 onwards. We have examined in detail the causes of these crises and their long-term consequences, such as a structural shift in the Greek economy that could slow economic growth and hinder improvements in the standard of living of Greek citizens. We used a large database to conduct a comparative analysis of Greece with other countries in the EU and beyond based on key indicators, such as the economic complexity index, the innovation and competitiveness index and their underlying factors. Ultimately, we concluded that there is a need to develop a national strategy for the new industrialisation of Greece, to foster innovations, industries with high added value and address structural imbalances.

Keywords: Greek economy, structural imbalances, systemic risks, manufacturing, high-tech, ship building, innovations, new industrialisation

JEL: E01, E02, E62, F14, F16, F32, F34, F4, O1

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1. Introduction

After a prolonged and devastating financial and economic crisis in Greece, which began in early 2010 and caused Greek sovereign debt instruments to be downgraded to junk bond status (Caa3), the Greek economy has now begun to gradually recover and increase its attractiveness to financial markets. For the 2024 the State Budget balance presented a surplus of 369 million Euros and 100 million Euros for the 2025¹. Since 2024 Greece became one of the five countries of euro area with a total general government budget surplus. In 2023, sovereign debt instruments of the Hellenic Republic returned to investment grade. In 2024-25, they upgraded their credit rating successively to BBB/Baa3/BBB-. Greece's GDP growth was 2.0% in 2025.

However, after a sharp decline during the debt crisis since 2010, Greece's GDP fell by almost a third; therefore, these rates remain insufficient. Moreover, according to IMF forecasts², Greece's economic growth is expected to slow down.

The EU Recovery and Resilience Plan for green and digital transition in Greece is currently being implemented, with funding through Recovery and Resilience Facilities amounting to €36 billion for the period 2021-2026. This creates a good foundation for the Greek economy's development. At the same time, it is necessary to assess the serious challenges facing the Greek economy today soberly.

¹State Budget Execution for the period of January – December of 2025, Hellenic Republic Ministry of Economy and Finance <https://minfin.gov.gr/en/state-budget-execution-for-the-period-of-january-december-of-2025/>

² IMF World Economic Outlook, Global Economy in Flux, Prospects Remain Dim (October 2025), IMF <https://www.imf.org/en/publications/weo/issues/2025/10/14/world-economic-outlook-october-2025>

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These challenges include the underestimated risks posed by an imbalance in the sectoral structure of the economy. This imbalance relates to the dominance of low-added-value and low-productivity sectors. This is holding back Greece's global competitiveness and innovative economic growth, the people's living standards, and the development of human capital. In a context of geopolitical tensions, trade wars in the global economy and intense competition for markets and resources, Greek economy needs to implement effective strategies to accelerate economic growth, strengthen competitiveness and increase living standards for the population of Greece.

At the start of 2025 the European Commission presented the competitiveness compass³, as a road map to restoring European dynamism and growth in accordance with recommendation of the famous Mario Draghi report "A competitiveness strategy for Europe. In-depth analysis and recommendations"⁴. Six months after the launch of the compass, the European Commission has already adopted 33 flagship and 14 legislative initiatives. With more than half of initiatives already delivered, and **over €1 trillion** mobilised across innovation, clean tech and security, the compass is ensuring Europe remains competitive, sustainable and resilient.

Greece has a good opportunity to become an integral part of the EU's strategy. If it puts forward a suitable strategy at national level, it will be able to overcome its challenges and boost its competitiveness.

In this research paper, we analyse the most pressing challenges facing the Greek economy, examine their deep-rooted causes, and outline ways to address them. We analyse the causes of the unusual prolongation and depth of the Greek financial and economic crisis, and the structural sectoral shifts in the Greek economy to which it has led. We then outline the most dangerous risks to Greece's economic growth and competitiveness and suggest to work-out the National New Industrialisation Strategy for Greece for boosting innovation clusters and innovative industrialisation.

2. Related literature

The literature analysing the causes of the protracted debt, financial and economic crises include particularly research paper by Pierre-Olivier Gourinchas, Thomas Philippon, and Dimitri Vayanos (2016)⁵, European Court of Auditors Special Report (2017)⁶ and others.

In the research paper by Pierre-Olivier Gourinchas et al (2016) the authors provide evidence that Greece was hit by three interdependent shocks during the crisis:

- "Sudden stop" and reverse of short-term capital flows;
- sovereign debt crisis;
- banking crisis

Many researchers of such crises such as Barry Eichengreen and Poonam Gupta (2016)⁷, Calvo, Guillermo et al (2004)⁸, Forbes, Kristin J. and Francis E. Warnock (2012)⁹, and others reveal phenomenon of massive short-term capital inflows from foreign investors into a country under conditions of a liberalised financial market, followed by a 'sudden stop' and reversal.

The authors of the European Court of Auditors Special Report (2017) analyse the second set of factors that have contributed to the prolonged and persistent nature of the financial and economic crisis in Greece. They discovered numerous mistakes and weaknesses in macroeconomic forecasting in austerity measures of the EC Adjustment Programmes for Greece. Particularly, the first programme ended prematurely in March 2012, as the unsustainable debt level and unexpected deep contraction in economic activity revealed a need for further funding. The debt-to-GDP ratio increased significantly due to the catastrophic decline in GDP, the denominator of this indicator. In other words, the programme requirements were not well thought out: instead of mitigating the crisis and putting the Greek economy on a path to sustainable growth and financial stability, they destroyed the foundations of economic growth, pushed the incomes of many families below the poverty line, and hampered the engines of economic development – aggregate domestic demand and a stable tax environment.

The authors of the report presented a detailed analysis of pitfalls in tax requirements. They wrote about instability in tax policy that destroys possibility of transparent, simple and stable tax system needed to encouraging investment: "Instability in tax policy affected all main types of taxes in Greece: changes and reversals in the scope of VAT rates, changes in corporate income tax rates, property and investment taxation, and the taxation of employed and self-employed labour. In particular, the corporate income tax rate was reduced from 25 % to 24 % in 2010 then to 20 % in 2011 and was 15 increased to 26 % in 2013 and to 29 % in 2015. OECD and Commission data also show that the tax wedge for a single employee increased by 2012 and returned to the 2009 level in 2015 with unwarranted economic objectives for the labour market. In

³ Competitive compass of the EU (2025), European Commission https://commission.europa.eu/topics/competitiveness/competitiveness-compass_en

⁴ Mario Draghi et al (2024) Report "The future of European competitiveness". Luxembourg: Publications Office of the European Union

⁵ Pierre-Olivier Gourinchas, Thomas Philippon, and Dimitri Vayanos (2016) The Analytics of the Greek Crisis - Celebratory Centenary Issue, GreeSE Paper No.100 Hellenic Observatory Papers on Greece and Southeast Europe, London School of Economics and Politics, July 2016 <https://www.lse.ac.uk/Hellenic-Observatory/Assets/Documents/Publications/GreeSE-Papers/GreeSE-No100.pdf>

⁶ European Court of Auditors Special Report (2017) "The Commission's intervention in the Greek financial crisis" https://www.eca.europa.eu/Lists/ECADocuments/SR17_17/SR_GREECE_EN.pdf

⁷ Barry Eichengreen and Poonam Gupta (2016), Managing Sudden Stops, World Bank Policy Research Working Paper 7639 <https://documents1.worldbank.org/curated/en/877591468186563349/pdf/WPS7639.pdf>

⁸ Calvo, Guillermo, Alejandro Izquierdo and Luis-Fernando Mejia (2004), "On the Empirics of Sudden Stops: The Relevance of Balance-Sheet Effects," NBER Working Paper no. 10520 (May)

⁹ Forbes, Kristin J. and Francis E. Warnock (2012), "Capital Flow Waves: Surges, Stops, Flight, and Retrenchment," Journal of International Economics 88, pp.235-251

particular, the social contribution rates and the threshold for tax-exempted personal income was raised and then lowered. Instability in tax policy was also generated by multiple reforms of taxable income determination, bookkeeping, tax audits, penalties etc. For example, the first programme advocated unified tax treatment of personal income sources but the second programme moved in the opposite direction”.

The authors of the Special Report found that the tax procedures and the Code of Books and Records were both subject to changes during the first and second programmes. The former income tax code (Law 2238/1994) was amended 425 times by 34 laws in the course of the programmes (2010-2014). When it was adopted in 2013, the new income tax code (Law 4172/2013) did not abolish the previous tax code, a situation which created temporary legal uncertainties for taxpayers. The adoption of the new income tax code was a requirement of the Memorandum of Understanding. It was also amended 111 times by 20 laws during 2013-2014. These factors have worsened the business climate and investment flows and have led to a further decline in economic growth, employment and living standards in Greece with negative social consequences.

The authors of Rachiotis et al, (2015)¹⁰ provided evidence that unemployment, financial hardship and income loss resulted in “deterioration of self-rated health, an alarming rise in suicide rates and a gradual increase in the prevalence of major depression”. They documented that both the economic recession and the accompanying austerity measures have triggered a 35% increase in suicide rates.

All these economic and social factors led to the negative deep structural shift of Greek economy. In the research paper Michalis Nikiforos, Vlassis Missos, Christos Pierros & Nikolaos Rodousakis (2025)¹¹ the authors used extensive statistical data and a mathematical model to demonstrate a systemic shift in the Greek economy towards the low-productivity Accommodation and Food Service Activities (AFSA) sector in the aftermath of austerity and structural reforms. This has had and continues to have a negative impact on economic growth, the current account balance and the competitiveness prospects of the Greek economy.

Practising economists and business surveys also confirm the painfulness of this structural imbalance. According to the latest interim Report on the Greek economy described by the General Confederation of Greek Labor (INE GSEE)¹², one of the structural

problems of the Greek economy is the lack of a development model with sound investments and an export-minded character, both in the primary and secondary sectors; this mainly concerns the manufacturing sector, and especially new technologies.

In our paper, we continued this research and tested the structural trends identified by the authors mentioned above using the most recent data. We found that, despite positive economic growth in 2024 and 2025, structural imbalances in the Greek economy not only persisted but, in some cases, even deepened. These structural imbalances pose systemic risks to the Greek economy and hinder its return to sustainable economic growth without external assistance.

The main way to overcome these systemic challenges to the Greek economy is elaborating the National Strategy for a New Industrialisation of Greece with focus on innovation clusters development. The authors of the work Bergquist, K. and C. Fink (2020)¹³ described the top 100 science and technology clusters and showed their impact on accelerating economic growth. The papers *The Global Innovation Index 2020: Who Will Finance Innovation?*¹⁴, De Rassenfosse, G. and S. Wunsch-Vincent (2024), WIPO (2025)¹⁵ and others provide relevant data and information about innovations and their role strengthening competitiveness.

3. Methodology and data

Our research is based on complex economic systems methodology, formal and dialectical logic, comparative statistical analysis, and big data analysis.

We used statistical data of Hellenic Republic Ministry of Economy and Finance, Bank of Greece, data of IMF, World Bank Open Data, Growth Lab Harvard Kennedy School Database on economic complexity, IMD World Competitiveness Ranking Database, World Innovations Index data and others.

4. Results

4.1. The main causes of the Greek financial and economic crises of 2010, their prolongation, and the consequences for the present economy

The deep crisis in Greece, which lasted more than ten years, as well as the EU austerity requirements when providing financing, provoked severe hardships for the country – a drop in GDP by almost a third, catastrophic unemployment, a sharp decline in the standard of living of the population, political turbulence and social chaos. There is still an outflow of intellectual capital, and opportunities in the development of high-tech industries are being

¹⁰ Rachiotis G., Stuckler D., McKee M., et al. (2015) What has happened to suicides during the Greek economic crisis? Findings from an ecological study of suicides and their determinants (2003–2012). *BMJ Open*, 5, e007295–e007295. [DOI] [PMC free article] [PubMed] [Google Scholar]

¹¹ Michalis Nikiforos, Vlassis Missos, Christos Pierros & Nikolaos Rodousakis (2025) The café economy: Structural transformation in Greece in the wake of austerity and “reforms”, Hellenic Research Observatory of the London School of Economics Working Paper No. 212 <https://www.lse.ac.uk/Hellenic-Observatory/Assets/Documents/Publications/GreeSE-Papers/GreeSE-212.pdf>

¹² Roula Salourou (2025) Tech and manufacturing are lagging <https://www.ekathimerini.com/economy/1258973/tech-and-manufacturing-are-lagging/>

¹³ Bergquist, K. and C. Fink (2020). The top 100 science and technology clusters. In Dutta, S., B. Lanvin and S. Wunsch-Vincent (eds)

¹⁴ *The Global Innovation Index 2020: Who Will Finance Innovation?* Ithaca, NY, Fontainebleau and Geneva: Cornell University, INSEAD and World Intellectual Property Organization (WIPO).

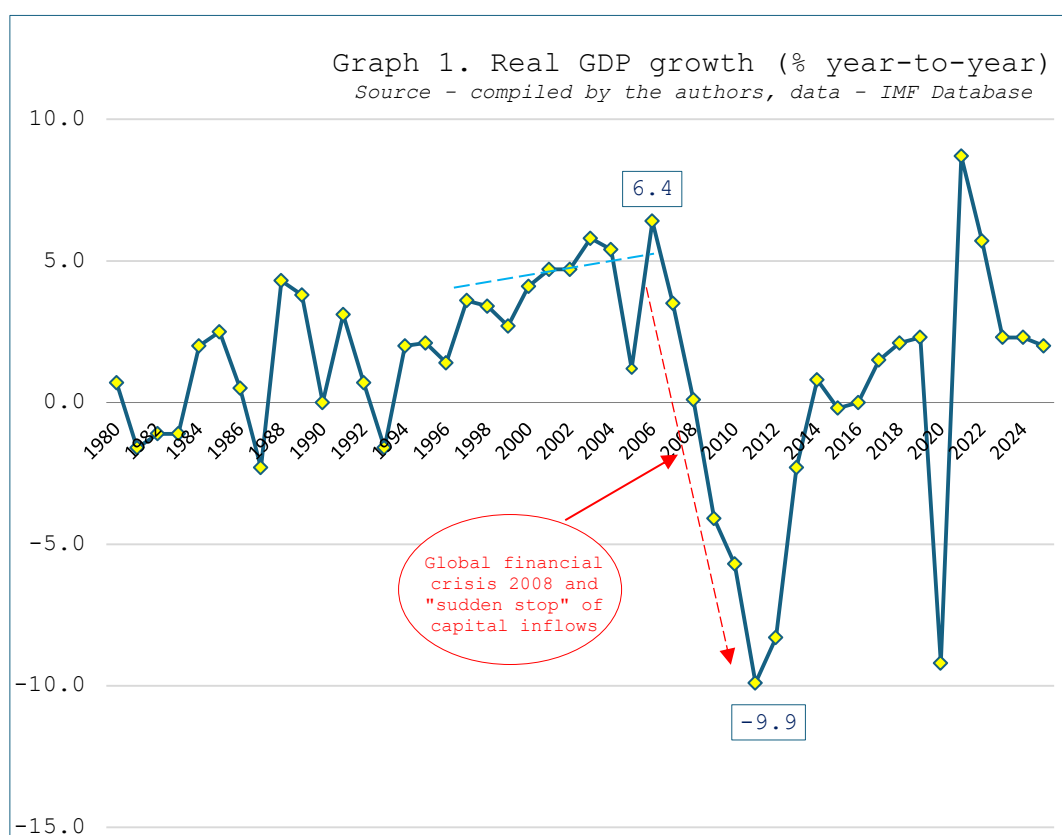
¹⁵ WIPO (2025). Use of WIPO’s global IP registries for patents, trademarks and designs grew in 2024. Geneva, March 17, 2025 PR/2025/934. Available at: www.wipo.int/pressroom/en/articles/2025/article_0003.html.

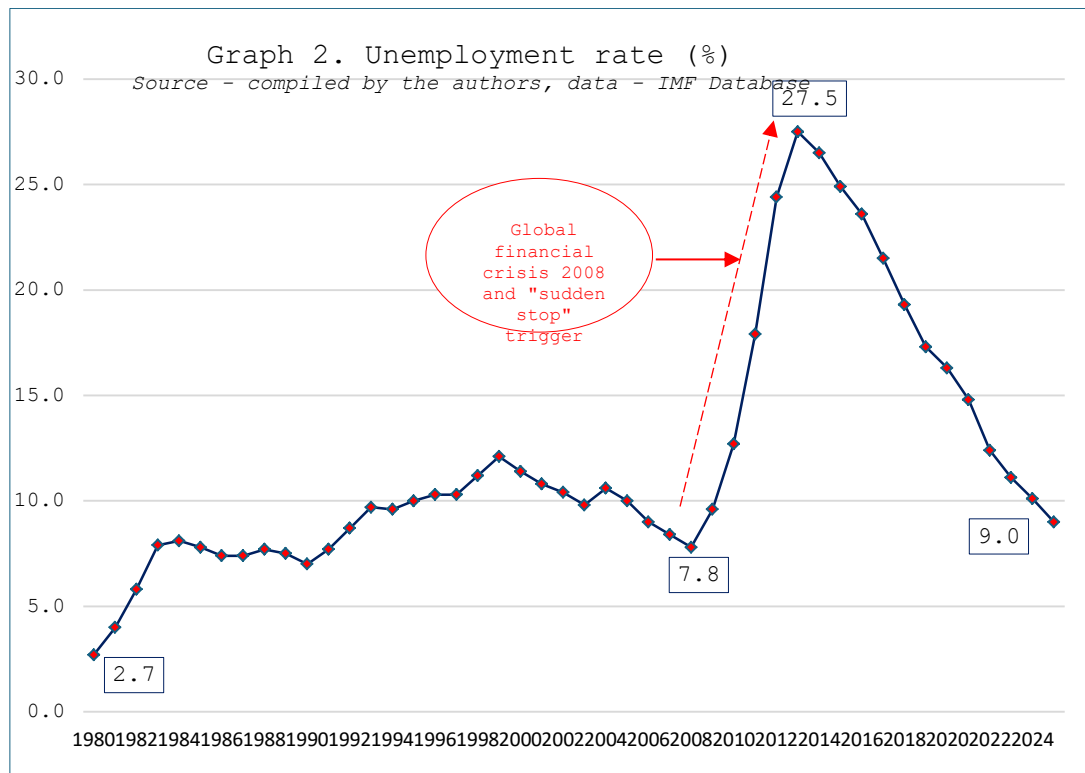
lost, even in areas where Greece has historically been among the global leaders, such as shipbuilding. In the face of fierce global competition, the market niches lost by some countries are quickly being filled by others. For example, China, with the help of a comprehensive government strategy of high-speed innovative development and global expansion, as well as other countries, is rapidly capturing the global shipbuilding market.

In the tactical struggle of the Greek government to reduce spending and achieve fiscal sustainability, which is a necessary but insufficient condition for long-term economic growth, it is important not to lose the strategic focus on innovative high-tech development and global competitiveness. This is the solid foundation of the country's economic power, its security and the well-being of its citizens.

The main causes of financial and economic crises since 2010, with prolonged consequences, are as follows.

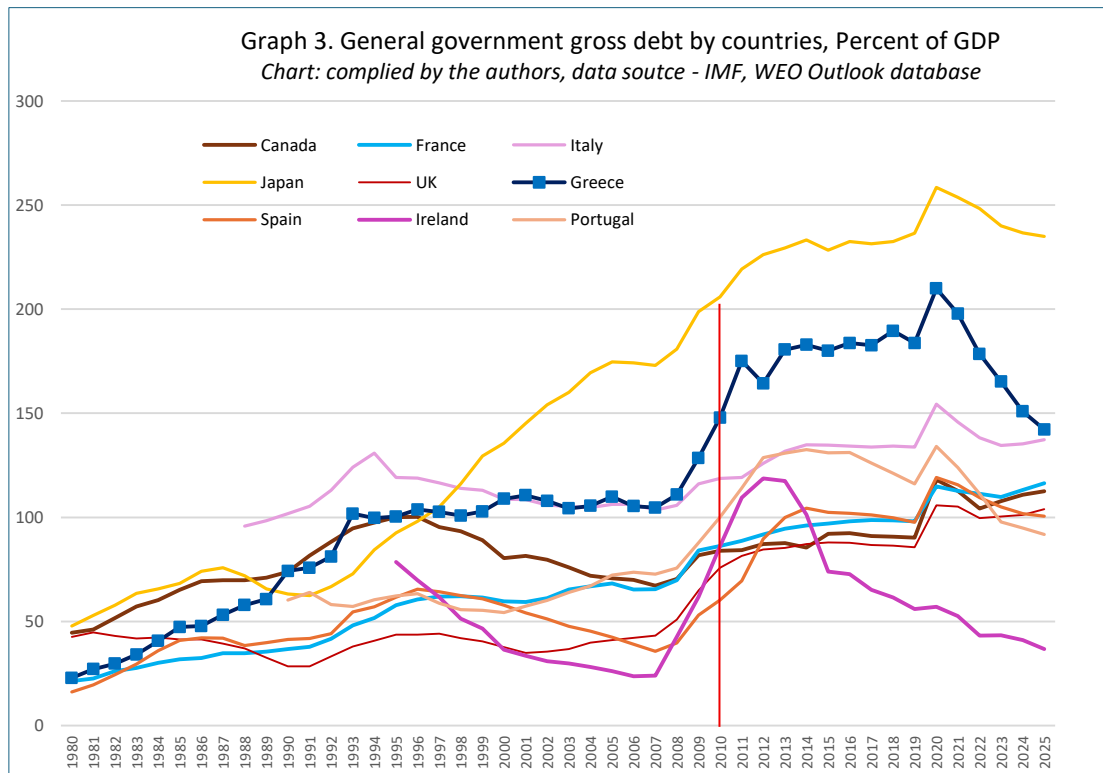
1) The triple hit that triggered the crisis. In 2010-2011, the severe debt crisis in Greece and the risks of its negative impact on the entire eurozone were the focus of alarming news in global economic publications. Until 2004, Greece was a prosperous European country with economic growth rates above the eurozone average. After 2004, Greek GDP growth became volatile, and since 2008, Greece has been plunging into economic depression, political turmoil and social chaos. As early as 2008, the level of real GDP growth began to slide into the abyss: - 4.1% in 2009, - 5.7% in 2010, - 9.9% in 2011, - 8.3% in 2012 (graph 1).



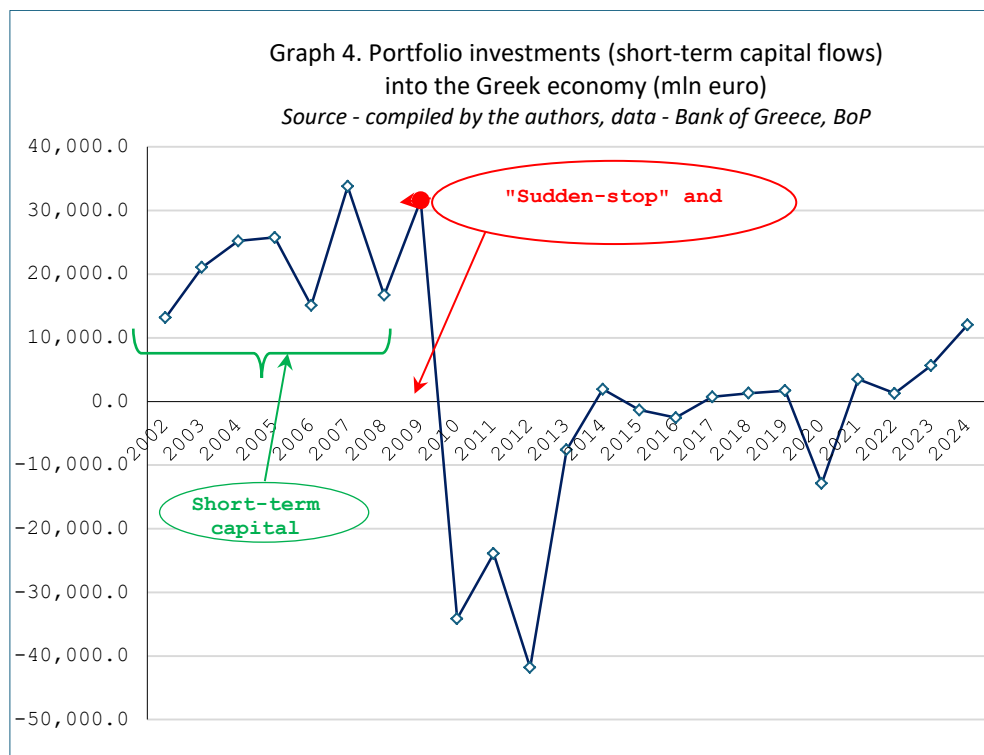


The unemployment rate began to rise sharply, reaching a peak of 27.5% in 2013 (graph 2). Households' disposable incomes fell by more than 40%.

Such negative macroeconomic dynamics are unusual for a public debt level of 128.5% of GDP, which Greece had in 2009, and which increased to 147.8% of GDP in 2010 (Graph 3).



On its own, this level of public debt, without additional negative factors, would not have been enough to cause such a deep and long-term economic depression. Especially since May 2010, when the EU started giving out aid.



In accordance with our data analysis and forementioned research such severe economic crisis was caused by additional and more powerful triggers. One of them is the phenomenon of massive short-term capital inflows from foreign investors into a country under conditions of a liberalised financial market, followed by a 'sudden stop' and reversal. These were precisely the conditions created in Greece after it joined the eurozone and switched to the single currency in 2001. The central bank's monetary and exchange rate policy mechanisms to protect against short-term speculative flows could no longer be used, as they had been handed over to the ECB. And capital control measures to limit volatile inflows were not introduced. Since 2002, short-term capital has flooded into the country through the purchase of short-term T-bills (Graph 4).

The volatility of global short-term capital inflows in the context of financial market liberalisation has repeatedly triggered deep financial and economic crises in economic history, as was the case in 1998 in Southeast Asian countries. At the any negative signals, such flows quickly leave the country. If they entered the government budget and bank balance sheets massively and were used for medium- or long-term loans to organisations and households, the balance sheets of all participants in domestic economic transactions experienced a structural maturity mismatch. This is a situation where financial assets and liabilities in the balance sheet have different payment timelines. The entire financial and economic system becomes deeply dependent on new capital inflows and fragile. If the additional inflow of capital stops (sudden-stop and reverse of capital flows phenomena), liquidity and solvency risks materialise because of maturity mismatch, and a financial crisis escalates. It is precisely these processes that began to occur in Greece: the point of 'sudden stop' corresponds to 2009 (graph 4).

2) EC bailout Adjustment Programmes had strict austerity measures. Three EU bailout programmes for Greece were launched in May 2010. They included very strict austerity requirements. Greece agreed to implement such strict austerity measures as

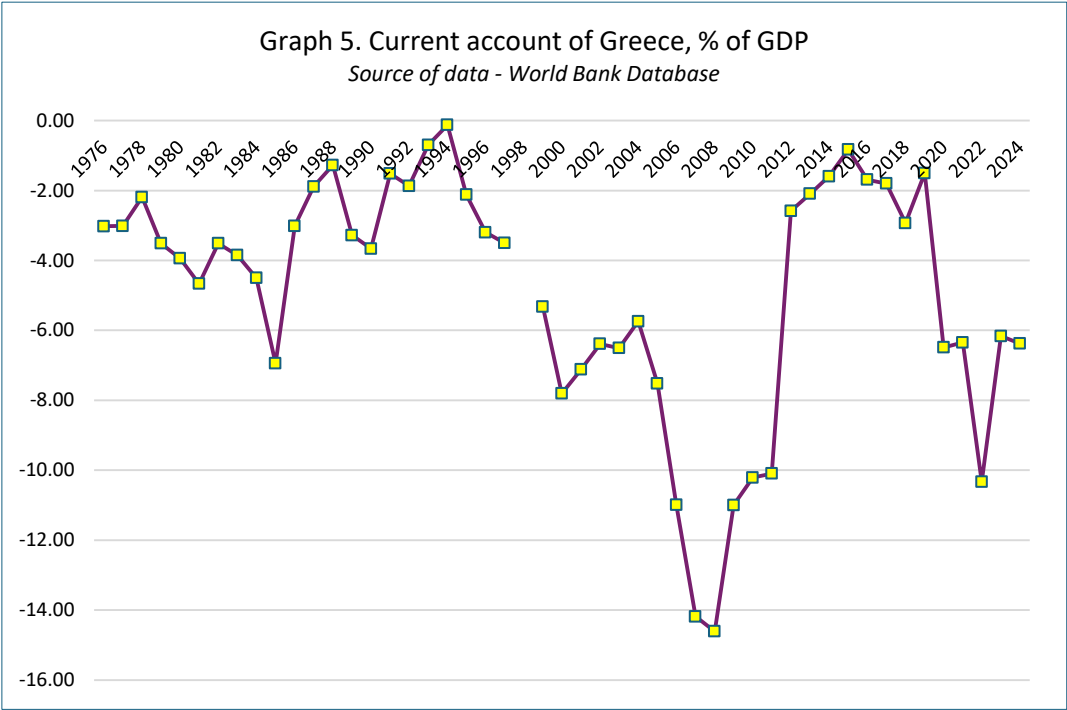
radical taxes increasing, substantial reductions in salaries, large-scale cuts in the number of civil servants, reductions in pensions and other budgetary expenditure cuts. The first programme was designed to run 2010-2013 with funding of 110 billion euros. The second programme was starting in March 2012 with total funding of 172.6 billion euros. A key element of the second programme was the Private Sector Involvement (PSI), under which private investors contributed approximately 107 billion euros by writing down part of the value of their debt holdings. In accordance with third program 2015-2018, €86 billion bailout was agreed.

As we wrote in literature review, the authors of the European Court of Auditors Special Report (2017) discovered numerous mistakes and weaknesses in macroeconomic forecasting in austerity measures of the EC Adjustment Programmes for Greece. We agree with the authors that *the* programme requirements weakened the foundations of economic growth, pushed the incomes of many families below the poverty line, and hampered the engines of economic development – aggregate domestic demand and a stable tax environment. The instability of tax policy was also a powerful trigger for slowing down the economy. Consequently, in the 'Global Competitiveness Report 2015-2016'¹⁶, Greece was ranked 136 out of 140 as regards the effect of taxation on investment incentives.

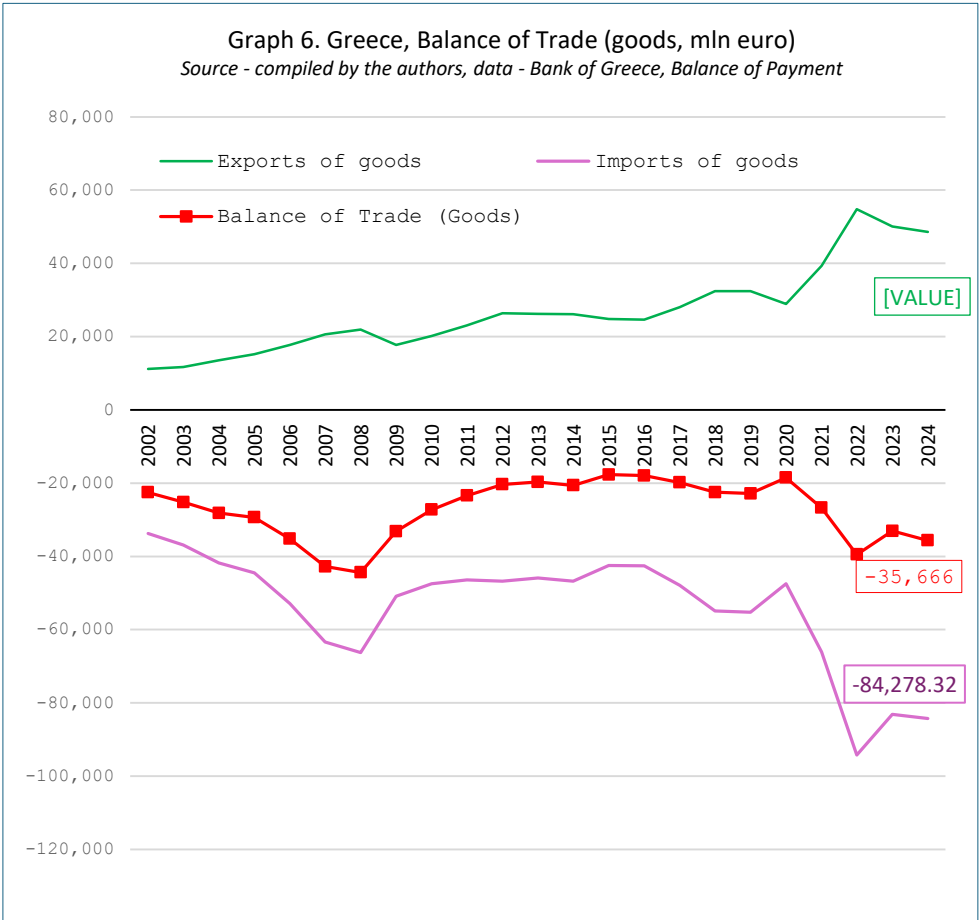
This led to a deterioration in the business climate, growth in the shadow economy, and an increase in tax arrears among businesses and households. Rising debt, against a backdrop of falling incomes, job losses, and political chaos in the country, is known to lead to negative social consequences.

¹⁶ Global Competitiveness Report 2015 – 2016, World Economic Forum https://www3.weforum.org/docs/gcr/2015-2016/Global_Competitiveness_Report_2015-2016.pdf

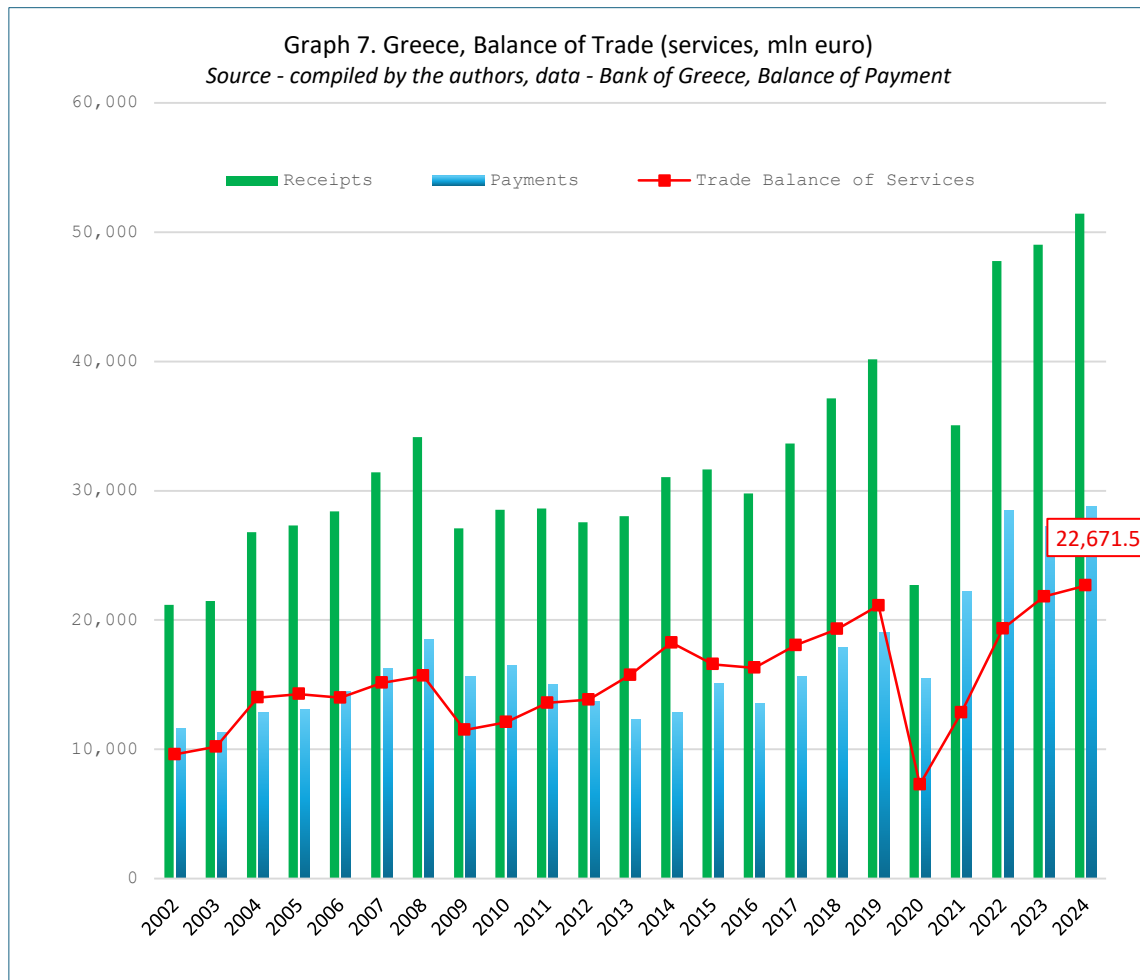
4.2. The main challenges for Greek economy are systemic structural imbalances



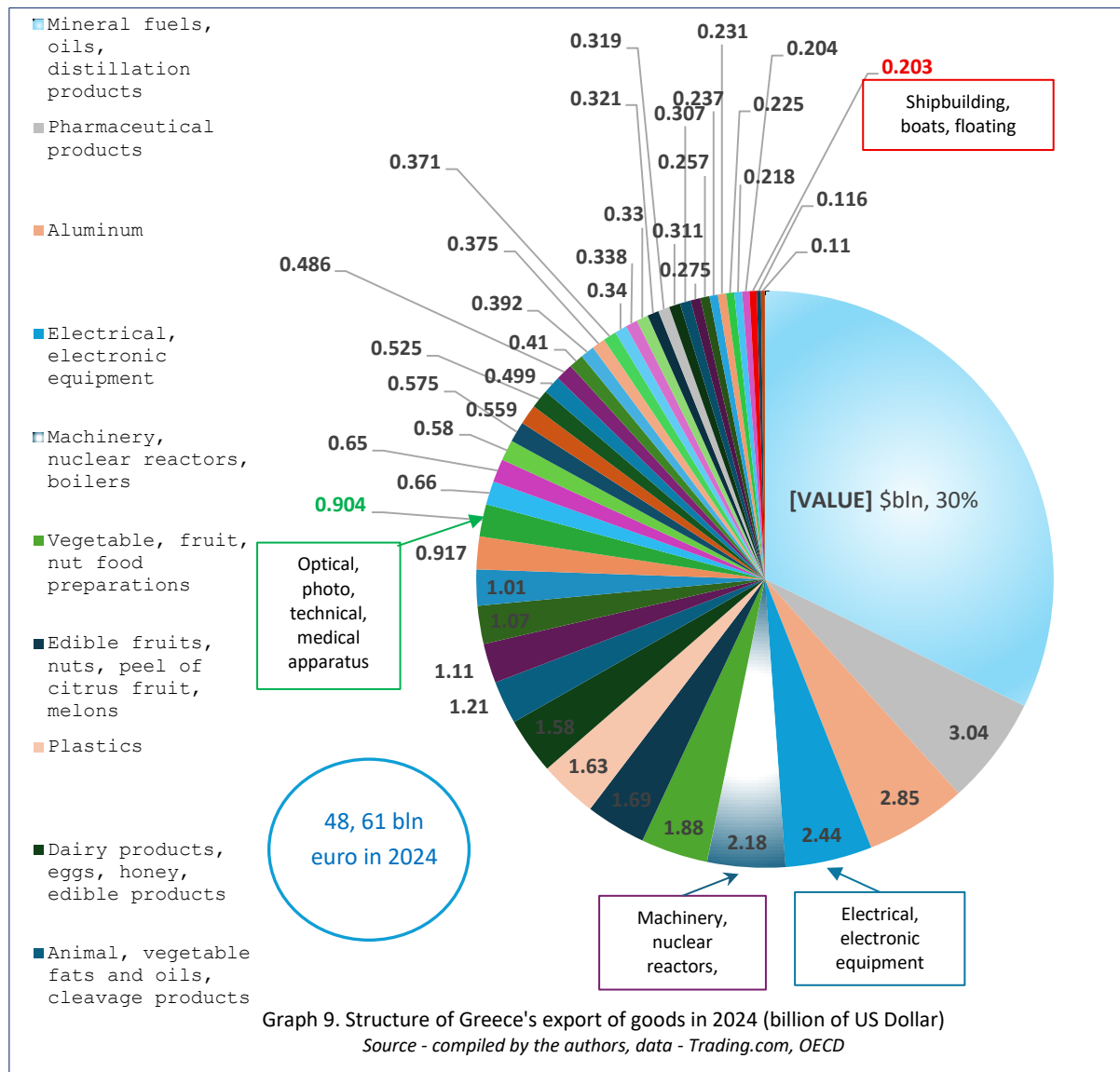
1) External trade imbalances and chronic deficit of the current account of balance of payments. One of the problems of the Greek economy, which has been sharply exacerbated since its entry into the eurozone, is the chronic deficit of the current account of balance of payments and the negative balance of foreign trade (Graphs 5, 6). With the onset of the crisis, the current account deficit narrowed due to falling household and corporate incomes and a reduction in imports.



The balance of international trade in services is positive and somewhat reduces the current account deficit (Graph 7). The key components of service exports are the transport and travel sectors. However, they are concentrated in segments with low added value and productivity.



Greece's total exports in 2024 were valued at 48.612 billion euro. According to the United Nations COMTRADE database on international trade, Greece's main export partners were Italy, Germany and Cyprus. The top three export commodities were: mineral fuels, oils, distillation products; pharmaceutical products and aluminum (Graph 8).



Therefore, exports are currently dominated by industries with low added value. However, Greece has tremendous, unrealised potential for developing high-tech industries, which currently account for a small share of exports, such as shipbuilding, machinery, nuclear reactors and boilers, electrical and electronic equipment, optical, photographic, technical and medical apparatus. If all the conditions for their innovative and intensive development are created, this will put the Greek economy on a qualitatively new, accelerated trajectory of economic growth.

2) *The adverse sectoral structure of the Greek economy.* There is systemic shift in the Greek economy towards the low-productivity Accommodation and Food Service Activities (AFSA) sector in the aftermath of austerity and structural reforms. This is one of the most influential reasons of imbalance in the current account that hinder perspective for strengthen competitiveness of Greek economy.

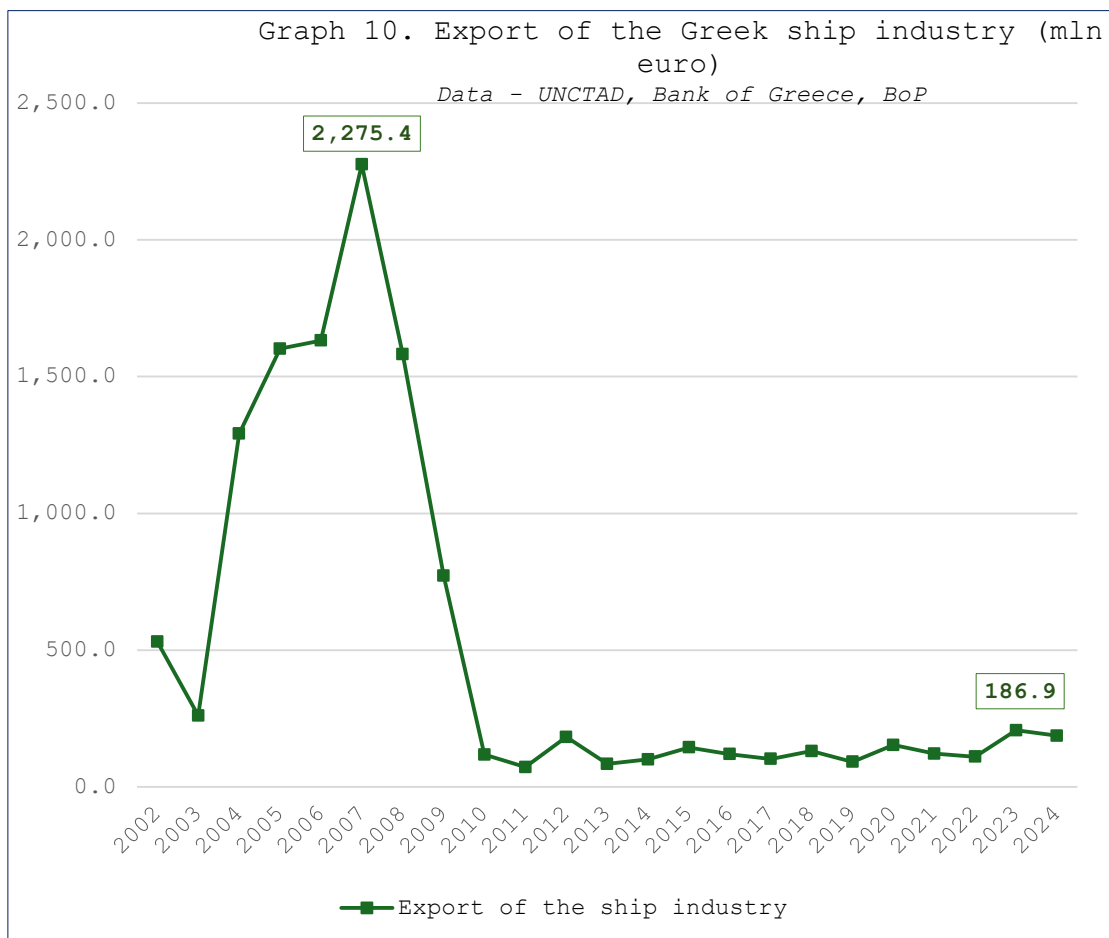
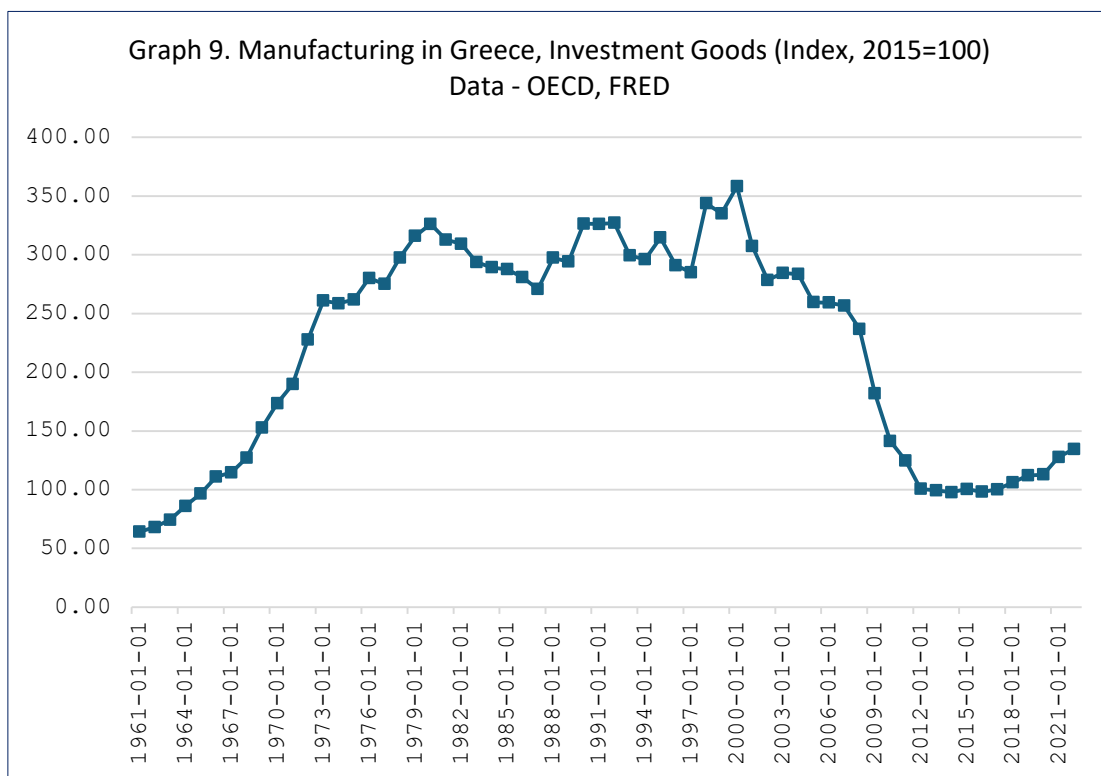
There is a lack of high-tech manufacturing and export-led development strategy for Greek economy.

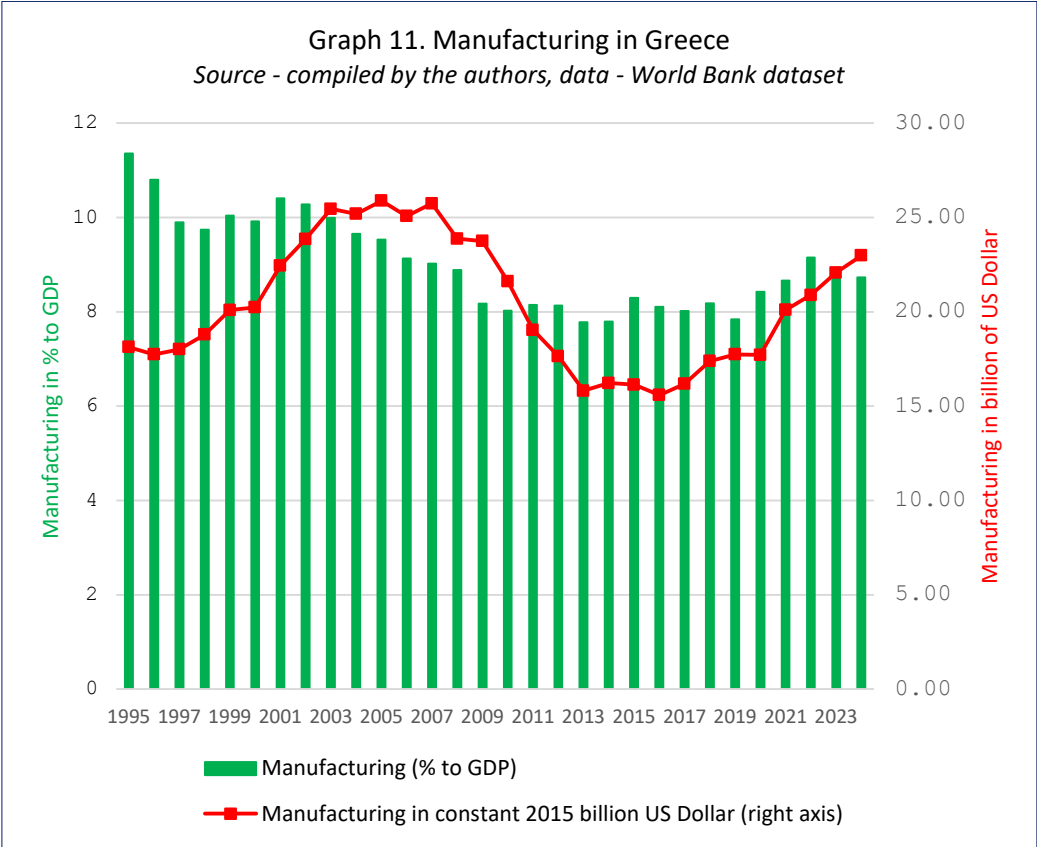
The third quarter of 2024 the total volume of employment in the Greek economy appears to have decreased by 305,200 people

compared to the third quarter of 2009. The share of jobs in the secondary sector, in terms of the total volume of employment, was reduced during this period by 4.7 percentage points, specifically from 21.4% in the third quarter of 2009 to 16.7% in the third quarter of 2024, and in the primary sector by one percentage point (from 11.2% to 10.2%). On the contrary, the share of employment in the service sector increased from 67.4% in the third quarter of 2009 to 73.1% in the third quarter of 2024.

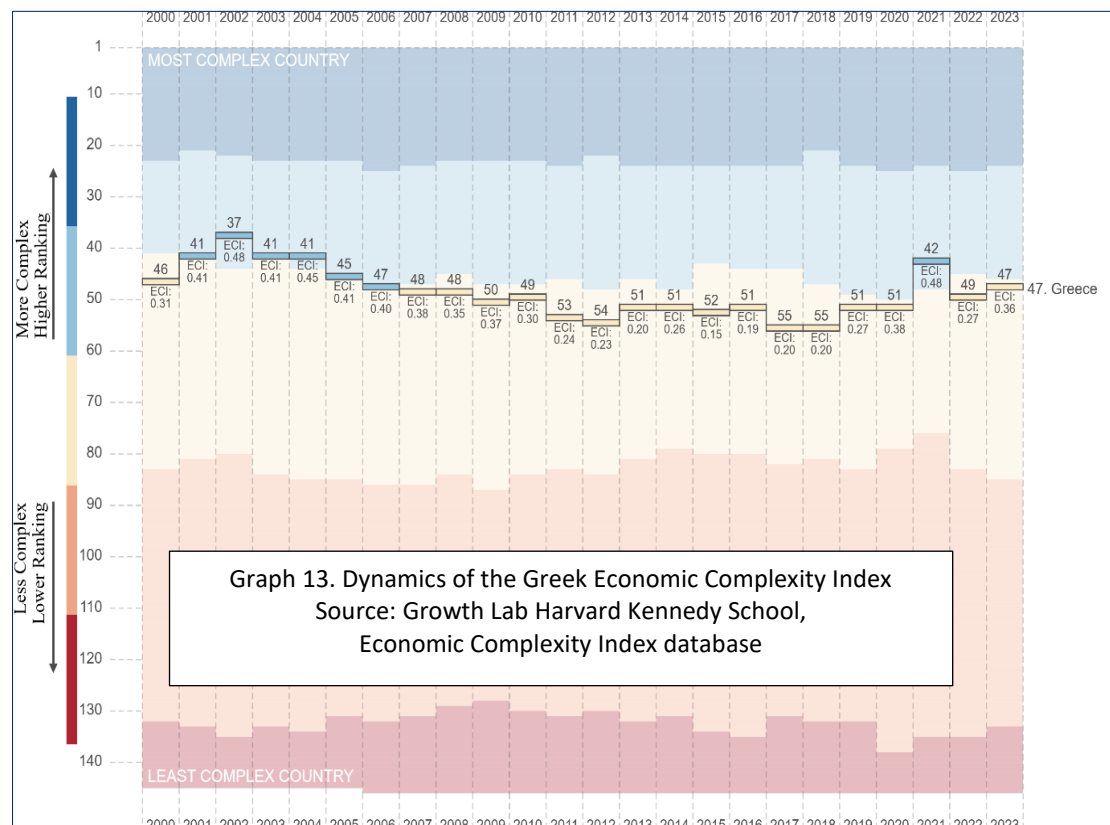
Based on our analysis, we have concluded that the problem of declining manufacturing, specially manufacturing in investment goods, and ship industry in Greece did not arise today (Graph 9, 10). It is the result of deep structural causes dating back to Greece's entry into the eurozone. The slight growth observed today cannot compensate for the decline in manufacturing that Greece has been experiencing for three decades now.

The dynamics in manufacturing remain slow (Graph 11), and the share of high-tech manufacturing in manufacturing exports remains extremely low, at less than 15% (Graph 12)





3). *Social situation and standards of living remain in risk zone.* In accordance with the Annual Report on the Greek economy and employment (2025)¹⁷ by GSEE Labor Institute, the average annual real salary in Greece shrank by 32,8% in the period 2009-2024. The level of incomes and the cost of living, Greece is the second poorest member state of the EU.



4) *World's indexes ECI and GII for Greece's perspectives.* By the data of the Harvard Kennedy School Growth Lab, Economic Complexity Index (ECI)¹⁸ of the Greek Economy correspondence to quite week level (Graph. 13). In 2023 ECI was 0,36 that brought to Greece ranking 47. Therefore 46 countries in the world have better quality of industrial structure, stronger competitiveness and brighter perspectives for economic development and prosperity.

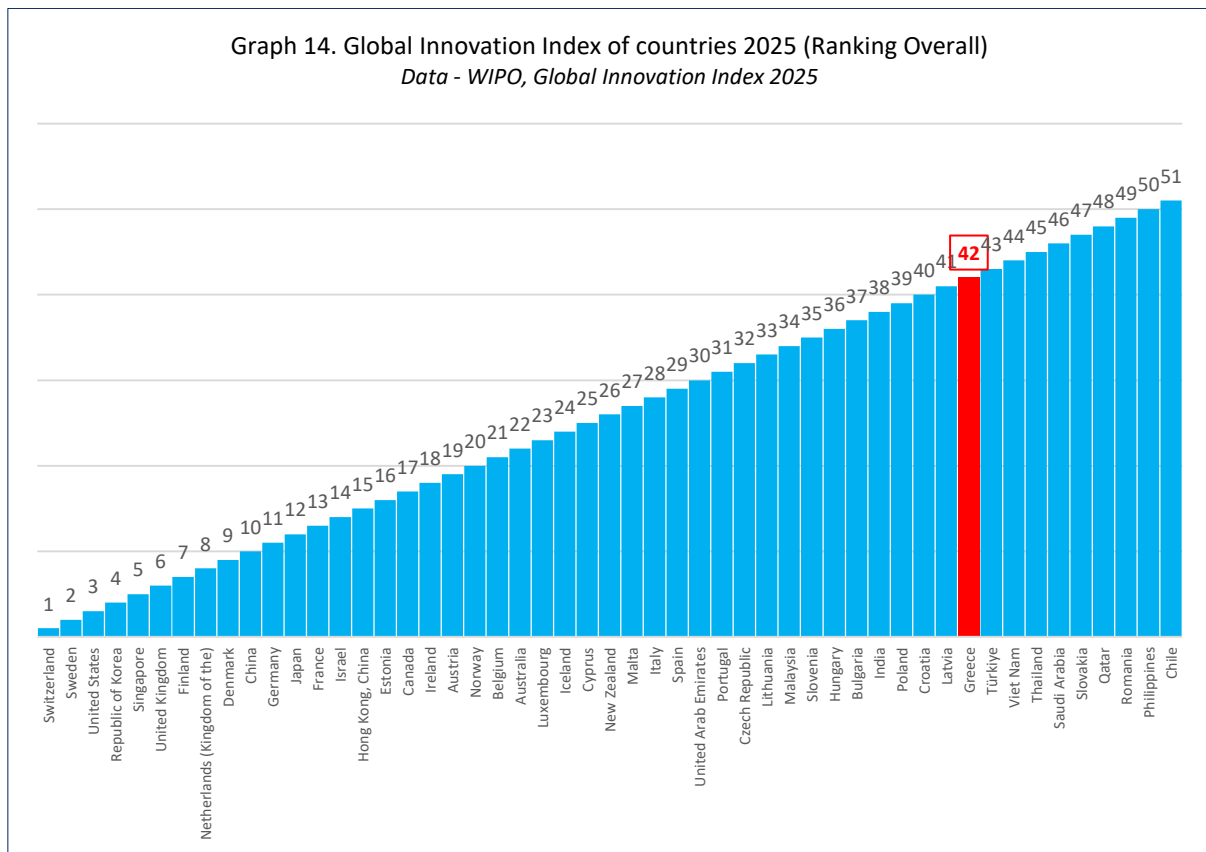
Why, despite Greek high potential of human capital and powerful historical traditions of global leadership in innovation and intellectual activity, Greece has its economy been declining or stagnating for more than two decades, risking remaining in the group of countries with poor populations?

Analysing Greece's position in the Global Innovation Index 2025¹⁹, the factors behind this lag become clear.

¹⁷ Annual Report on the Greek economy and employment (2025), GSEE Labor Institute

¹⁸ Economic Complexity Index by countries Database (2025), Growth Lab Harvard Kennedy School Database

¹⁹ Global Innovation Index 2025, WIPO, <https://www.wipo.int/web-publications/global-innovation-index-2025/assets/89507/global-innovation-index-2025-en.pdf>



Greece has a rank 42 in the GII (Graph 14). TOP 5 in GII are countries: Switzerland, Sweden, USA, Republic of Korea and Singapore. Switzerland, Sweden, Republic of Korea and Singapore are not big countries with plenty of industrial resources. But they develop based on well-thought-out and powerful national strategies.

Switzerland has the highest Global Innovation Index (GII) for a 15th consecutive year. It remains the global leader in the Creative outputs pillar and secures a top five position across all other pillars, except for Human capital and research (6th). Sweden and the United States of America retain their 2nd and 3rd positions for the third year in a row.

Table 1 shows structural elements of the Global Innovation Index for countries.

Table 1

Structural elements of the Global Innovation Index for Greece and other countries

Country	Overall GII	Institutions	Human capital and research	Infrastructure	Market sophistication	Business sophistication	Knowledge and technology outputs	Creative outputs
Switzerland	1	3	6	5	3	5	2	1
Sweden	2	12	3	4	9	2	4	2
United States	3	16	13	32	1	1	3	5
Republic of Korea	4	20	1	7	5	4	9	4
Singapore	5	1	2	19	6	3	7	15
United Kingdom	6	25	7	23	4	17	5	3
.....								
Greece	42	60	29	41	57	65	43	40
.....								

Greece is in group of TOP 30 countries by Human Capital and Research and has rank 29. This is the one of the most attractive and important factors for perspectives of the Greek economy. However, by Institutions and Business Sophistication, Greece has ranks respectively, 60 and 65. These are very low levels, that is why government, politicians and business communities should concentrate efforts to improve them.

5. Conclusion

At present, all forementioned structural and systemic challenges for the Greek economy, including the shift industrial structure to the sectors with low level of productivity and added value, are obstacles to accelerating economic growth, strengthening the competitiveness of the Greek economy and raising the standard of living of its citizens.

In our opinion, to achieve these goals, it is necessary to develop an effective 'National Strategy for Strengthening the Competitiveness and Innovative Industrial Growth of the Greek Economy.' Now when the EU has set itself the strategic goal of strengthening competitiveness and overcoming its lag in innovative development behind global leaders, it is time for Greece to develop correspondent own strategy. Greece is a country of enormous opportunities, which, since ancient times, has been the intellectual cradle of Western civilisation and the historical centre of the development of mathematics, science and philosophy. The time has come to realise Greece's huge potential, achieve the high ranking in the ECI and GII and provide its national prosperity. The necessary tool for this is the development of an effective national strategy of new industrialisation. It must be based on

- the creation by the government of favourable conditions for the rapid innovative development of businesses and high-tech industries and the strengthening of Greece's global competitiveness;
- a deep understanding of the economic model that is optimal for Greece, considering its national historical traditions;
- on analysing past programme failures that led to the catastrophic crisis, with a view to preventing them from happening again.

Thus, Greece needs a qualitatively new strategy that considers all the positive results of the past and existing programmes, but at the same time sets as its main strategic goal the strengthening of the Greece's competitiveness, sustainable innovative industrial growth and the improvement of citizens' well-being. We will devote our future research to work out such strategic measures.

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