



Alliance for Entrepreneurship and Development in Western Greece

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The effects of single and broad economic policies implemented after 2008
on the local business activity and relevant suggestions

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Some of the major economic measures implemented during the most recent recession period in Greece aimed at strengthening the competitiveness of the country and the local enterprises, partly through the improvement of the domestic business environment. Still, in many cases, and to some extent due to the depth of the economic crisis which had not been predicted but was linked to the legislation of certain economic measures, the course of specific economic variables indicate that policies adversely affected and did not contribute to an upturn in domestic business activity. The presentation of the path of selected major macroeconomic variables (gross value added, gross fixed capital investment and income from entrepreneurial activity in agriculture) related to economic activity on a regional level indicates the adverse developments following the beginning of the recession. Econometric indicative estimation of the significance of selected economic policy measures for all non-financial enterprises with respect to some key macroeconomic measures (gross value added, gross fixed capital formation and disposable income) further point to the impact of specific measures, mostly characterized by a negative sign. Overall, it can be argued that the final removal of the imposed capital controls, the avoidance of any further delays and the fast implementation of all the necessary procedures along the wide range of actions facilitating and boosting entrepreneurship –legislation, implementation, tax policy adjustment, use of all the available financial instruments, etc.– can, among other things, form the basis for creating the appropriate conditions for the improvement of the domestic business environment in the short to medium term.