

# ➤ Executive Summary

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Over the last five years Southern Europe has experienced widespread economic, political and social upheaval of almost existential proportion. Greece, Italy, Spain and Portugal, stricken by the Eurozone crisis and the aftershocks of the Arab Spring, face uncertain futures. This report examines the challenges confronting Southern Europe and seeks to explore the potential benefits the countries of the region could gain if they cooperated more closely and developed common policy responses in the areas of migration, maritime security, energy and defence.

Through differing approaches, all contributors affirm the need for ‘more Europe’, but argue that further integration requires interconnected initiatives and holistic approaches. First, Southern European countries must overcome their reluctance to using the existing mechanisms of the EU, which offer significant benefits in the areas of maritime security, energy, defence and migration policy. In parallel, Northern European countries must avoid exacerbating the North-South divide and show a fuller appreciation of the wider benefits of a prosperous Southern Europe to the whole of the EU. They should facilitate processes whereby Southern European countries are able to ‘help themselves’.

Pedaliu’s historical analysis traces the formative stages of the evolution of ‘Southern Europe’ as a political entity over the last two centuries. She confirms the underlying premise of this report that the most recent crisis is yet another stage in the ongoing conceptual process of ‘Southern Europeanisation’. Building on this discussion, Wolff argues that Southern Europe needs to build on its geographic advantages by reestablishing its influence in the Arab Mediterranean region, supporting genuine processes of democratisation, engaging with new political forces and encouraging further Southern Mediterranean integration.

De Grauwe underlines how the financial crisis in Southern Europe has transformed into a social and political problem. By making the case that austerity has reached its limits of efficacy, he argues that the Eurozone’s leading members must adopt a more ‘symmetric’ macroeconomic policy. In practice, creditor nations should share the cost of adjustment by stimulating their economies so that the Southern periphery can reduce its external debt. Teixeira, Pinto and Codner delve into the security aspects of the financial crisis, focusing on defence spending and maritime security, respectively. In an era of austerity, ‘doing more with less’ has become imperative at both a national and European level. Codner goes a step further by highlighting Northern Europe’s indirect dependence on Mediterranean maritime security and suggesting it should do more to support Southern Europe within the EU and NATO framework.

Coats discusses the energy potential of the region—a sector sometimes hailed as the saviour of Southern Europe's economies. Whilst he acknowledges that the geopolitical benefits of a possible energy role for Southern Europe are too significant to ignore, he concludes that the energy sector cannot be expected to drive the region's economic recovery for the foreseeable future.

The economic crisis and the Arab Spring shone a spotlight on the migration policies of the countries at the 'soft underbelly' of Europe. Triandafyllidou shows that despite facing similar challenges Southern European countries have not joined forces to manage migration flows. In a period of fiscal austerity, cooperation should not be limited to simply increasing the security of external borders, but should involve pragmatic approaches towards populations already settled in the region as the de-legalisation of long-established migrants may give rise to fundamental economic and social problems in the future. Regional migration policy thus needs to operate within an improved framework that respects the rights and the well-being of migrant populations in Europe.

The challenges facing Southern Europe have generated an urgent need for a holistic response across a range of specific policy areas highlighted in this report. The problems of Southern Europe are also the problems of the whole of Europe. Developing a common approach to the region's problems provides an opportunity for the EU to construct a new narrative and establish the foundations of a sustained North-South cooperation. Adopting such an approach is undoubtedly a long-term process. Yet, the possibilities for coordination would benefit the Eurozone and Europe as a whole, resulting in a more coherent and politically strengthened EU. This report provides a starting point. ■