

Portugal

Portugal became a member of the European Community in 1986, alongside Spain as the 11th and 12th members. Portugal is situated on the Iberian Peninsula in south-western Europe. It has shown keen support for the EU project and is a member of the Eurozone. However, Portugal has experienced economic difficulties and has been a significant recipient of EU subsidies and aid. Nevertheless, Portugal's development is impressive given that it only established a stable democracy in the last quarter of the twentieth century.

Recent History

Portugal has a relatively recent history of dictatorship. Until 1975, Portugal was ruled by an authoritarian regime (called "Estado Novo" or "New State"), and had a vast intercontinental empire. The first democratic elections in Portugal for fifty years were held in June 1976.

José Socrates of the Socialist Party resigned as Prime Minister in March 2011, after all five opposition parties in the country's parliament voted against the fourth successive austerity budget. In elections in June 2011, the centre-right Social Democrats (PSD) emerged victorious and the current Prime Minister is Pedro Passos Coelho.

Having suffered from slow economic growth, large deficits and low productivity for several years, Portugal was affected substantially by the global economic recession that began in 2008. Despite the initial denial by Eurozone leaders that Portugal was the next in line for assistance (following bailouts for Greece and Ireland), in April 2011 Portugal admitted it was struggling financially and approached the EU for help. In May, Eurozone leaders agreed a €78 billion loan for Portugal to help stabilise its finances.

Government Structure

Portugal is a presidential parliamentary democracy. The President, currently centre-right Anibal Cavaco Silva, is directly elected for terms of five years and has limited powers. He appoints the Prime Minister and Council of Ministers following a general election. The President can also veto legislation, although this can then be overturned by the parliament. President Silva was first elected in January 2006, and was re-elected in January 2011.

The Portuguese Parliament, the *Assembleia da República*, has just one chamber of up to 230 members. Its members, known as Deputies, are elected using a system of **proportional representation** for a four year term, unless the President calls an earlier election. The parliament nominates a Prime Minister, who is then confirmed by the President.

The PSD failed to win sufficient parliamentary seats in the June 2011 elections to form a government, so the current government is a **coalition** with the Popular Party.

Relations with the EU

Since joining the EU, Portugal has always fully participated in key EU projects. Portugal was a founder member of the Euro in 1998 and carried forward the Lisbon Treaty when it took over the 6-month EU Presidency in June 2007.

Portugal's membership of the European Community was not without initial controversy. Until Greece, Spain and Portugal joined the European Community, it had been largely a club of affluent, northern European industrialised countries. The new members had much poorer and more agricultural economies. The 1980s saw a major expansion of EU regional aid to help bring poorer regions of these countries closer to the European average. Of the EU-15, Portugal was one of the top beneficiaries of EU funds between 1995 and 2004.

Portuguese membership of the EU also led to alteration of the Common Fisheries Policy (CFP) to accommodate its large fishing fleet.

Portugal has consistently supported continual EU expansion, including the accession of Turkey.

In July 2004, the then Portuguese Prime Minister, José Manuel Barroso, was nominated as the President of the European Commission: one of the most powerful EU positions and a position he has held ever since.

Facts and Figures

- Portugal has a population of approximately 11 million.
- Portugal's economy relies on tourism and agriculture, although it also has a significant manufacturing industry.
- Portugal is the westernmost country in Europe.
- Previous Portuguese Presidents (elected since 1976) remain influential as they sit on the Council of State and advise the current President on important issues.
- Portugal has two autonomous regions: the islands of the Azores and Madeira.

Quotes

"I always said asking for foreign aid would be the final way to go but we have reached that moment," former PM José Socrates requesting external financial assistance in April 2011.

Technical Terms

Coalition: a formal agreement between political parties to share power in government.

Proportional Representation: an electoral system whereby the number of votes a party receives is directly proportional to the number of seats they are given in the legislative assembly.

Links

- <http://www.portugal.gov.pt/pt/GC17/Pages/Inicio.aspx>