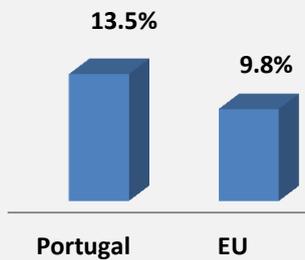


Recent history

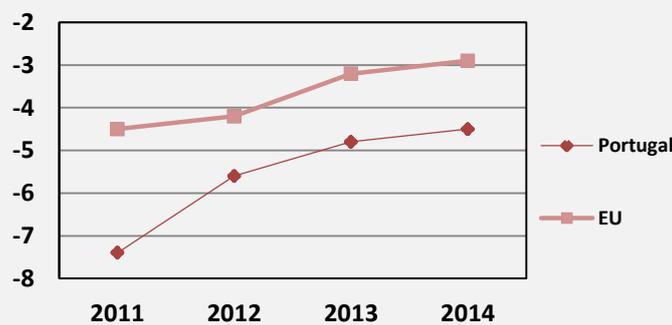
Portugal has a relatively recent history of dictatorship. Until 1975, Portugal was ruled by an authoritarian regime (called “Estado Novo” or “New State”), and had a vast intercontinental empire. The first democratic elections in Portugal for fifty years were held in June 1976.

In November 2004, the then Portuguese Prime Minister, José Manuel Barroso, became the President of the European Commission, a position he held until October 2014. 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 it formed a coalition government with the conservative right-wing People’s Party. The current Prime Minister is Pedro Passos Coelho.

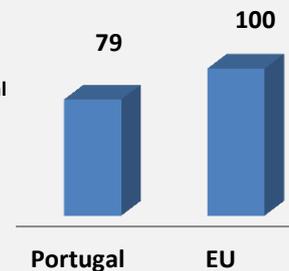
Unemployment rate (2015)



Public budget deficit/surplus



GDP per capita in PPS (2013)



Current government

Portugal is a presidential parliamentary democracy. The President, currently centre-right Aníbal 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.

Portugal: key facts



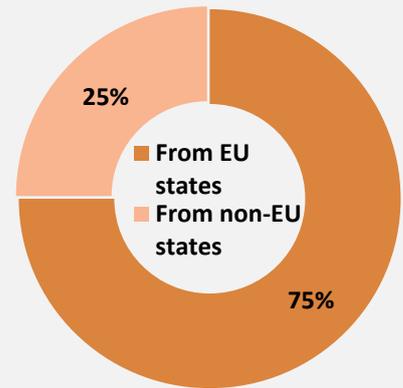
❖ Capital	Lisbon
❖ Population	10 million (2014)
❖ % of total EU population	2.1%
❖ Official language	Portuguese
❖ Year of EU accession	1986
❖ Currency	Euro since 1999
❖ Schengen Area member	Yes, since 1995
❖ Seats in European Parliament	21

Portugal and the EU

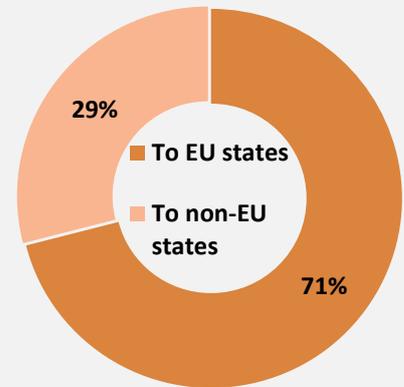
Since joining the EU, Portugal has always fully participated in key EU projects. Portugal was a founder member of the Euro in 1998 and carried forward the Lisbon Treaty when it took over the 6-month EU Presidency in June 2007. Portugal's membership of the European Community was not without initial controversy. 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 social cohesion funds between 1995 and 2004. Portuguese membership of the of the Common Fisheries Policy (CFP) to accommodate its large fishing fleet. Portugal has consistently supported continual EU expansion, including the accession of Turkey.

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. Following three years of major spending cut and strikes, Portugal exited the European bailout in 2014.

Portuguese imports (2014)



Portuguese exports (2014)



Facts and figures

- ❖ Portugal's economy relies on tourism and agriculture, although it also has a significant manufacturing industry
- ❖ 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

"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
- ❖ **PPS:** GDP per head is expressed in Purchasing Power Standards (PPS) to eliminate the differences in price levels between countries allowing meaningful volume comparisons of GDP between countries

Links

- ❖ <http://www.portugal.gov.pt/en.aspx>
- ❖ http://news.bbc.co.uk/1/hi/world/europe/country_profiles/1047864.stm#facts
- ❖ <http://ec.europa.eu/eurostat>
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