European integration is of vital importance to Portugal. From the outset, Portuguese democracy and European integration have been inseparable: the democratic path taken during the post-authoritarian transition was indispensable to assure Portugal’s return to Europe after the empire cycle came to an end and it was able to rely on the support of European and Western democracies at critical moments of the revolutionary process. It is this solidarity that explains the Socialist Party’s (PS) famous slogan – «Europe is with us» in anticipation of its victory in the first election of the Assembly of the Republic.

On the other hand, the crucial orientation of the new democracy’s foreign policy was defined by accession to the European Communities, which Portugal’s two leading political parties, the Socialist Party (PS) and the Social Democratic Party (PSD) as well as the Centrist Democrats (CDS) proclaimed as the «priority of all priorities». Similarly, the common economic and social modernisation programme of the democratic forces was focused on a poor and backward country with average development levels of Western Europe.

Lastly, Portugal’s new international position was set by the political and strategic congruence between democratisation and Europeanisation, the best guarantee against the dangers of isolation and marginalisation that had been so marked during both the colonial war and also the revolutionary transition. Portugal’s stable insertion in the western community, which was consolidated by its entry

**ABSTRACT**

The two crises – the national and the European crisis – changed the terms of reference of the strategic debate in Portugal and, for the first time since the Maastricht Treaty, there was again a domestic debate on Portuguese foreign policies. The Portuguese elites’ trust in the future of Europe (and in their own European future) was called into question. European integration had been seen as an irreversible project, the Euro was supposed to be immune to crisis and the European Union was represented as one of the crucial poles of the international system; however, the last years have shown a more complex reality.

**Keywords:** Portugal, European Union, Portuguese foreign policy, financial and economic crisis.

**RESUMO**

Portugal, a União Europeia e a crise

As duas crises – a crise nacional e a crise europeia – mudaram os termos de referência do debate estratégico em Portugal e, pela primeira vez desde o Tratado de Maastricht, voltou a haver um debate interno sobre as
in the European Community, underpinned the national legitimacy of the Portuguese democracy².

THE PAST: INTEGRATION
Portugal’s first decade of European integration, between 1985 and 1995, took place under the banner of change. At the national level, the end of the constitutional transition, with the presidential election of Mário Soares, opened a long period of political stability and assured conditions for rapid economic growth; this was sustained by access to the community structural funds, which gave credibility to the strategy of convergence with European standards³. At the international level, the end of the Cold War and of European division following the peaceful reunification of Germany gave rise to profound changes in the international balances that constrained Portuguese foreign policies.

The stabilisation of Portugal’s international status as a member of the European Union and of the North Atlantic Treaty Organisation led to a new cycle of bilateral relations with Spain, Brazil and also the former African colonies. Post-Franco Spain was no longer seen as a threat to national independence and became the main economic partner of the smaller of the two Iberian States⁴. Portugal became one of the main foreign investors in Brazil and endeavoured to institutionalise relations between the largest power in South America and the European Union. The intervention of Portuguese diplomacy proved indispensable in bringing an end to the civil wars in Angola and Mozambique, and the normalisation of the relations of the former metropolis with the new African States made it possible to form the Community of Portuguese Speaking Countries (CPLP).

In this initial phase, Portugal’s European policy was much closer to that of Great Britain, as part of an «Atlanticist party» in the European Union, which resisted both a federal definition of the European Union in the Maastricht Treaty and the institutionalisation of a European defence policy that integrated the Western European Union (WEU) and questioned NATO’s role as its continuity was no longer guaranteed after the end of the Soviet Union⁵.

In the second decade of integration and following a change in government to PS, led by António Guterres, Portuguese governors acknowledged the need to join the «front-runners» of European construction alongside Germany and France; they wanted Portugal to become «as pro-European as Spain»⁶. The new strategy sought to obtain Portugal’s recognition as a «medium power» in the European Union, committed to defending the principles of solidarity and equality in relations between Member States, against the threat of a «directorate» formed by the strongest powers. Portugal was
committed to deepening community relations, as demonstrated by its membership of the «Schengen Space» and its determination to be one of the founders of the European single currency, after Spain’s entry was decided upon. Similarly, it not only took a position in favour of the enlargement of the European Union (and of NATO) and supported the accession of the new post-Communist democracies of Central and Eastern Europe even though it could be more negatively affected by their entry than any other of the «EU 15» countries, but it also took part in the NATO missions in Bosnia-Herzegovina and Kosovo with significant military deployments. Parallel to this, the evolution of Portugal’s position in the European Union revealed new challenges. The recognised virtues of enlargement and the democratisation of Central and Eastern Europe forced the regional «centre of gravity» to change from Brussels and Paris to Vienna and Berlin, thus shifting the balance of the «EU-12». The advantages of the «joint accession» of Portugal and Spain to the European Community did not prevent the undermining of the international position of the smaller Iberian State, nor did the benefits of intensifying the Iberian convergence prevent the Portuguese economy’s excessive dependence on Spain: the volume of bilateral trade was to outstrip trade with Germany and France together, Portugal’s main trading partners prior to community accession.

The most western State of the European Union ran the risk of becoming a periphery within a periphery; recognition of this danger is in large part the explanation for the Portuguese strategy of accepting the alternative risk of adhering to the European single currency despite the differences in productivity and competitiveness between the Portuguese economy and those of the more advanced Eurozone countries. In this context, it was unthinkable to remain isolated at the margins of the economic and monetary union; however, Portugal’s first decade of the Euro was a period of stagnation that accentuated not only its internal economic crisis but also its external financial vulnerability.

THE PRESENT: THE CRISIS

The request for financial assistance from the European Union and the International Monetary Fund (IMF) had serious consequences for Portugal. The conditions of the Adjustment Programme, negotiated with the troika formed by the European Commission, the European Central Bank (ECB) and the IMF, were very harsh from the start. These measures were imposed not only because of the seriousness of the national crisis manifest in the unsustainable levels of Portuguese debt accumulated over the previous ten years, but also due to the extension of the European crisis; they were to put the response capacity of democratic institutions to the test as well as the autonomy of the Portuguese economy. On the other hand, the very foundations of the European convergence strategy, which assured political consensus among the largest national parties and defined the social contract of Portuguese democracy, was called into question both because of the austerity policies and due to the growing inequalities within the
European Union, a situation that had been worsened by the crisis. Lastly, Portugal’s image as a «medium power» of the European Union was tarnished by its external representation as a pariah, expressed in the formula that described the «cohesion countries» as the «PIGS» – Portugal, Ireland, Greece and Spain – and quantified in the classifications of the international rating agencies which downgraded Portugal’s debt rating to junk. Following the bailouts of Greece and Ireland, which defined the framework of the European response to the sovereign debt crisis from May 2010, Portugal was unable to avoid the external intervention of the European Commission, ECB and IMF. The Socialist Government in Madrid, which was equally vulnerable, wanted to set itself apart from the Socialist Government of Lisbon – «Spain is not Portugal» – which was isolated by Germany and France in their determination to rein in the crisis of the single currency in the peripheries of the Eurozone, putting the resilience of the democracies of Southern Europe to the test.

Up against exceptional circumstances, the Portuguese democracy demonstrated its ability to respond to the national crisis and external intervention: the alternative would have been to leave the Eurozone which everyone realised would be disastrous at a time of crisis. In March 2011, the Stability and Growth Programme for 2012-2014 (PEC IV), negotiated between the Socialist Government and the European Commission, was rejected by the Portuguese Parliament, which was promptly dissolved by the President of the Republic, Aníbal Cavaco Silva, who had just been re-elected for a second term. The parliamentary vote made the request for external financial assistance inevitable; this was presented by Prime Minister José Sócrates and in May, on the eve of early elections, the Memorandum of Understanding (MoU) negotiated with the European Commission, ECB and IMF was signed by the outgoing Socialist Government and formally accepted by the Social Democratic Party (PSD) and CDS-People’s Party (CDS-PP). The MoU defined a scheduled economic and financial Adjustment Programme in return for a loan of €78bn.

The following month, the PSD won the parliamentary elections but had to form a coalition government led by its President, Pedro Passos Coelho, to guarantee a majority in Parliament. The new centre-right Government assumed the responsibility of complying with the financial stabilisation programme, which it saw as an opportunity for budgetary consolidation and the liberalisation of the Portuguese economy; this was indispensable for a reformist strategy and to recover external competitiveness even though it came at the cost of unprecedented levels of unemployment.
The presidential decision saved Portugal from the trend towards «technocratic governments», which had marked the cases of Greece and Italy with Lucas Papademos and Mario Monti respectively; both former senior European officials, their appointment as heads of government accelerated the political turn in the two countries. In contrast, the results of the Portuguese election maintained the dominance of the two main parties in a framework of essential continuity which guaranteed the minimum consensus between the new Government and the PS necessary for the execution of the Memorandum. In an original exercise of political arithmetic, the Minister of Finance, Vitor Gaspar, declared that the signatories of the Adjustment Programme had enjoyed a «great electoral success with popular support of nearly 80% and the election of around 90% of MPs». In 2011, thanks to alternation between PS and PSD, the necessary stability was assured for the execution of the assistance programme and to contain the rise of populist and anti-European movements that characterised the crises in Greece, Spain and Italy.

Counter to the most pessimistic forecasts, over the next three years the Government was able to meet the targets fixed in the Memorandum and «pass» the series of «exams» set by the troika. These came to an end in May 2014 when Portugal made a «clean» exit from the external assistance programme, just as Ireland had done some months earlier. During that time, the Government had recovered reasonably well from two general strikes, in November 2011 and June 2013, called by the General Confederation of Portuguese Workers (CGTP) and the General Union of Workers (UGT). The two main trade unions proved they were able to sustain a formal framework of social dialogue, contextualising labour conflicts and containing the risks of escalating violence at a time of recession and an exponential rise in unemployment.

On the other hand, the Government benefited from a context of political and institutional stability, which separated the Portuguese case from that of Greece and Italy. In July 2013, the Prime Minister, Passos Coelho, was able to avoid the collapse of the coalition when Paulo Portas, Minister of State and of Foreign Affairs, precipitated a government crisis following the resignation of Vítor Gaspar, citing incompatibility with the President of CDS-PP, who wanted to return to the orthodox line of financial discipline considered necessary for the «good Portuguese student» to regain the trust of Germany and the external creditors. This was the last crisis of the kind in the coalition, which in addition to completing its parliamentary mandate, took the unprecedented decision to form the Portugal Ahead platform to present a joint PSD and CDS-PP list in the general elections of October 2015. Not only was the Government able to rely on the responsible opposition of PS during this period, but also on the support of President Cavaco Silva and the President of the European Commission, José Manuel Durão Barroso. Notwithstanding conjunctural tensions, the limits imposed by the President of the Republic and the Constitutional Court in response to the government’s excessive zeal in the execution of the Adjustment Programme were equally important to guaranteeing political and institutional stability during the crisis.
Lastly, it was possible to contain the worst internal consequences of the escalation of the European crisis – an «existential crisis» according to Chancellor Angela Merkel – and avoid its most dangerous effects. The Portuguese strategy made it an absolute priority to neutralise any attempts to change the composition of the Eurozone that threatened to exclude Portugal, and also to avoid the external demand for new bailouts that Greece had experienced. With the troika already out of Portugal and during the negotiation of the third bailout, the centre-right Government aligned with those advocating Greece’s exit from the Eurozone. Moreover, it was important to constrain the projects to create a European currency with a variable geometry in which there was a «Euro of the North» and a «Euro of the South» which would lead to a permanent cleavage between rich and poor, or between creditors and debtors, within the Eurozone. The political and institutional stability of the Portuguese democracy, the fiscal discipline of the «good student», the strategy of rigorous alignment with Germany and the political radicalisation of Greece were vital to Portugal’s reaching the end of the execution of the Adjustment Programme without further problems.

It seems the Portuguese decided to confront the crisis with a mixture of public indifference and private stoicism, which may be interpreted as a form of apathy or as a social anomaly. In the worst years, there were no violent conflicts despite the tough measures with far-reaching economic and social impacts, notably in the middle classes who were hit not only by the increased tax burden, but also by unemployment and the wave of emigration of the younger and better educated generations.

Even though the Portuguese were among the most pessimistic of all Europeans in their evaluation of the crisis and among those that had least trust in representative institutions, the polls showed no change in the traditional concentration of votes in the two main pro-European parties: the results of the October 2015 general election confirmed this forecast and the sum of PSD plus PS members of parliament continues to guarantee them a two thirds majority. Along the same lines, the minority parties, including the CDS-PP, the Communist Party (PCP) and the Left Bloc (BE) also managed to maintain their share of the electoral preferences and prevent the emergence of new populist movements. Finally, the «euro-sceptic» trend in the smallest parties – which is constant in PCP, fluctuates in BE, sporadic in CDS-PP – might also have helped neutralise the emergence of new anti-European formations. Nevertheless, the stability of these political choices has been accompanied by a growing polarisation between the political forces that reflects the crisis of the main parties, as well as by a loss of trust in democratic institutions, which reveals the extent of the effects of austerity policies on the erosion of the constitutional regime.

Since May 2014, the conclusion of the Adjustment Programme has allowed the governing parties to highlight the virtues of the «Portuguese model», insist on their ability to implement the necessary reforms and to recognise the importance of the unique conditions of political and social stability. In 2015, with the debacle in the Greek elections,
the government’s catch phrase – “Portugal is not Greece” – gained credibility and the authorities set out to restore the State’s image abroad. This said, compliance with the Adjustment Programme allowed Portugal to contain the risks of expulsion from the Eurozone, avoid new bailouts and gain enough time for the European Union to have the necessary political conditions for a joint response to the crisis, despite the economic and social costs that it brought to the country and the still mediocre growth of the Portuguese economy.

The crises in Greece, Ireland, Portugal and Spain, as well as in Italy and France, are all an integral part of a European crisis, and the effective response to the Portuguese crisis, just as in the other cases, should be a European response. The adoption of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union («Budgetary Treaty»), the creation of the European Stability Mechanism and the Growth and Employment Pact, as well as Greece’s successive bailouts are evidence of the political commitment of Germany and the European Union to resolving the common crisis without disrupting the composition of the Eurozone.

In light of this, it is possible to justify the strategy for the national response to the crisis, but the next phase calls for a Portuguese vision for the future: the European integration of Portugal, including participation in the single currency, should not be considered an end in itself, but an integral part of a strategy of international integration.

THE EUROPEAN FUTURE

The two crises – the national crisis and the European crisis – have changed the terms of reference of the strategic debate in Portugal and, for the first time since the Treaty of Maastricht, there is again an internal debate on Portugal’s foreign policies.

The confidence of the Portuguese elites in the future of Europe (and in their own European future) has been called into question. European integration was seen as an irreversible process, the single currency was supposed to be immune to crises and the European Union was represented as one of the key poles of the international system; however, the last few years have revealed a more complex picture. The main European leaders admit that the end of the Euro and of the actual European Union is a possibility; the dangers of fragmentation with the inversion of the regional integration process are now included when devising national strategies and there is general recognition of the relative decline of Western Europe in the balance of international regions.

In this context of growing uncertainty, the dominant position of the pro-European line in the formulation of Portuguese strategies has been confronted by a resurgence of a nationalist line. The President of CDS-PP signalled this before the 2011 elections,
when Paulo Portas protested about the way in which Portugal was being treated by its European peers saying that «Portugal is not a protectorate»; later, after assuming the post of Minister of Foreign Affairs, he felt it necessary to repeat that the external intervention had turned Portugal into a «protectorate». This would be a banal statement if it had come from a populist or anti-European faction, but it marked the public debate precisely because it came from the leader of a party that was a member of the European People’s Party (EPP). Although the Social Democrat Prime Minister did not repeat the formula of the Christian Democrat Minister, the latter did not stop using it, calling the fundamental congruence between democracy and Europeanisation into question.

The resurgence of the nationalist line has opened up the possibility to counter the European ideology with a new idealist vision built around the «strategic potential» of the CPLP, which should be able to support a «Portuguese speaking option» as an alternative to the «European option». However, the European consensus among the national elites remains and even the most substantiated positions in favour of Portugal’s exit from the single currency are still isolated and marginal. Contrary to what happened at the end of the authoritarian regime, when the strategy of accession to the European Communities represented an alternative to the Estado Novo’s stubborn imperial position, no credible alternative has emerged in the last national crisis to Portugal’s European and Western integration.

President Cavaco Silva underlined this position when the parliamentary elections of October 2015 resulted in a stalemate; he explicitly stated that respect for the continuity of Portuguese foreign policy, including Portugal’s position in NATO, the European Union and CPLP was a condition for the formation of a new Government. Similarly, the Secretary General of PS, António Costa, pushed through a Government Programme in which the pro-European line of his party is recognised, limiting bilateral agreements with the Left Bloc and PCP and the Ecologist Green Party (PEV) to economic and social policies that are compatible with the fiscal and budgetary discipline required under the institutional rules of the European Union and the Eurozone. Notwithstanding, the new bipolarisation between the left and right wing parties in the national parliament will put the historic consensus between the PS and PSD on European and Western integration to the test. Meanwhile, the evident strength of the Left Bloc and the PCP, two political forces with a marked critical stance on the European status quo, in the new parliamentary coalition will not be sufficient to turn the Socialist Government away from its Euro-Atlantic option, confirmed over the last 40 years.

Between the two crises, national and European, divided between the «good student» syndrome and the spectrum of the «protectorate», the last seven years has been the most difficult period for Portuguese foreign policy since Portugal’s entry in the European Communities. From the outset, it was impossible to maintain the indispensable balance between the European and the Atlantic dimensions in the definition of foreign priorities.
The extreme conditions of financial dependence and the need to recover minimum credibility in the relations with external creditors expressed itself in an excessive alignment with Germany, notably in the framework of the European Union. Parallel to this, the relations with the United States were subordinated at a critical moment in which Madrid was actively engaged in normalising their relations with Washington and managed to have the Route reassessed, after which was Lages was put on reserve status in the North American military base system.

In the same vein, since the foreign intervention in Libya in 2011, which was the first time after the end of the Cold War that the Portuguese Armed Forces did not participate in a military mission of Western allies, Portugal’s presence in NATO’s international operations has been reduced to historic lows. The change, which cannot be explained merely by financial constraints, has not only damaged relations with the United States, Great Britain and France, but also Portugal’s reputation as a «producer of international security».

On the other hand, bilateral and multilateral relations beyond the European and transatlantic community have gained greater importance. Portugal sought to form a «strategic triangle» with Brazil and Angola, which ultimately forced Lisbon to accept the decision of Brasilia and Luanda to extend membership of the CPLP to Equatorial Guinea in the CPLP. The foreign policy strived to identify new «strategic partners», like China – Portugal has become the main destination of Chinese investments in Europe after Germany, Great Britain and France – while «economic diplomacy» explored opportunities in Asia, Latin America and North Africa.

An economic internationalisation strategy was tried out as part of this process, with the explicit aim of reducing the excessive dependence on Spanish and European partners; the European Union states together represented over 80% of Portugal’s total trade. But the attempt to «de-Europeanise», evident in the privatisation policy, resulted in growing de-nationalisation and a strong penetration of strategic sectors – including energy, the financial sector and the media – by foreign partners with whom it is not possible to establish a framework of co-sovereignty in the management of key companies.

Lastly, the Portuguese authorities have reassessed the importance given to the Portuguese language in international relations; the relevance of the «Portuguese Diaspora» is highlighted for Portugal’s projection abroad and a new policy is being developed for a broad maritime platform; this will entail consolidating relations with the Western allies in the transatlantic community including the United States and Germany. These new orientations, which have become consensual, confirm a trend towards the «re-nationalisation» of foreign policies, otherwise shared by a large number of the Member States of the European Union.

Although the crisis did not damage the framework of necessary continuity, it shifted the balance between the two vectors of the foreign policy of the Portuguese democracy – Europe and the Atlantic: while the primacy of the European dimension is not in
question, it no longer dominates the hierarchy of internal priorities. A new distancing from European integration is signalled by criticisms of «German hegemony» – according to the former Socialist Minister, João Cravinho, «Germany has united the left». – and the defence of a «re-balancing» of the European Union, as well as a re-assessment of both the Atlantic and Portuguese speaking dimensions. The relevance given to the Atlantic is not simply due to a recognition of the importance of relations with the United States and with NATO on security, dictated by the escalation of conflicts in the periphery of Europe, but above all by a new vision of the unity of the Atlantic which seeks to recover a strategic articulation between the North and South Atlantic, despite the usual resistance from Brazil and the predictable disinterest shown by the dominant power in the Western hemisphere.

The inclusion of the South Atlantic may, in turn, integrate much of the Portuguese speaking dimension given that all the members of the CPLP, except Mozambique and East Timor, are Atlantic States.

At the end of a critical phase of the national crisis, it is the defence of European and Western insertion that has prevailed and defines the international position of Portuguese democracy. Nevertheless, everyone recognises that it is impossible to return to the status quo ante: the European Union is transforming itself in response to its internal crisis and the changes in the international system.

While it is difficult to foresee a clear direction for the evolution of the European crisis, which will be decisive to the future of Portugal, a set of positions can be identified in which the affinities between the Portuguese interests and those of Europe can be combined. Firstly, the scenarios of a «Great Leap Ahead» on the path of political integration seem highly unlikely given the trend towards a great affirmation of sovereignty, both for historical and international reasons, notably in the case of Germany, but also in France and Great Britain. In this context, it is important to consolidate the Community acquis, complete the European single market, and make the harmonisation of monetary, fiscal and budgetary policies a new priority with a view to seeking a virtuous relationship between the discipline of the monetary union and economic growth; this is vital to overcoming a crisis that has highlighted the risks of division between the North and South of Europe so dangerously. The Budgetary Treaty seems a step in that direction, as does the creation of the European Stability Mechanism, the approval of the Growth and Employment Pact and the evolution towards a banking, budgetary and fiscal union.

In Portuguese politics, there are two distinct positions on the institutional balances, with the traditional defenders of the European Commission who want to limit the...
Eurogroup’s intervention in European governance on one side⁶⁷ and, on the other, new supporters of the strengthening of the Eurozone institutions, including the formation of a European Monetary Fund⁶⁸. Similarly, distinct evaluations are made of prioritising the German proposals to create specific plans to respond to the problems entailed in the modernisation of individual Member States⁶⁹ or of the search for arrangements for the partial mutualisation of «sovereign debts».

On the other hand, it is important to separate certain European policies in order to ensure their autonomous development, without revising the existing treaties. Portugal is committed to guaranteeing the stability of the rules in the «Schengen Space» and contributing to the gradual convergence of immigration policies and the integration of emigrant communities, one of the few areas in which Portugal’s performance has been exemplary. In the refugee crisis, Portugal showed it could recognise the importance of defending the Schengen rules and open its doors to a significant number of refugees in response to appeals initially made by Germany.

Parallel to this, the national position advocating the setting up of Permanent Structured Cooperation (PSC) in the framework of the Common Security and Defence Policy (CSDP), as well as the development of the European Union’s effective military capacity to intervene in priority areas of strategic interest has been hampered by the European Union’s paralysis, in which the crisis has led to a dangerous reduction in the resources available for military defence. But the revision of the European Security Strategy (ESS) is of continued importance to Portuguese interests⁷⁰, as is the consolidation of the European Union’s collective security capacities, notably to re-establish control on its external borders and to guarantee the protection of refugees in the Mediterranean and the Middle East.

In the same vein, it is worth putting aside the post-sovereignist orthodoxy and recognising the existence of alliances between the States in the European Union⁷¹. The hegemonic regional trends can only be contained through stable conciliation between Germany, France and the United Kingdom, and all European powers need allies: Germany wants liberal partners to balance Southern Europe’s resistance to reforms to the European social model and Northern Europe’s opposition to the financing of cohesion programmes; on the other hand, France and the United Kingdom, the two nuclear powers responsible for European defence and security policies, not only need to assure the European democracies’ capacity for external military intervention but also to define the much needed consensus that guarantees common defence in the framework of a continuing transatlantic alliance.

Portugal can be present in each of these groupings of States, contributing to the European response to the crisis and showing its determination to return to the centre stage of European integration. At the same time, Portuguese foreign policy cannot remain the hostage of just one narrow alliance; it should be aligned with Germany, with France or with the United Kingdom in the different fields in which their interests converge most.
Finally, the European Union must stop being so self-absorbed and find ways to intervene in the crisis resulting from the strategic diffidence of the United States, from Russia’s revisionist turn and from the emergence of the Asian powers. It is too soon to talk of the inevitability of Europe’s decline, and it is reasonable to argue that a «world without Europe» would become more dangerous, more unbalanced and less civilised. The recovery of the European Union’s global economic and financial competitiveness is only possible if it is based on a true capacity for autonomous political and military intervention in the critical domains of international politics, starting with the conflicts threatening European and Western security in the new range of crises that extend from Ukraine to Syria and to Mali. In this context, it is essential to consolidate the Atlantic Alliance and at the same time draw up a realistic international strategy for the European Union that can articulate the positions of the leading European powers.

Yet again, Portugal, whose geographic centrality in the Atlantic should be able to counter-balance its relatively marginal position in the European space, has a vital interest not only in the continuity of the Atlantic Alliance, but also in ensuring complementarity between NATO and the European Union in consolidating relations between the United States and the European Union, notably in the framework of the future Transatlantic Trade and Investment Treaty (TTIP) and strengthening Europe’s strategic autonomy. The end of the European Union is possible, but Europe does not need to be reinvented to prevent this happening. On the contrary, holding on to the memory of a century of total wars and totalitarian revolutions, which runs the risk of getting lost in the «fog of the crisis», is the best way to stop going back to the past and uniting Europe once again.

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was the biggest external investor in Portugal, after France, the Iberian neighbour was the sixth biggest investor in Portugal, after France, Spain, and Greece (but not Ireland) were excluded from the first phase of the single currency criterion. This changed after the People's Party and the German Minister of Finance, Wolfgang Schauble, among others, tried unsuccessfully to resist Chancellor Angela Merkel’s decision to impose greater IMF participation in the Eurozone’s financial bailouts.


22 Merkel first used this expression in the context of mise au pas in May 2010, which imposed Greece’s bailout as well as budget retrenchment measures for Portugal and Spain. MERKEL, Angela – «Zwei Linke Fusse», In Financial Times, 19 May 2010.


24 When Schauble referred to the States that opposed the German proposal, including Greece’s suspension from the
Eurozone, Portugal did not stand by France; Italy of Cyprus and should therefore have aligned with Germany. ‘Interview with Wolfgang Schauble. ‘There is No German Dominance’, In Der Spiegel, 17 July 2015.


26 In June 2011, PSD, with 108 MPs, and PS, with 74, elected 182 of the 230 MPs. In October 2015, the Parliamentary Groups of the PSD, with 89 MPs, and PS, with 86, had a total of 175 of the 230 MPs in Parliament.

27 In the elections for the European Parliament in June 2014, for the first time a populist candidate running under the banner of the Earth Party [PT], was able to win 7% of the votes and elect two MPs. Of the various new movements in October 2015, PAN, PP, were re-elected just one MP; the total number of MPs elected by BE, Unitary Democratic Coalition [CDU], including the PCP and the Green Ecologist Party [PEV], and the CDS-PP in the Parliament went up from 48 to 52. On the elections for the European Parliament, see LISI, Marco – ‘Portugal. Between apathy and crisis of the mainstream parties’. FREIRE, José Santana – «More Second Order than ever? The 2014 European Election in Portugal». In South European Society and Politics, vol. 20, n.º 3, 2015, pp. 381-401.

28 On the crisis of the Portuguese parties, see LISI, Marco – ‘Portugal. Between apathy and crisis of the mainstream parties’.

29 The loss of confidence in the political institutions was not limited to parties but also included the President, the Government and the Parliament. André Freire estimated that the level of satisfaction with the political system had fallen from 40 per cent to 10 per cent in the last years of the crisis. FREIRE, André – ‘The Condition of Portuguese Democracy during the Troika’s Intervention’.


33 President of the Republic, ‘Comunicação ao País’, 6 October 2015.


35 The PCTD did not want to raise questions of foreign policy, security and defence in the negotiations with the far-left formations and reached three separate agreements with the BE, PCP and PEV on other matters, namely social and economic policies, to ensure they had the minimum conditions to form a stable and lasting government. According to the formula used by President Cavaco Silva.

36 According to their electoral programmes, the Left Bloc demands the end of the Budget Treaty and is opposed to the Transatlantic Trade and Investment Treaty (TTIP), while the PCP wants to dismantle the Economic and Monetary Union and prepare ‘the country’s liberation from submission to the euro’. ‘Manifesto Eleitoral’. Left Bloc, Legislative Elections 2015.


38 SÁ, Tiago Moreira de – ‘Politica externa portuguesa, pp. 78-79.

39 According to Félix Ribeiro, some of the Portuguese elite were willing to accept that Portugal was a ‘German protectorate and a Chinese factory’. RIBEIRO, José Manuel Félix – Portugal. A economia de uma nação rebelde, p. 11.

40 Among others, the PS electoral Programme adopted this line and stressed above all the Diaspora, which included five million Portuguese. Socialist Party. Programme eleitoral do PS. Eleições Legislativas 2015.


44 The PS electoral Programme stated that the European Union «needed to be rebalanced». ‘Programa eleitoral do PS’, Legislative Elections 2015, p. 22.


48 On the German identity after reunification, see WINKLER, Heinrich August – “Rebuilding of a Nation. Germany Before and After Reunification”. In MEIER, Michael; MULLER, Steven; WINKLER, Heinrich August (eds). ‘Search of Germany’.


58 The European Monetary Fund is an old proposal of Schaubel that was later taken up by Passos Coelho. «Coligação Portugal à Frente. Agora Portugal pode mais. Programa eleitoral», p. 147.


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