

# Portugal's Welfare State Is Still in Danger

Friday 22 November 2019, by [BRODER David](#), [MARTINS Catarina](#) (Date first published: 8 November 2019).

**Victory for the Socialists in last month's Portuguese election rewarded its successes in easing austerity. But for the Left, the fight isn't over — especially as the European Union tightens the screws on the country's public spending.**

As far-right forces surge across Europe, Portugal looks like something of an exception. This particularly is owed to the advances for António Costa's Socialists, perhaps the most successful center-left party anywhere in Europe. In government since 2015 with the support of the Left Bloc and the Communists, Costa's party romped to victory in last month's general election and is today back in power as a minority government.

This replaces the previous "*geringonça*," or "contraption," arrangement, where the left-wing parties could directly influence the Socialist-led government. Indeed, their own results have been rather less positive: the Communists lost both votes and seats in October's contest, while the Left Bloc maintained its nineteen MPs. In May, the Left Bloc was one of just two radical-left parties in Europe to gain more seats in the European Parliament.

The end of the *geringonça* calls for reflection on its record — and what the radical left can achieve in partnership with social-democratic parties. While the 2015-19 government did treat the symptoms of poverty, from a rise in the minimum wage to free school books and transport fare cuts, other parts of its record are more precarious. In particular, low public investment and a failure to restructure the public debt are building up problems for the future — ones that could explode when the Eurozone hits its next crisis.

Catarina Martins is national coordinator for the Left Bloc. She spoke to *Jacobin's* David Broder about the Left Bloc's record in government, Portugal's role as a "model" for social democracy, and the need to break out of the iron cage of debt.

**DB | First, I'd like to characterize the election result as a whole. The center right was defeated, while the biggest winner was the center-left Socialist Party. Your Left Bloc maintained the same number of MPs, with a slight loss of votes, whereas the Communist Party suffered much more. Why do you think this was? Why did voters reward the Socialist Party in particular, and why were you better able to maintain your support than the Communists?**

**CM |** At the time of the last general election in 2015, Portugal was subject to the austerity imposed by the European troika. There were cuts in pensions and wages, and sharp public debates on what would come next. The Right insisted that we needed to continue the cuts or the economy would collapse, but the evidence of the last four years is that this is not true. For that reason, the Right lost part of its vote — to abstention, and to the Socialists.

Today, compared to 2015, things are, in general, less polarized. The government agreement also gave the Communists' base the sense that the Socialists are not as right-wing as their own party usually says. This caused them to lose some votes. Our base is different than the Communists, and

we also took a different approach toward the government: we did not put up any barriers to cooperation with the Socialists, but we also proved effective in confronting and challenging them.

Having supported the government for four years, we did lose some of the protest vote, also among some people who vote on the basis of single issues. Yet we also increased our support among workers, who have enjoyed gains in recent years and recognize our contribution in making them happen. For instance, after decades in which they hadn't had one, precarious workers in the public administration finally got a contract with the state. This was huge — previously they had only experienced cutbacks. Now, many people who usually don't vote and hadn't previously been in dialogue with the Left Bloc have drawn close to us. This made up for many of the voters we lost elsewhere.

**DB | During the election campaign, you made clear that the Left Bloc wanted to deny António Costa's Socialists a majority in parliament, so that you could continue to exert leverage over the government. After the results came in — with the Socialists just short of a majority — Costa spoke of renewing the agreement, and yet now it seems his party will govern alone. What implications do you think this has for his policies themselves — and will a minority Socialist government rely more on pacts with the center right?**

**CM |** Certainly, the Socialist Party prefers not to have agreements with the Left. Back in 2015, we sealed an agreement because the Socialists were forced to accept one — they had come second in that election and couldn't have governed otherwise. But this time, they came in first place, and I don't think anyone is surprised by their choice to govern alone.

After the election, the Left Bloc again said we were ready to make an agreement — and we stand by that. But it would have been different from last time. Four years ago, we needed a minimum agreement to stop the Right, to block the privatization of roads, rail, and water, and to halt pension cuts. In today's climate, an agreement wouldn't have just been about stopping cuts but about rebuilding workers' rights. The Socialist Party doesn't want to change the labor law — and, as ever, they didn't want to put themselves on the opposite side of business.

Now, with the minority Socialist government, we'll have to discuss each budget and each law. We can, indeed, predict that they'll make pacts with the Right. Portugal is one of the countries in Europe with the most precarity. Yet this government isn't going to change the labor law — and if we don't change that, then we can't improve the economy as a whole.

This also means standing up for public services. Take our health-care service — one of the best in the world. It provides all available health care to anyone for almost nothing, and does so regardless of your condition, whether you're an immigrant or a Portuguese national, and whether you're working or not. But the Portuguese health system is also fragile and doesn't have the budget it needs, at the same time as a growing private sector is taking away doctors, nurses, and other technical staff. So we need to fight for it — if we don't save the system, then the social democracy that has been central to our democracy ever since the Portuguese Revolution of 1974-5 will be at stake.

**DB | Portugal has, since the Revolution, been one of those few European countries without a far-right presence in Parliament, yet in this election the anti-immigrant Chega! ("Enough!") won a seat. At the same time, there were historic breakthroughs for left-wing, black candidates, notably Livre's Joacine Katar Moreira and the Left Bloc's Beatriz Gomes Dias, each of whom were elected. Already, earlier in 2019, the clashes in Lisbon's Jamaica neighborhood, with footage of police brutality against black youths, brought institutional racism into the spotlight. Do you think anti-immigrant and racist politics could take off in**

## Portugal?

**CM** | I don't see Chega! just as a far-right party. Its member of parliament, André Ventura, also has an ultra-liberal agenda to privatize health care and pensions. He does use xenophobic rhetoric, but Chega! is very much a party of the regime. Indeed, Ventura is a former city councilor for the [center-right] PSD, and during the time of the troika intervention, he was backed by prime minister Pedro Passos Coelho. He was then involved in a scandal about illegal financing. Ventura is famous as a TV football commentator, but Chega! combines different extreme discourses: it is ultra-xenophobic against migrants and ultra-liberal about the economy and cutting the welfare state.

In reality, Portugal has less immigration than we need, as well as emigrants around the world. It doesn't have a majority of people hostile to immigrants, but it does have structural racism, which its colonialist past helps to explain. But something that is new is black people speaking up for their rights, and it's good and important that some people are fighting to give visibility to racism and police violence. Even the Socialist Party elected a black woman in this election [Francisca Van Dunem], who has been minister for justice since 2015. Racism is still not a central issue in the public debate, but perhaps the tools exist to make it so.

**DB** | Turning to the international context: [when I spoke with Left Bloc economist Francisco Louçã before the election](#), he argued that the party had won important concessions, and, indeed, the outgoing administration had some success in poverty reduction. Yet, by his own account, the problem of public debt and structural limits to investment drifted out of debate compared to 2015. The contradiction seems to be that even if the Eurozone is poorly prepared for the next crisis, the fact that the worst austerity is over seems to have made the currency less central to popular attitudes, not just in Portugal but around Europe. How can your party draw focus to this problem even now, when the Socialist Party is enjoying an aura of success?

**CM** | Over the last four years, we passed several pieces of legislation that made clear the lack of investment. For instance, a law on the spending for the national health-care service, which cannot survive if it doesn't have the budget it needs. Or look at public transport — we cut the cost of fares, but there's not enough infrastructure, and we don't have the amount of subway trains, buses, and boats that people need.

These are issues we can use to make clear the need for more investment and that the primary surplus policy is wrong. That will be the subject of a big debate. Even today [October 22], the European Commission said that Portugal's deficit forecasts worry them. Over the last four years, the EU perhaps didn't target Portugal so much because it wasn't able to subject us to the same fate as Greece — it couldn't have another tragedy, especially at the time of Brexit. Perhaps now the EU will concentrate more on us, but no one knows what will happen to the EU itself.

Four years ago, people said the Left Bloc is "against Europe." That couldn't be less true. We are part of the European continent, but we do need to question the EU. No one knows if the EU can last, and how, and there clearly does need to be a battle in Europe over investment.

**DB** | Costa's government since 2015 has widely been seen in international media as heralding a revival of social democracy. There's another case of that across the border in Spain, where the center-left PSOE's leader Pedro Sánchez became prime minister in June 2018 with the help of Podemos and regionalist parties. Yet while after this April's general election, Sánchez opened coalition talks with Podemos, he then collapsed them, in an apparent bid to reassert the PSOE's predominance and deny legitimacy to more radical forces. Should we draw parallels with Portugal? Or is the party system too different,

## **generally being rather more static?**

**CM** | The Left Bloc was created twenty years ago, and back then people said it would disappear because the party system is static. Yet we're still here. And things are changing — this election saw not only the rise of an animal rights party (PAN) but also three new parties that hadn't been represented in parliament before. Two of those three are ultra-liberal forces, which itself highlights the crisis on the Right.

Since 2015, there has, indeed, been something of a return of politics historically connoted with social democracy. In this sense, supporting the government for the last four years has definitely given us a wider platform for our message. People know our policies made a real difference in people's lives, which made us more credible. We showed that making electricity companies pay poor people's bills or raising the minimum wage is not some crazy utopia. This is important, because people have often said that we are lunatics, not to be taken seriously, and that what we say is impossible.

I'm not saying we determined loads of policies — we didn't. Over 80 percent of parliament is made up of the Socialists and parties to their right, and we couldn't and can't do everything. People who come up to me in the street see us more as an oppositional force than a governmental one. They say, "Fight for us!"

Over the last four years, we had an agreement with the Socialists to stop pension and wage cuts. The deeper economic structure and its relationship with the banking system did not change. But we did take measures that really matter for people's lives, and they could finally see some progress in wages and pensions after over a decade of cuts in which people felt that would have been impossible. Even though what we recovered was still too little, it has given people the sense that life can be better, and now we have more social mobilization than we've seen for years. Racialized people have mobilized, yes, but not only them — so, too, teachers, nurses, dockers, and more.

Supporting the Socialist government, we won gains on public services and public transport, and for the first time since the Revolution, after decades in which they became more and more elitist, university fees were cut. School books were also given out for free. By changing people's expectations of what is possible, these changes are themselves instruments for a stronger left-wing politics.

## **ABOUT THE AUTHOR**

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## **ABOUT THE INTERVIEWER**

David Broder is a historian of French and Italian communism. He is currently writing a book on the crisis of Italian democracy in the post-Cold War period.

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