



**GROUPEMENT D'ETUDES ET DE RECHERCHES  
NOTRE EUROPE**

**President : Jacques Delors**

**PORTUGAL 2000: THE EUROPEAN WAY**

**Álvaro de Vasconcelos**

*Research and policy paper No. 9  
March 2000*

44, Rue Notre-Dame des Victoires  
F-75002 Paris  
Tel : 01 53 00 94 40  
*e-mail* : [notreeurope@notre-europe.asso.fr](mailto:notreeurope@notre-europe.asso.fr)  
<http://www.notre-europe.asso.fr/>

*Study also available in Portuguese, and French*

© Notre Europe, March 2000

## **Álvaro de Vasconcelos**

### **Director of IEEI, Lisbon**

Álvaro M. R. G. de Vasconcelos was born in Porto in 1944. He has headed the Institute of Strategic and International Studies (IEEI), of which he is a co-founder, since 1980. He contributes, on matters connected with European affairs, foreign and security policy and defence, to a variety of publications including books and specialist newspapers and magazines with a widespread readership in Portugal, the rest of Europe and worldwide. The most recent book for which he was responsible and to which he contributed is *Valores da Europa – Identidade e Legitimidade*, published in 1999.

### **Notre Europe**

Notre Europe is an independent research and policy unit whose objective is the study of Europe – its history and civilisations, integration process and future prospects. The association was founded by Jacques Delors in the autumn of 1996. It has a small team of five in-house researchers from various countries.

Notre Europe participates in public debate in two ways. First, publishing internal research papers and second, collaborating with outside researchers and academics to contribute to the debate on European issues. These documents are made available to a limited number of decision-makers, politicians, socio-economists, academics and diplomats in the various EU Member States.

The association also organises meetings and conferences in association with other institutions and publications. Under the organisation's articles of association, a European Steering Committee comprising leading figures from various European countries and political and professional origins meets at least three times a year.

**Notre Europe now has an Internet site.**

**Visit us at <http://www.notre-europe.asso.fr>**

## FOREWORD

At the beginning of the 21<sup>st</sup> century, it falls to Portugal to take the presidency of the European Union, just as the Community is asking questions about its future. How can there be enlargement without dilution? How can the institutions be reformed to allow a political body aiming to double the number of its members to operate efficiently without losing the substance of the common endeavour started half a century ago?

It is highly significant that it should be a “small country”, which joined the Community with the third wave of new members, which is taking on this responsibility at a crucial time for the future of European integration. Yet that is as far as the stereotype goes, for Portugal has a highly original approach to Europe. A “small country”, no doubt, but which is committed to being at the heart of the integration process; a “Mediterranean country”, but which has traditionally faced the wide-open spaces of the Atlantic; a “cohesion country”, but which aims to spearhead research into a new model of society consistent with the European genius.

Beyond the presentation of the new presidency, its key players and its programme, Notre Europe felt it would be worth providing some keys to understanding how Europe is viewed in a country where the approach to the issue is highly original. Álvaro de Vasconcelos, Director of Lisbon’s Institute of Strategic and International Studies (IEEI), has agreed to try and accompany all those who would like to see beyond first impressions. I am particularly pleased to thank him for this contribution and present it to Notre Europe's correspondents.

*Jacques Delors*

## CONTENTS

Introduction .....	1
I Centre or periphery? .....	4
II The issue of European balance and democracy .....	9
III Economic and social cohesion: the European way .....	13
IV The aim of an open Europe .....	17
Europe and the Atlantic .....	17
Security and defence .....	19
The Portuguese presidency, European defence and the 2000 IGC .....	22
V A momentum-building presidency .....	25
Annexes .....	27
Brief chronological background .....	28

## INTRODUCTION

The desire to consolidate Portugal's democracy was a major factor in the country's accession to the European Community. Mário Soares, who signed Portugal's treaty of accession to the EEC in 1985 in his capacity as prime minister, considers that this choice, formally expressed eight years earlier, "quite apart from its importance in consolidating democratic rule, progress and economic development, also indicated that Portugal was returning to Europe: a necessary counterpoint for a small democratic State that had loyally decolonised and given up its empire"<sup>1</sup>. The initial motivation was, indeed, essentially political. It involved securing democracy, integrating the Western world once and for all and joining Europe, in particular to obtain the boost it needed to reform the Portuguese economy. Portugal was then emerging from a crisis. The dictatorship had been overthrown following an army officers' revolt in April 1974, the Communist Party had gained great influence and tried to take power, and the majority of large firms and banks had been nationalised.

After the accession, there followed a period during which a virtually exclusive priority was given to economic and social development. The political dimension of Europe was viewed with extreme caution. This was still the position held by Portugal during the 1991 intergovernmental conference (IGC) that led to Maastricht. It was only with Portugal's first presidency of the European Union in 1992, during the second phase of majority PSD government, and in particular since late 1995, when the minority PS government took office, that political issues gradually re-emerged both in Portuguese priorities and in the debate on Europe. The great national ambition of bringing Portugal up to the Community standard of living as quickly as possible was, however, not abandoned. This new political orientation coincided with a period of great Portuguese activity within the European institutions.

Unlike the United Kingdom, where the European debate is centred on the euro, in Portugal, as in most countries of the European Union, there is no single predominant issue. A few main issues can, nevertheless, be identified, which together encompass the many arguments still used in the debate on Europe:

- I Portugal's position at the centre or periphery of European integration.
- II European balance and greater democracy in the decision-making process: the relationship between small and large countries.
- III Social cohesion and employability: the European way.
- IV European policy and Atlantic ties.

---

<sup>1</sup> Mário Soares, *A Transição Democrática em Portugal e o Alargamento da União Europeia*, chapter in a volume on Portugal's experience of European integration, gone to press.

In Portugal, the debate on Europe is limited to the sphere of those in favour of European integration. Given the mingling between politicians, academics and intellectuals in general which is characteristic of Portuguese society, political and intellectual debates often merge. And the main participants are a few politicians, experts and analysts, even fewer businesspeople, and some think tanks and specialist publishers.

During the 14 years of Community membership up to 1 January 2000, and largely because of its success, the nationalist movement has steadily lost influence. Initially opposed to accession, it subsequently showed a willingness to participate while seeking to draw the greatest economic advantage and remaining hostile to advances towards political union, which was seen as a serious threat to national sovereignty<sup>2</sup>.

Portugal's policy towards Europe has been dominated by the country's two main parties: the Social Democrat Party (PSD), which formed non-coalition governments from 1985 to 1995, and, since the October 1995 elections, the Socialist Party (PS). Taken together, these two parties have since 1987 accounted for over 75% of the votes. Both are thoroughly pro-European. Yet their leaders do not, as a general rule, describe themselves as federalists, and for years – both when in power and when in opposition – have taken a pragmatic, cautious and realistic approach to policy on Europe. The converging views of the PS and the PSD on the bulk of European issues mean that developments in Portugal's official position are directly related to changes in the positions of those parties and to their reading of Portuguese public opinion, which has shown firm and continuous support for European integration. Debate on the major European issues has to a great extent been determined by these trends, and any fault-lines in the general consensus tend to result from the periodic requirements of the domestic political calendar rather than fundamental differences.

The third party in favour of membership, a Christian Democrat party then called the Social Democratic Centre (CDS), at the time included a number of federalist intellectuals, such as the late Francisco Lucas Pires, who had an excellent grasp of European affairs. The party subsequently came to be dominated by a populist and nationalist group of militant anti-federalists, who changed the party's name to the Popular Party (CDS-PP), opposed the Treaty on European Union and the euro and lost their place in the European People's Party. Confronted with a materialising European single currency and Portugal's inevitable (and popular) participation in the process, the CDS-PP – which had meanwhile dismissed its leader – opted for a euro-compliant attitude, while not giving up its militant anti-federal stance<sup>3</sup>, and stopped describing itself as “the only party within Europe defending the idea of nationhood”<sup>4</sup>.

The Portuguese Communist Party (PCP) followed a very similar course, opposing membership, the Treaty on European Union and the euro, before resigning itself to the fact that Portugal belonged to the European Union. A far-left coalition has emerged from the October 1999

---

<sup>2</sup> For a critical analysis of anti-European nationalist currents, see José Calvet de Magalhães, *Portugal na Europa: o Caminho Certo, Estratégia*, 10-11, winter 1993-94.

<sup>3</sup> Paulo Portas, the current CDS-PP leader, *Uma Agenda Nacional na Europa*, *Expresso*, 16 January 1999.

<sup>4</sup> *Público*, 31 March 1999.

parliamentary elections. The positions adopted by the left-wing group have, so far, been too disparate for them to have an influence on discussions regarding Europe<sup>5</sup>.

The body of dedicated pro-Europeans – few of whom declare themselves to have been federalists from the outset – is well represented in Portugal where, independent of party lines, it embraces the entire European political spectrum and includes such distinguished personalities as the country's former president, Mário Soares, and the essayist Eduardo Lourenço.

Because of excessive concerns about identity, the kneejerk nationalist reactions of what is a small outlying country and, to a lesser extent, the adverse – albeit declining – effect of the anti-European propaganda of both left and right, federalism has long been considered as tantamount to antipatriotism. It was generally thought that Portugal would be crushed by the weight of the large countries in a federal European Union, and would be unable to put across its views and defend its interests. An intergovernmental model based on the unanimity rule was believed to provide better protection against Portugal's larger partners. This attitude is, however, now beginning to change. Unanimity is losing support because the veto is not a politically viable option (and even less for small countries than large ones), except as a weapon of last resort and thus only in exceptional circumstances. A framework which would be hybrid, of course, yet with a greater federal component is therefore coming to be seen as more likely to preserve some sort of balance.

That is the particular pro-European background, marked by a return to the original political impetus, against which Portugal is embarking on its second EU presidency.

The purpose of this paper is to provide an overview of the European debate in Portugal as reflected in the general issues mentioned above. The writer concludes with a brief assessment of the specific impetus he considers the Portuguese government can give, during its presidency, to the European integration process.

---

<sup>5</sup> The results of the parliamentary elections in October 1999 were as follows: PS (44%), 115 seats; PSD (32.3%), 81 seats; PCP (9%), 17 seats; CDS-PP (8.4%), 15 seats; BE (2.5%), 2 seats.



*...A Europe of differences and of nations, but sharing a common historical and political purpose...*  
Eduardo Lourenço

## **I. CENTRE OR PERIPHERY?**

There has been a change in the relative weight of economic and political issues in Portugal's approach that is intimately linked to the debate on Portugal's place – at the centre or the periphery – in Europe. The fact that the focus of discussions on Europe has changed over time does not mean that the two viewpoints cannot coexist, or cannot indeed sometimes both be expressed by the same political leader. In this respect, politics are neither more nor less schizophrenic in Portugal than in other European States.

Paradoxically, despite the eminently political nature of the initial motivation to join, the first phase of Portugal's membership of the Community (from 1986 to 1991) was marked by considerable caution in the political area, great wariness of supranationality and the desire to derive the greatest possible benefit from membership in terms of Portugal's development.

Portugal's "less political" attitude towards European integration arose partly from a perception of the country's peripheral position, together with a feeling that the major political interests in Europe resided in the highly industrialised north European countries, notably France, Germany and the Benelux group. The attitude was rooted in a perception that "there is Europe, and then there is us", as Eduardo Lourenço, Portugal's most outstanding contemporary essayist, has written. "This curious way of 'separating' ourselves from Europe, and of considering 'real' Europe as separate from us, is reflected in the well-known distinction between Europe beyond the Pyrenees and Europe this side of the Pyrenees." The exclusion of Portugal and Spain from the European post-Cold War process obviously encouraged this attitude. Portugal also belonged to "the other Europe" on account of its scientific and social backwardness, which was genuine<sup>6</sup>. That is also why catching up involves joining the "real" Europe.

This feeling of distance has shaped the relationship between European and national identity. The concept of Portuguese identity, commonly perceived as that of a culturally homogeneous nation State, encourages a defensive attitude towards any plans for a supranational identity, which is automatically considered a threat. The concern to respect each country's traditions and culture within the European framework (expressed in practice by a fierce defence of the equal status of each of the European Union's working languages) is one facet of this attitude, which does have the beneficial effect of addressing the issue of European identity in strictly political terms, without cultural undertones, as a matter of common values and interests.

This sensitivity to questions of national identity is not incompatible with universalism and should therefore not be confused with anti-European ideological nationalism, which is a symptom of the persistent influence of Salazar's thinking in certain circles. Ideological nationalism, as described by José Calvet de Magalhães, is a "doctrinaire attitude which takes national values to be absolute

---

<sup>6</sup> Eduardo Lourenço, *Nós e a Europa ou As Duas Razões* (Lisbon, INCM: 3<sup>rd</sup> ed., January 1990).

values, and opposes anything that smacks of internationalism or requires a recognition that national values are relative, in the name of higher human values”<sup>7</sup>. This tendency believes that Portugal must remain on the periphery of any process of political integration to preserve its identity and sovereignty. Participation in the European Union was therefore seen as an even greater threat to the national identity and character. The influence which the nationalists had retained in the foreign policy sphere partly explains the timidity of Portugal’s first political steps in Europe.

Posing as a “good pupil” in the Community classroom, Portugal adopted a diplomatic approach which was highly cautious and based on defence of the status quo, and remained strongly attached to an intergovernmental outlook, on the assumption – which still exists – that Portugal’s interests were often minor or peripheral compared with the “Community average”<sup>8</sup>. Defending economic and social cohesion, particularly where negotiating the distribution of structural funds was concerned, took precedence over other policy areas. During the 1991 intergovernmental conference, Portugal opposed all advances in political union but enthusiastically supported the major steps taken towards economic and monetary union. The domestic implications of such a stance were obvious. In 1992, seven years after joining, the government decided to take the escudo into the European monetary system. This implied accepting the convergence target, which would in fact be met. Although domestic political issues were the prime concern, opening up to trade, and the completion of the single market, required Portuguese entrepreneurs to modernise and to become competitive. It was clear to the Portuguese government that there was a “correlation between financial development and economic and social development”<sup>9</sup>, with particular implications for the need to control inflation. This had peaked at 29% in 1984 and still stood at 13.16% in 1990.

Portugal’s presidency of the European Union in 1992 marked the beginning of the country’s exploration of Europe’s political dimension. For the PSD and the PS, however, the ensuing years continued to be dominated by economic and financial issues arising from Portugal’s desire to participate in the euro from the very outset. Being at the heart of Europe then meant being able to belong to the euro’s “inner circle”<sup>10</sup>. Many observers, however, viewed Portugal as being on the periphery and condemned to remain there after the collapse of the Berlin wall. Pushed by Germany, the European Union was bound to start looking eastwards or – according to the apocalyptic vision of traditional nationalists – succumb to Germany’s hegemonic goals<sup>11</sup>.

In a second phase, from 1992 up to the present, Portugal gradually became more involved in Community affairs and began dissociating itself from British positions. Certain publications released at that time, independently from the political parties, had an influence on the European

---

<sup>7</sup> José Calvet de Magalhães, *Portugal na Europa: o Caminho Certo* (op. cit.).

<sup>8</sup> Especially in areas such as agriculture, fisheries, textiles and the environment.

<sup>9</sup> Jorge Braga de Macedo: *Convergência na Economia Europeia: o Contributo Português*, *Análise Social*, 118-119, 4<sup>th</sup> series, vol. XXVII, 1992.

<sup>10</sup> For an analysis of the significance of the euro for Europe and Portugal, see Aníbal Cavaco Silva, *Portugal e a Moeda Única* (Lisbon: Verbo, October 1997); Vítor Constâncio, *A Europa da União Económica e Monetária*, in *Europa 1996* (Lisbon: Fundação Gulbenkian, 1998); and Francisco Torres, “Portugal Towards Economic and Monetary Union”, in *Joining Europe’s Monetary Club: The Challenges for Smaller Member States*, Erik Jones, Jeffry Frieden and Francisco Torres (eds) (New York: St. Martin’s Press & Basingstoke: MacMillan, 1998).

<sup>11</sup> This summarises the argument of Franco Nogueira, foreign affairs minister under Salazar, developed in *O Juízo Final* (Porto: Civilização, 1992).

debate. Their thrust was that Portugal should relinquish the timid position it had displayed in the 1991 intergovernmental conference, and support advances towards political union. Portugal's duty was to be at the heart of Europe and not display the complexes of a small State fearful of anything with a supranational flavour. Portugal, which has a greater influence in political than in economic matters, sees itself as one of the countries that has most to lose if the European Union were to become a vast free-trade area with no real political power. Such a framework would inevitably lead back to a balance-of-power system and therefore a directorate of the large States<sup>12</sup>. Along the same lines, Francisco Lucas Pires wrote around that period that none of the issues which are essential to Portugal are unrelated to the future of the European Union<sup>13</sup>. The reverse is equally true for Jorge Sampaio, who said that "nothing that affects Europe can be foreign to us"<sup>14</sup>.

This new development became particularly obvious when the government changed in 1995, with the inflexion given by the new prime minister to debate and action in the political and diplomatic spheres. For him, Portugal "wants to be and must be at the heart of the European integration process"<sup>15</sup>. To achieve this, he ended Portugal's alignment with Britain and gave a priority to relations with Chancellor Kohl's Germany, the engine of European integration. To enable the country to play its full role as a member of the European Union, put an end to its peripheral status and make its voice heard on the major European political, economic and social issues, Portuguese diplomacy was instructed to get involved in the European debate. It is worth noting in particular that from then on Portugal's involvement ceased to be restricted to matters of direct relevance to Portuguese interests<sup>16</sup>, such as the Structural Funds, and was expanded to include all the major issues of European integration on the basis of a political view of Europe's role. According to this view, only a Europe able to speak with a single voice on the great issues facing the world today will carry weight in shaping the new international order and be able to help make the world more balanced and multilateral. The view of Europe thus became eminently political.

This change in attitude towards Europe results from three main factors:

- . Awareness of the progress made in terms of development, and of the fundamental importance of the European dimension in the qualitative improvement in Portugal's economy and wellbeing.
- . Strong public support for the idea of Europe.
- . Renewed interest for political questions within the European Union itself.

---

<sup>12</sup> *Portugal no Centro da Europa – Propostas para uma Reforma Democrática da União Europeia*, anthology by Álvaro de Vasconcelos (ed.), Francisco Torres, Guilherme d'Oliveira Martins, Luís Pais Antunes, Maria João Seabra and Teresa de Sousa (Lisbon: Quetzal Editores, 1995).

<sup>13</sup> Francisco Lucas Pires, *Portugal e o Futuro da União Europeia. Sobre a Revisão dos Tratados em 1996* (Lisbon: Difusão Cultural, 1995).

<sup>14</sup> Jorge Sampaio, *Público*, 26 May 1995.

<sup>15</sup> António Guterres, *Visão Estratégica da Política Externa Portuguesa com Relevo para a Construção Europeia*, contribution to the monthly debate in the Portuguese parliament, 8 April 1999.

<sup>16</sup> One visible consequence of this change is the choice of a Portuguese commissioner for a field less directly relevant to national interests, Justice and Home Affairs, but having the trade-off of enhancing influence at Community level.

In Portugal, the assessment of membership is unequivocally favourable. The indicators of economic growth and living standards show enormous improvements, which are there for all to see in the form of infrastructure works. The country's per capita GDP, which stood at 54.2% of the Community average for the period 1974-1985, rose to 64.6% for 1986-1998; inflation (around 30% in 1984) was brought under control and fell to around 2.5% in 1998. There remain certain sectors, such as agriculture, where the impact is generally considered to be negative. The CAP, designed to meet the needs of northern agriculture, is deemed totally inappropriate for Portugal. The government has even stated that it was only after the decisions on Agenda 2000 taken in Cologne that the "scandal of Portugal as a net contributor to the CAP" came to an end. Agriculture and fisheries are, moreover, a constant theme in anti-European propaganda campaigns, although the picture for fisheries is less clear-cut.

The impact of European Union membership on the remarkable improvement in the economic situation of Portugal and its inhabitants has naturally contributed to the strong public support for European integration. This is clearly apparent, for example, in the backing for the single currency. There has always been a clear majority in favour of Portugal's EU membership, in spite of some fluctuations and marginal levels of opposition, from 1986 to today. In 1999, 59% considered it a "good thing" and only 4% thought it a "bad thing" for Portugal to be a member of the European Union, these proportions being much more significant than the Community average in both cases. It is interesting to note the pronounced correlation between enthusiasm for Europe and everyday issues of most concern to the population. In a recent survey by Eurobarometre, for instance, 94% of those questioned considered that employment should be a priority for the European Union.

Portugal's greater political commitment to European integration coincides with a similar trend within Europe as a whole. It must be said that Europe has taken some time to realise the need to go back to basics and develop a political union, complete with a security and defence dimension and based on supranational democracy. Without claiming to be in the vanguard, Portugal has followed this trend in the realisation that European integration can no longer be achieved via a slow and methodical development process based primarily on market factors. When, following Maastricht, the European debate finally became public throughout Europe, the idea of submitting membership of the European Union to a referendum emerged for the first time in Portugal.

However, the first major political debate after accession was to a fair extent imposed by the anti-Maastricht currents which, through their criticism of the Treaty on European Union, were seeking to challenge the European Union itself. The CDS-PP and the PCP – especially the former – had been actively involved in the anti-Europe and anti-Maastricht campaign, and they put forward the argument that the Treaty on European Union represented a significant and unacceptable loss of sovereignty for Portugal. Some members of the pro-Europe camp also opposed the Maastricht treaty, casting doubt on whether progress towards political integration was compatible with strengthened democracy at European level. They considered that democracy was possible only in a national context.

The significance of the debate on Maastricht is that it carried, perhaps irreversibly, the issue of Europe – which until then had been discussed only in private circles – into the public arena. Although the discussions have meanwhile become more low-key – neither the Amsterdam decisions, nor the virtual disappearance of anti-European rhetoric from party political discussions

(partly for reasons of domestic politics), having encouraged a comparable debate – there remains a need to rethink European democracy and satisfy the population's desire to take part in it. When, with Amsterdam, progress began to be made in the political sphere, Portugal again followed the general trend. More recently, it also supported the great step forward taken when defence, an essential component of a credible and effective foreign and security policy, was put on the agenda. Democratic Portugal has made every effort to participate in all of Europe's cooperative forums: the European Community, the Western European Union (WEU), the Schengen convention and economic and monetary union. The same will hold true for European defence.

*Ensuring a double European legitimacy: that of the States and that of citizens.*  
*Guilherme d'Oliveira Martins*

## **II. THE ISSUE OF EUROPEAN BALANCE AND DEMOCRACY**

The debate on European institutions and their reform is primarily about preserving each country's specific weight at European level. Following the Maastricht treaty and the resulting proposals for changes to the institutions, Portugal became attached to the issue of "small" and "large" European States and the concern that any type of "directorship" might take shape. At the same time, another debate emerged about compatibility between democracy and supranationality on the one hand and federalism and the defence of national interests on the other. It now amounts to a search for a specifically Portuguese proposal for democratisation of the European process.

One of the most obvious changes now observed is that Portugal's relative weight among European States has increased as a result of its membership of the European Union. Only a small number of politicians and experts truly believe Portugal is currently a victim of the great powers' hegemony within the European Union. However, while the elite are aware of the power that Portugal has gained through membership of the Union, the notion that the great powers are pulling the strings persists in public opinion. According to a recent survey, the Portuguese consider the most unfavourable aspect of European integration to be the fact that the small countries depend on the decisions of the most powerful (28.5%)<sup>17</sup>. The current vote weighting system, the Portuguese commissioner, the rotating presidency and the country's involvement in all EU institutions are regarded as acquired rights and evidence of Portugal's status in Europe. The commissioner's post, for example, is seen as an assurance that the Commission will bear in mind the country's specific circumstances, and as a factor contributing to the legitimacy of the European executive. Consequently, maintaining a minimum of one commissioner per country (rotation only being acceptable so long as all are equal) is not regarded as a subject open for debate during the intergovernmental conference in 2000<sup>18</sup>. Portugal has proved particularly sensitive to anything that could undermine the country's status within the Community. And that, as João de Vallêra points out, "is the case not only when the treaties are being reviewed, but continuously throughout the decision-making process"<sup>19</sup>.

The current institutional system is therefore seen as one of the basic foundations of the European Union which, having delegitimated the balance-of-power policy, has also delegitimated power politics between the Member States in favour of seeking the common interest<sup>20</sup>.

For this reason, the Portuguese are particularly wary of any plan that could tend to create a directorship of large States. It is common for Portuguese politicians speaking on Europe to point to the threat of a directorship. There was particularly severe criticism in Portugal of the CDU-CSU proposal, made by Schäuble and Lamers and submitted during the 1996 IGC, to form a European

---

<sup>17</sup> Survey by the Universidade Católica, *Público*, 24 March 1999.

<sup>18</sup> See, for example, Jaime Gama, interview in *Expresso*, 30 December 1999.

<sup>19</sup> João de Vallêra, chapter on the negotiation process, to appear in the volume on the lessons to be learned from Portugal's experience in joining the European Union, in preparation by IEEL.

<sup>20</sup> See *Valores da Europa – Identidade e Legitimidade* (Cascais: Principia/IEEL, 1999).

inner circle comprising France, Germany and the Benelux countries<sup>21</sup>. All the more so as this document considered, wrongly as it turned out, that the so-called “Club Med” countries would not be joining the single currency. Both Cavaco Silva and Durão Barroso drew attention at that time to the danger of formalising distinctions between Member States, which could lead to a disintegration of the Union<sup>22</sup>. Although certain experts saw the document as a “serious intervention”, they steadfastly opposed the concept of a Europe made up of first-class and second-class members, i.e. divided into rich and poor<sup>23</sup>. This refusal to accept dividing lines also explains the insistence that strengthened cooperation should retain an open and non-exclusive character.

Francisco Seixas da Costa, the current minister for European affairs, has pointed out that “so far, no-one has demonstrated that the supposed malfunctioning of the institutions is due to the weighting of votes or the size of the Commission.” Portugal accepts the need to make the Community more efficient by extending qualified majority voting, but considers that enlargement is being used by some of the so-called large States to “revise their relative positions upwards” and try to avoid the emergence of minority blocking groups<sup>24</sup>. In order to resolve this problem of balance, Portugal would prefer introducing a double majority rather than reweighting the votes. Few in Portugal believe there is, in the words of Maria João Seabra, “a profound imbalance in the weighting of votes, which must be rectified”<sup>25</sup>, particularly since this over-representation of small and medium-size States, which has been a constant feature of the Union, is set to worsen with the future enlargements. Nevertheless, introducing changes to the current balance within the Council would be viewed as an adjustment to the existing institutional system rather than as a genuine reform. The small countries have, up to now, never allied against their large counterparts; alliances tend much more to depend on interests, and consequently to vary and shift.

Some observers in Portugal have come to stress the need for a reform able to resolve the democratic deficit and ensure better political supervision of the Community bodies. Advocates of this viewpoint consider that the Portuguese government cannot take a minimalist approach to the 2000 IGC, despite the fact that it holds the presidency. It should rather adopt as participatory and militant an attitude as possible. For Francisco Lucas Pires, the small States should not, during the IGC, merely say “no” to institutional reform. On the contrary, it is up to them to “propose an alternative or a new overall approach – basically the ‘right approach’ – along the lines of greater democracy and separation of powers”<sup>26</sup>.

As regards greater democracy in the European process, three currents of opinion have emerged in Portugal.

---

<sup>21</sup> Reflections on European Policy, Parliamentary Group of the CDU/CSU, Bonn, 1 September 1994 (Portuguese translation in *Portugal no Centro da Europa*, (op. cit.).

<sup>22</sup> Agence Europe, 21 September and 5 October 1994.

<sup>23</sup> See, for example, Francisco Lucas Pires, *Portugal e o Futuro da União Europeia. Sobre a Revisão dos Tratados em 1996* (Lisbon: Difusão Cultural, 1995).

<sup>24</sup> *Diário de Notícias*, 19 May 1999.

<sup>25</sup> Maria João Seabra, *O Peso dos Estados na Reforma Institucional, O Mundo em Português*, January 2000.

<sup>26</sup> Francisco Lucas Pires, *Grandes e Pequenos no Pós-Amsterdão, Estratégia*, 12-13, Jan.-Jun. 1999.

- There is the traditional pro-integration camp, which is in favour of more codecision with the European Parliament and a distribution of tasks which would more closely reflect the Commission's role as the genuine Community executive.
- There are the true federalists, who are calling for the creation of a second chamber in the European Parliament.
- And there is a minority of “nationalists”, who purely and simply want the entire European process to be returned to the individual States.

For Guilherme d'Oliveira Martins, an early Portuguese partisan of creating a European senate to guarantee a double European legitimacy, that of the citizens and that of the States, the second chamber should be elected by direct universal suffrage<sup>27</sup>. Recently spelling out his proposal, he wrote: “The point is not to create one more body or institution, but to grant the European Parliament greater legitimacy by having the States represented. Hence the fact that the various States should be equally represented in a future senate, irrespective of their size”<sup>28</sup>. José Medeiros Ferreira, a historian and former chairman of the parliamentary committee on European affairs, has also advocated creating a second chamber composed of representatives of the national parliaments, instead of strengthening the role of Cosac (the conference of European Community affairs committees), which is too limited. Greater democracy would thus be achieved by strengthening the national parliaments' involvement in supervising the Community's decision-making process. According to Mário Soares, creating a senate would also facilitate a significant increase in qualified majority voting in the Council, widely regarded as the best way to deal with the problem of European governance posed by the next enlargements. The creation of a senate where all States had the same weight would be one way of compensating the States for the loss of the unanimity rule<sup>29</sup>.

A movement in favour of a European senate has thus emerged in Portugal. The tasks of this second chamber would be as follows<sup>30</sup>:

- legislative initiative (jointly with the first chamber)
- supervision beyond the Community sphere, in the areas of justice and home affairs and the common foreign and security policy

There are also people, in the CDS-PP for example, calling for nothing less than a “renationalisation” of the European Parliament, i.e. a return to the days “when the European Parliament was not elected directly, but indirectly, through the national parliaments”<sup>31</sup>. The first chamber, instead of having increased legitimacy as a representative of European citizens – viewed by some as essential – would be transformed de facto into a second chamber.

---

<sup>27</sup> The current education minister has, in particular, championed the idea of creating a second chamber of the European Parliament, inspired by the Ad Hoc Assembly of 1953, in the chapter *Cidadania e Instituições Europeias ou o Peso da História, in Portugal no Centro da Europa* (Lisbon: Quetzal, 1995).

<sup>28</sup> Guilherme d'Oliveira Martins, *A Dupla Legitimidade Europeia, O Mundo em Português*, December 1999.

<sup>29</sup> *Diário de Notícias*, 12 December 1999.

<sup>30</sup> José Medeiros Ferreira, “*Democratização e Igualdade na União Europeia*”, in *O Desafio Europeu: Passado, Presente e Futuro*, ed. João Carlos Espada (Cascais: Principia, 1998).

<sup>31</sup> *Público*, 31 May 1999.



One of the most interesting aspects of the current debate is the recent observation that federalism is, all things considered, not as dangerous for the small and medium-size States as used to be thought. It could be an effective way of defending Portugal's interests within the European Union, compared with a unitary Superstate or, worse still, a directorate of great powers. This idea was explained by the minister for foreign affairs, Jaime Gama, on the eve of the presidency, when he suggested that "a federal Europe would be fairer – a more balanced model than at present"<sup>32</sup>. The final purpose is to defend the federal course against functional integrationists and pragmatic anti-federalists, who "manipulate the current Community mechanisms so well that they are opposed to the creation of any new body, such as a second chamber"<sup>33</sup>.

Be that as it may, the debate on institutional reform is beginning, albeit tentatively, to develop into a genuine debate on making the European process more democratic. It is now clearly apparent to many in Portugal that changing the weighting of votes in the Council will not resolve the central issue of European integration, namely how to overcome the democratic deficit and establish a supranational democracy. Any reallocation of the weighting of votes, whether or not it is necessary, requires a redefinition of inter-State balances. Citizens of Europe will not feel any better or any worse represented if their country has two votes more or less in the Council. The intergovernmental conference in 2000 will, nevertheless, tackle the issue of democratic deficit only superficially. The Portuguese government does not consider itself in a position to start such a debate as it might give the impression of wanting to delay institutional reform and therefore postpone the enlargements, something it does not want to do. Yet some people do believe this issue should be put on the agenda of the 2000 IGC.

The government nevertheless thinks that it will be able to help bring the Union closer to citizens by taking the charter of fundamental rights forward. To achieve this end, the charter must not be simply a list with no binding force, but should be incorporated into the Treaty on European Union. It should draw on the catalogue of rights that the Court of Justice has established in exercising its responsibilities as a constitutional court, and on those proclaimed in the European Convention on Human Rights. One of the fundamental objectives of the next intergovernmental conference should be to strengthen the European Union as a body based on the rule of law for, as José Luís da Cruz Vilaça has pointed out, "on that depend its credibility in the eyes of European citizens and the outside world, and the acceptance of its rules and procedures on the part of the constitutional courts of the Member States and the international institutions devoted to protecting human rights"<sup>34</sup>.

The government has also focused attention on the provisions introduced into the Treaty of Amsterdam in the chapter on human rights, in particular to combat all forms of discrimination<sup>35</sup>. The aim now is to further develop the Treaty on European Union in this area, inter alia by giving citizens a new means of access to Community justice in order to protect the rights already established and those yet to be incorporated into the treaty.

---

<sup>32</sup> Jaime Gama, interviewed in *Expresso*, 30 December 1999.

<sup>33</sup> José Medeiros Ferreira, *A Nova Era Europeia: de Genebra a Amsterdão* (Editorial Notícias, June 1999).

<sup>34</sup> See, in this connection, José Luís da Cruz Vilaça, "A Protecção dos Direitos dos Cidadãos no Espaço Comunitário", in *Valores da Europa* (Cascais: Principia, 1999).

<sup>35</sup> For discussion in this area see, in particular, José Barros Moura, *Cidadania Europeia: uma Construção Racional* (Lisbon: Gradiva, *Cadernos Democráticos*, May 1999; and Pedro Bacelar de Vasconcelos, *Contra a Discriminação e Xenofobia, Valores da Europa – Identidade e Legitimidade*, (op. cit.).

*None of the issues which are essential to Portugal are unrelated to the future of the European Union.*

*Francisco Lucas Pires*

### **III. ECONOMIC AND SOCIAL COHESION: THE EUROPEAN WAY**

Because of the central place development occupies in Portugal's concerns, the European Union's economic and social cohesion policy has always been considered a priority. Initially, the viewpoint was eminently national – an approach shared by the other “cohesion countries”, notably Spain. Unlike other areas of European integration, the national consensus regarding cohesion and the degree of priority to attach to it was as wide-ranging as it could possibly be, uniting supporters and opponents of Europe, federalists and “intergovernmentalists”, alike.

In recent years, this national focus has broadened to accommodate a genuinely European view of cohesion. During the 1996 intergovernmental conference, the Socialist government of António Guterres supported the inclusion of employment on the Community agenda. As early as the European Council meeting in Madrid in December 1995, the newly-elected Portuguese prime minister insisted that employment should henceforth count as one of the EU's concerns. Since then, by his own admission, he has encouraged Portugal to “lead the fight for employment in Europe”<sup>36</sup>.

António Guterres's initiative advocates a proactive approach to employment and the fight against social exclusion, through a combination of vocational training and public investment. The latter would no longer be primarily devoted to major works and infrastructure, but would be directed towards the new technologies of the information era; in other words, it would obey a form of neo-Keynesian approach adapted to the age of knowledge and innovation. The purpose would be to return to the great objectives of Jacques Delors' 1993 White Paper on growth, competitiveness and employment, but in new terms and with new priorities.

António Guterres wants to bring to the debate on employment and economic models his own vision of the effects of globalisation, which he says is generating a dualisation of society and must be brought under control. The aim is to promote the “European way”, to use an expression of Teresa de Sousa, the way of economic and social cohesion, as a compromise between Tony Blair's “third way” and the “welfarist” viewpoint of Lionel Jospin. Controlling globalisation requires a “consolidation of the global regulatory institutions, the creation of politically integrated blocs rather than simple free-trade areas, and strong inter-regional cooperation”<sup>37</sup>. Seen from this angle, globalisation does not appear primarily as a threat, but as an opportunity which Europe must make the most of.

---

<sup>36</sup> António Guterres, *Visão Estratégica da Política Externa Portuguesa com Relevo para a Construção Europeia*, contribution to the monthly debate in the Portuguese parliament, 8 April 1999.

<sup>37</sup> Prime minister's contribution to the parliamentary debate on ratification of the Treaty of Amsterdam, transcribed at the Committee on European Affairs, Amsterdam: A New Treaty for Europe (Lisbon: National Assembly, 1999), p. 227.

To promote this policy, an extraordinary summit will be held during the Portuguese presidency with the aim of launching a common strategy to make the European economy the world's most dynamic and competitive within ten years while promoting growth, employment and social cohesion. Some people think this bold gamble is no more than a grand talking shop for the benefit of the media. It is, however, the first major Portuguese initiative at European level. If it succeeds, it would make the Portuguese presidency an important point of reference and would help change the way the Portuguese see their role in Europe.

António Guterres's "European way" stems from the observation that the European model is based on the idea of a welfare State; in other words, that there is a social model serving as basic template for the European integration process. For the proponents of this thesis, accepting the north-American model of deregulation and downsizing would endanger the integration process itself.

The challenge of identifying active employment policies at European level is also a consequence of European economic and monetary integration. On the one hand, the macroeconomic convergence imposed by participation in EMU restrains States' ability to invest. On the other, the dynamics of the internal market make it more difficult for an isolated State to implement effective employment policies.

While Portugal, in setting employment as a priority, is showing that it is not restricting itself to a selfish agenda, it is also true that – in spite of a relatively low unemployment rate (8.6% in 1986, 4.1% in 1992, 5% estimated for 2000), which in the late 1990s fell almost to half the EU average – Portugal could face serious problems in this area in the future. The textile industry employs a substantial proportion of Portuguese labour (with the textile, clothing and footwear sector accounting for about 30% of the country's exports and 32% of industrial production). Over two-thirds (nearly 70%) of textile output is of low quality and will be protected from international competition only up to 2004, during the period of transition under the Marrakesh compromise. After that period, the unemployment issue will become a lot more pressing if the necessary retraining and resettlement of workers is not undertaken in time. Portugal furthermore has a high rate of long-term unemployment (45.3% of total unemployment in 1998) and notorious shortages in terms of vocational training. The Portuguese government is therefore promoting employment creation rather than the fight against unemployment, and has introduced the concept of employability, understood as labour's capacity for intersectoral mobility, as adopted at the November 1997 extraordinary Council meeting in Luxembourg.

António Guterres's initiative has replaced the strict defence of national interests, which long constituted Portugal's "European" foreign policy, with the idea that Europe's interests and those of Portugal are indissociable: in a word, that what is good for Europe is good for Portugal. Domestically, the priority accorded to employment has not met with unanimous approval, particularly since the financial perspectives for 2000-2006 were being discussed in the context of Agenda 2000. During the ratification process of the Treaty of Amsterdam, Durão Barroso condemned as unwelcome the fact that the government should "give importance to and boast about incorporating a specific title on employment into the treaty. The Portuguese stance has always been, and should continue to be, to stress economic and social cohesion"<sup>38</sup>. The point of

---

<sup>38</sup> Durão Barroso, *Uma Certa Ideia de Europa* (Lisbon: Gradiva, 1999), p. 55.

view expressed by the former minister for foreign affairs and current PSD leader quickly gained support, in particular among a number of experts on European issues who were concerned by the effects such a policy could have on Portugal's position in the negotiations in progress. António Guterres retorted that a consistent stance strengthened Portugal's negotiating power. A government that did not emphasise the priority to be accorded to employment would have no moral authority or "credibility in also defending the significance and priority to be given to economic and social cohesion"<sup>39</sup>. Nevertheless, the fact that unemployment could be a criterion influencing Structural Fund allocations under Agenda 2000 did cause the government some concern. This turned out to be unjustified, however, since the criterion of national prosperity remained the most important factor for the distribution of funds between the regions of the various countries. The Agenda 2000 outcome was ultimately accepted by all political tendencies and by most experts.

The debate on Portugal's best strategy to ensure sustained economic and social cohesion leads us to the question of the impact that enlargement could have on the country's future in the Union. An end to "European funds" seems likely on account of the need for the European Union to begin focusing significant resources on supporting the new democracies of central and eastern Europe. Enlargement will, according to some experts, have an adverse effect in the following areas: trade competition, particularly in the case of industrial products; relocation in central and eastern Europe of industrial firms hitherto established in Portugal; and a redirection of investment flows. The question of free movement for workers does not arise in the case of Portugal on account of the distances involved. According to a study written by a group of economists at the Higher Institute of Economics and Management: "It can be expected that with complete freedom for products from the central and eastern European countries to enter the EU markets, and with the industrial recovery in progress in those countries, three events will occur. First, competition in the clothing subsector will intensify in the markets of Germany, Sweden, Finland and Austria. Secondly, Portugal's position will come under threat in the other EU countries, which will have hitherto been little affected. Thirdly, the textile subsector – which up to now has been relatively unscathed – will also suffer a severe blow from the new competitors, especially as the central and eastern European countries' industrial sectors attain advanced degrees of industrial renovation"<sup>40</sup>.

It would, however, be improper for Portugal not to back strategic support for the consolidation of democracy in the central and eastern European countries, since this involves, in the words of Teresa de Sousa, "extending to the whole continent of Europe the peace, democracy and prosperity that the Community has acquired"<sup>41</sup>. The arguments put forward by the new applicants are precisely those used by Portugal to convince the Community of the time of the merits of its own case for joining. Accordingly, the government and the representatives of the pro-European tendency abstained, at least publicly, from linking support for enlargement to the successful outcome of Agenda 2000.

---

<sup>39</sup> Prime minister's contribution to the parliamentary debate on ratification of the Treaty of Amsterdam, (*op. cit.*), p. 230.

<sup>40</sup> Avelino de Jesus, Joaquim Ramos Silva and Carlos Barros, *O Impacto sobre Portugal do Alargamento da União Europeia aos PECO* (Lisbon: ISEG, September 1998, duplicated).

<sup>41</sup> Teresa de Sousa, "Uma União à Dimensão do Continente", in *Portugal no Centro da Europa* (Lisbon: Quetzal, 1995).

The new applicants' level of development puts them in a similar position to Portugal. The division in Europe is now, according to some observers, between rich and poor countries. The rich countries are numerous, however, and the poor ones are relatively few, Portugal being one of them. According to Francisco Seixas da Costa, the enlargements will result in a shift of the balance between the rich and poor countries, with consequences in the legislative area that will be helpful to Portugal<sup>42</sup>.

---

<sup>42</sup>Francisco Seixas da Costa, interviewed in *Público*, 5 January 2000.

*The European Union offers favourable conditions for Portugal to regain universal  
resonance*

Vítor Martins

#### IV. THE AIM OF AN OPEN EUROPE

One of the most persistent external policy issues among political and intellectual elites is how European integration affects Portugal's relations with countries outside Europe and with its closest neighbours, both within and outside Europe. There are two main aspects to the debate: first, the impact of Community membership on relations with Portuguese-speaking areas; second, how European economic integration combines with security and defence.

##### **Europe and the Atlantic**

Prior to membership of the European Community, the question of whether or not to opt for Europe was presented by the integrationists as being a straight choice between Europe and the Atlantic. Joaquim Barradas de Carvalho stated it clearly in the following terms: "If we head for Europe (...), the economy of large areas will create a unified Iberian peninsula" and Portugal would again lose its independence<sup>43</sup>.

To this historian close to the PCP, the Atlantic meant first of all Brazil, but also Portuguese-speaking Africa. This viewpoint was also (and is still) that of the traditional right, for whom joining Europe implied breaking with the traditional Atlantic outlook which was part of the country's identity. What is called Portugal's Atlanticism is not limited to the Portuguese-speaking world. Instead, it implies, in geostrategic terms, a preferential alliance with the dominant maritime power – formerly the United Kingdom and now the United States – and a refusal to get directly involved in continental conflicts or even in the policy towards the Mediterranean.

The false dichotomy between Europe and the Atlantic was resolved in favour of integration, and the idea finally caught on, backed up by powerful arguments of practical politics (East Timor being, from this point of view, a textbook case), that participation in the European Union, far from being incompatible with or even damaging Portugal's foreign policy interests outside Europe, increased the scope and weight of the country's foreign relations without even excluding the bilateral economic field. Participation in the European Union is currently seen as contributing greatly to strengthening Portugal's relations with Portuguese-speaking countries. It is now clear that Portugal's weight on the international stage is out of proportion to its size as a nation<sup>44</sup>.

Portuguese-speaking Africa was chosen, in the first stage of integration, as the main priority as far as foreign policy at European level was concerned. Portugal opted for the development portfolio in the European Commission. This was entrusted to João de Deus Pinheiro, who up to then had been minister of foreign affairs. The choice coincided perfectly with the almost exclusively African (95%) orientation of development cooperation. It proved crucial in helping

---

<sup>43</sup> Joaquim Barradas de Carvalho, *Rumo de Portugal. A Europa ou o Atlântico?* (Lisbon: Livros Horizonte, 2<sup>nd</sup> edn, 1982). This book was written in March and April 1974, in Paris.

<sup>44</sup> Mário Soares, *Intervenções* – 8 (Lisbon: INCM, April 1994), p. 162.

the five Portuguese-speaking countries in Africa (Angola, Cape Verde, Guinea-Bissau, Mozambique and São Tomé e Príncipe) to form a group with its own identity for the purposes of the European Union's development policy, in spite of their not being geographically contiguous. One cannot help noting that Europe has not contributed significantly to resolving the problems of Portugal's former colonies. In particular, little has been done to help end the civil war in Angola, which despite acquiring the proportions of a humanitarian disaster has attracted virtually no reaction on the part of the international community.

Relations with Brazil had long been firm on an emotional and cultural level but lacking in economic and political substance. The relationship has undergone remarkable improvement, in particular from 1995 onwards. The fact that Portugal is a member of the European Union is important for Brazil, which also sees Portugal as an ally in its interregional relations. Like Spain, Portugal has played an important role in expanding relations between the European Union and Latin America, in particular Brazil and the Mercosur. On the eve of the completion of the single market, Brazil made some investments in Portugal – mainly business acquisitions – with the clear objective of gaining a foothold on the European market. After a delay of a few years, the trend in the opposite direction has also markedly increased. Since 1996, Portugal's investments in Brazil have grown exponentially to account for an unusually large share of the country's direct foreign investment. In the period 1996-1998, Portugal was the fourth-largest European investor in Brazil (fifth-largest worldwide). During those three years, Brazil was the main destination for Portuguese direct foreign investment (exceeding all investments in the European Union in two of the years).

The positive impact of Portugal's EU membership as regards relations with third countries, including in the multilateral sphere, is particularly obvious in the case of East Timor. Portugal had succeeded, in spite of initial opposition from most of its fellow members of the Community, in putting East Timor on the common foreign and security policy agenda, firstly as a human rights issue, and – after the fall of the Suharto regime – in terms of the right of the Timorese to self-determination. In 1986, East Timor was a not European political issue and had almost ceased to be one at international level. It is now the subject of a common position (June 1996) and a Council declaration (June 1998), asserting that a “there can be no definitive solution to the East Timor issue without free consultation of the population to determine its true will”: explicit support for the referendum solution that Indonesia was not to accept until January 1999.

Joining the European Union resulted in a radical change in relations with Spain, establishing a climate of mutual trust and unprecedented scope for collaboration. Portugal shares major European policy objectives with Spain, not only in championing economic and social cohesion, but also in the opening up of Europe to Latin America and the Mediterranean. The revolution in their bilateral relationship – evident in the economic area from the first days that the two Iberian countries were members – has made it the field of Portuguese foreign policy “which has most benefited from European integration”<sup>45</sup>. Filling the artificial vacuum caused by a supposed feeling of vulnerability to the powerful neighbour, roads, bridges and joint business ventures have developed at a steady pace.

---

<sup>45</sup> Francisco Seixas da Costa, *A Europa e a Política Externa Portuguesa, Política Internacional*, 20, autumn-winter 1999.

After its accession, Portugal included the Mediterranean in its foreign policy programme – for the first time in centuries – as part of a markedly European approach. The Mediterranean is undoubtedly an foreign policy area which Portugal has taken an interest in further to its accession, as can be seen from its place on the agenda of the Portuguese presidency of 2000. Portugal has found that the geographer Orlando Ribeiro was right in claiming that, while Portugal was an Atlantic country by its geographical position, it was by its appearance and nature a Mediterranean country<sup>46</sup>.

Portuguese politicians have developed their own view of the Community's foreign affairs and on championing an open Europe, with the enormous diversity of its members' foreign relationships considered an asset for a Europe which is open not only to the centre and east of the continent but also to the south. The former prime minister Cavaco Silva called this two-fronted approach the "east-south balance", in so far as the south was seen as a foreign relations priority for Portugal and the other countries of southern Europe, and eastern Europe as a priority essentially for the countries of the north and centre<sup>47</sup>. The attention given to European Union relations with Latin America, notably the Mercosur, was a particular feature of the 1992 Portuguese presidency. Vítor Martins, at the time junior minister for European integration, observed in this respect that "deepening of integration and opening up to the outside world are parallel roads"<sup>48</sup>.

Looking at the diversity of Portugal's external interests, it can be concluded that the more the European Union has an active and comprehensive foreign policy, the more Portugal will feel that its interests are protected by the Union and that it can contribute to shaping this policy.

### **Security and defence**

The Atlanticist geopolitical movement, which has lost virtually all influence over domestic policy (save for some marginal traces in certain areas), has nevertheless retained some weight in security and defence matters and, to this extent, in some aspects of foreign policy.

The significance of the movement explains the position that Portugal had adopted for years vis-à-vis a European defence policy: a mixture of scepticism and reliance on the alliance with the United States, with which Portugal has had a bilateral defence agreement since 1951. The scope of this agreement is now restricted essentially to the conditions for use of the Lajes base in the Azores.

What the democratic leaders wanted was to highlight Portugal's specific position in a field where the country had little influence and enhance the geostrategic relationship with the United States. This is why Portugal followed the United Kingdom in opposing EU advances in the defence area during the 1991 intergovernmental conference. Over the following years, Portugal continued to observe a cautious position. A change regarding defence policy was already perceptible in the document submitted to the 1996 IGC, which called for "eventual integration of the WEU into the European Union" while considering the "creation of a 4<sup>th</sup> pillar devoted to defence" to be

---

<sup>46</sup> Orlando Ribeiro, *Portugal, o Mediterrâneo e o Atlântico* (Lisbon: Sá da Costa, 1983).

<sup>47</sup> See Aníbal Cavaco Silva, *Afirmar Portugal no Mundo*, (Lisbon: INCM, 1993).

<sup>48</sup> See Vítor Martins, "A Vocaç o Universal da Comunidade Europeia", in *A Europa Ap s Maastricht* (Lisbon: INCM, 1992).



"premature"<sup>49</sup>. In this area, the document reflected a compromise between the pro-European and Atlanticist approaches. The latter was abandoned only at the end of the 1996 IGC, when Portugal unequivocally accepted the integration of the WEU into the European Union. Jointly supported by the PS and the PSD, the WEU move is still opposed by die-hard Atlanticists and the PCP, who feel that the WEU should not be converted into the defence arm of the European Union or into another politico-military bloc and accept only the principle of a common security policy governed by the OSCE<sup>50</sup>.

One of the tenets of anti-Europeanism in the security sphere is that Portugal should not get involved in "continental" conflicts. This view, which underlines the peripheral situation of Portugal, as if the country were distant from and outside the European mainland (indeed, some military descriptions of Portugal suggest the country is not merely maritime but a sort of archipelago), carries some weight in European political quarters and finds an echo in public attitudes. It has taken some time for people to realise the domestic consequences of the new attitude towards political Europe and Portugal's military involvement in European security issues. These were aptly illustrated by the "Angola or Bosnia" dilemma regarding the priorities for military intervention: the Portuguese-speaking world or Europe?

The first government member to state clearly that the priority was Bosnia rather than Angola was J. M. Durão Barroso, then foreign affairs minister. When asked whether Portugal had more interests at stake in Bosnia or Angola, he replied without hesitation: "in Europe and in the European Union"<sup>51</sup>. The Portuguese democracy had realised that – despite of the importance of relations with Portuguese-speaking countries – the consolidation of democracy and resolution of conflicts in central Europe and the Balkans was fundamental for the future of the European Union and thus for Portugal. As first indication of this commitment, Portugal declared itself ready to make a "solidarity participation", as A. J. Figueiredo Lopes, the then defence minister called it<sup>52</sup>, to the planned Forpronu extraction operation.

It was the next, PS, government that had to decide on Portugal's participation in IFOR and, later SFOR, in application of the Dayton agreements. Portugal sent a 932-member battalion of the BAI (Independent Airborne Brigade). In spite of the disparity of opinions expressed in surveys, this decision was enthusiastically supported by the Portuguese<sup>53</sup>. Public support for participation in IFOR continued, with slight fluctuations, even after two Portuguese soldiers died in an accident.

The choice of a sizeable contingent, and of a combat unit rather than a support unit, reflected a desire to make a high-profile contribution to IFOR. The government based its decision mainly on the need to assume the country's full responsibilities as a member of the European Union and Atlantic Alliance. This was an act of solidarity towards the Allies, but also and especially "towards the sacrificed people of Bosnia", as the prime minister put it. Portugal took part in military operations in Bosnia because it felt European issues were of direct concern and was

---

<sup>49</sup> *Portugal e a Conferência Intergovernamental para a Revisão do Tratado da União Europeia* (Lisbon: Ministry of Foreign Affairs, March 1996).

<sup>50</sup> Statements of Ilda Figueiredo, MEP, chief PCP candidate in 1999, quoted in *Público*, 25 April 1999.

<sup>51</sup> See interview given to *Público*, 9 January 1994.

<sup>52</sup> A. J. Figueiredo Lopes, *Público*, 25 June 1995.

<sup>53</sup> In the survey carried out at the request of the Ministry of Defence in 1995, 63.6% of those questioned said that Portugal should be present and only 18.3% were against; the rest did not know.

determined to play an active role in building a democratic and stable Europe. António Vitorino, defence minister at the time, put forward three reasons – credibility, solidarity and national interest – to explain this commitment to the “political development of the area to which we naturally belong: Europe”<sup>54</sup>. The intervention received the clear support of the country’s then President, Mário Soares, and of the main opposition party, the PSD. The PP, after maintaining an ambiguous position, ended up supporting the dispatch of troops, emphasising that it was doing so because it had been proved that the step would not jeopardise the country’s military presence in Africa. The PCP, which has maintained a pro-Belgrade position throughout the Yugoslav crisis, opposed intervention, considering that “in Bosnia, there were no Portuguese interests to be defended”<sup>55</sup>.

Portugal’s military participation in Bosnia is an important stage in the “Europeanisation” of the country’s defence policy. This intervention, the first by armed forces on the European continent since the first world war, was an apparently unequivocal sign that Portugal’s commitment to Europe included the field of security. The Kosovo crisis, however, confused the situation and led to a certain distancing from European security problems, notably in the Balkans. It was to show that the fear of radical nationalism (even in the form of Communist nationalism) was outweighed by the absolute need to defend Portuguese sovereignty. According to one published survey, 63.7% of the Portuguese opposed the intervention in April<sup>56</sup> (while another showed 51% in June)<sup>57</sup>. This position can be partly explained by the enormous split the question produced among Portuguese intellectuals.

The issue of defending international legality, which was subject to the Russian veto, was confused in many cases with defending Serbian sovereignty, without the question of how to stop the mass deportation and genocide even being posed. This attitude was prompted in a few rare cases by sympathy for Serbia and to some extent by alarm at the excessive dominance of the United States in the post-Cold War international order, but mostly by a nationalist instinct and ignorance about the Balkans. The opinions expressed in newspaper articles reflected an incoherent pro-European stance as well as anti-European anti-Americanism and pro-European anti-Americanism. The pro-European left-wing currents, which included Mário Soares, considered that the allied intervention in Kosovo set “a very dangerous precedent” and argued that there was a need for a European defence policy to ensure that Europe would cease being subject to American hegemony. For Eduardo Lourenço, the intervention in Kosovo was “the hardest blow ever to be dealt to the dream of a united Europe”<sup>58</sup>.

The involvement in the Kosovo conflict, with a smaller military dimension, was viewed by many of its supporters as stemming from the country’s obligations as a member of the European Union and NATO: an obligation of “solidarity”. The intervention in Bosnia had been seen very differently, as defending Portugal’s vital interest in stability in the Balkans. Only marginally was it perceived as contributing to the security of the European Union and thus to our security. In parliament, only the PCP openly condemned the NATO intervention. The President, the government and the opposition parties that backed Portuguese participation in the allied operation

---

<sup>54</sup> António Vitorino, *O processo de Política de Defesa Nacional*, MDN, 1996.

<sup>55</sup> João Amaral, *Expresso*, 25 November 1995.

<sup>56</sup> Opinion poll by the Universidade Católica, *Público*, 1 April 1999.

<sup>57</sup> IPSOS survey for *Libération* and *Diário de Notícias*, 2 June 1999.

<sup>58</sup> Eduardo Lourenço, *Suicidária Europa*, *Público*, 28 March 1999.

against Serbia observed, overall, a restrained attitude which contrasted with the rather lively public debate. The strictly military aspect of Portugal's participation was discreet, as it had been reduced to three F16 aircraft which were given patrol and escort responsibilities rather than raiding missions.

The "Angola or Bosnia" debate resurfaced in 1999 in the form of "Kosovo, Angola or Timor?". In the opinion of the former prime minister Cavaco Silva, Portugal had to invoke the "outside Europe" argument "so as not to commit excessive forces in these theatres of war [the Balkans], as the country had other areas to worry about, namely Timor on the one hand and Africa on the other"<sup>59</sup>.

The movement in favour of intervention to defend human rights was clearly in a minority, both within the press and public opinion in general. Its arguments focused on promoting the European values of humanitarian intervention and of freedom of assembly and association, democracy and human rights, in opposition to extreme nationalism<sup>60</sup>.

In fact, while reactions to the Kosovo crisis showed that the post-nationalist current of thought championing human intervention in the name of the absolute supremacy of the fundamental rights of citizens did not garner as much support as the "groundswell" demanding military intervention in East Timor would have suggested, this was partly due to the fact that the overwhelming majority of intellectuals denounced NATO's operation against Serbia as an act of pure submission to the diktats from Washington. Additional support thus emerged for an autonomous European defence force and an independent European voice within NATO.

During the campaign for the European elections in 1999, Mário Soares proposed the introduction of a European tax, notably with the idea of establishing European armed forces. Although this idea was not endorsed by the major parties (the PS and PSD), it was seen by the pro-European left as a way of giving Europe more autonomy vis-à-vis the United States. The logic of the European defence policy was no longer to face the specific challenges to EU security, but to consolidate one pole of a multipolar world in order to counter American hegemony.

In spite of the different interpretations of the Bosnia and Kosovo issue, Portuguese defence policy began to recognise that, on account of Portugal's membership of the European Union and NATO, as observed by Nuno Severiano Teixeira, the country's security border no longer coincided with its geographical border, and that Portugal's strategic interests – while still embracing the Atlantic – now also included Europe and its southern fringe, thus making the Balkans an area of interest to Portugal<sup>61</sup>.

### **The Portuguese presidency, European defence and the 2000 IGC**

Portugal is holding the first presidency since the new institutional framework of the common foreign and security policy was established (involving a high representative for the common foreign and security policy who would also assume the duties of Secretary General of the WEU, a

---

<sup>59</sup> *Público*, 10 April 1999.

<sup>60</sup> See Álvaro de Vasconcelos, Carlos Gaspar, Guilherme d'Oliveira Martins, Nuno Severiano Teixeira and Teresa de Sousa, *Em defesa dos valores europeus*, *Público*, 5 May 1999.

<sup>61</sup> Nuno Severiano Teixeira, *Das Campanhas de Guerra às Operações de Paz: as Intervenções Militares Portuguesas em Teatro Europeu*, *Estratégia*, 14, Jul.-Dec. 1999.

commissioner for foreign relations with an enlarged portfolio, and a restructured troika) and since the creation, sanctioned at the European Council meeting in Helsinki, of a European defence framework in the relatively near future. Accordingly, it seems to have decided, during its presidency, to move forward on European integration in the defence field, which is a cornerstone of political union. The compatibility, both proclaimed and real, between the European defence framework and NATO is a doubly important factor for Portugal's commitment, during and after the presidency, to building Europe's defence. NATO was a decisive consideration, moreover, in Portugal's military involvement in the recent European crises.

The government also seems inclined to make the most of the fact that Portugal is simultaneously occupying the presidency of the European Union and that of the WEU, and has from the outset recognised the fundamental federating role of the Mr/Ms CFSP/WEU process. The main topics whose guidelines are now being identified, in collaboration with Javier Solana, so as to be included in the document to be submitted to the European Council meeting in late June, in Feira, are as follows:

- stressing the mutually reinforcing effect of European defence and NATO, and the practical aspects of relations between the European Union and NATO
- guaranteeing that the European defence framework will retain its open character, i.e. that everyone will be able to participate in it and no-one will be allowed to obstruct it

In the tangle of institutions, the participation of those who belong to both organisations, NATO and the European Union, has to be properly combined with those who belong to only one. There are EU members that do not belong to NATO and have a tradition of neutrality, NATO members that do not belong to the Union, and the three most recent members of NATO, which are preparing for EU membership.

The government is not ruling out the possibility – depending on the progress achieved by the time the European Council meets in Feira – of proposing that a discussion of the aspects of Treaty reform that the development of a European defence makes most urgent be included in the preparatory work for the 2000 IGC. Formalising the meetings of EU defence ministers is certainly one question to consider. Depending on how much progress has been made, a decision will be taken on whether the discussion of security and defence has developed sufficiently “to allow this aspect to be included in the intergovernmental conference”. In the eyes of the Portuguese government, this step would represent a good result in terms of European integration.

Some people consider it necessary, in order to take the defence policy forward, to facilitate strengthened cooperation in this area, in particular by abolishing the unanimity requirement. “Coalitions of the willing” constitute the most likely framework for future military intervention by EU members outside NATO. However, their actions must be consistent with the common foreign and security policy, and be endorsed by the European Union: an important matter to be considered at the 2000 IGC. Many people view the idea of strengthened cooperation with suspicion, equating these arrangements with the idea of concentric circles or even, in a way, a directorate.

What assets can the Portuguese presidency draw on to give an impetus to European defence? Its international status, its irrefragable Atlanticism, the desire for political union, the will to make

its mark on European integration and the benefit associated with making the first move: advantages which combine with a manifest desire to work in collaboration with the High Representative for the CFSP. At the same time, in specifying the mechanisms to be used, the presidency is facing the challenge of making progress on practical aspects, while not neglecting the operational aspects of the defence framework<sup>62</sup>. The statements of senior Portuguese leaders indicate the presidency is determined to make a significant contribution to this end, on which the Helsinki mandate fundamentally concentrates, aware that in the absence of an independent capacity there can be no credible European defence and that with neither a policy nor a decision-making ability in the defence field, the defence framework would serve no purpose.

---

<sup>62</sup> See in this connection Maria do Rosário de Moraes Vaz, *Portugal e a Defesa Europeia, O Mundo em Português*, January 2000.

## V. A MOMENTUM-BUILDING PRESIDENCY

Portugal's presidency of the European Union brings together all the conditions needed to increase the momentum of events<sup>63</sup>. It must initiate and give a strong impulse to the intergovernmental conference, initiate negotiations with the new applicants accepted at Helsinki, make a success of the extraordinary European Council meeting on competitiveness and employment due to be held in Lisbon, and finalise the common strategy on the Mediterranean.

The main discussions will focus on the intergovernmental conference and its content. Should the 2000 IGC restrict itself to the questions not resolved at Amsterdam (the number of commissioners, weighting of votes and extension of qualified majority voting) or go beyond mere adjustments and achieve real progress towards institutional reform, moving in the direction of greater democracy in the European integration process and the forging of a defence policy?

The government seems inclined to confine itself to the issues left over from Amsterdam, with the aim of avoiding delay in the enlargement of the Community. Literally on the eve of the presidency, the foreign affairs minister stated that enlargement was the current priority of the European Union and therefore of the Portuguese presidency as well<sup>64</sup>. At the same time, Jaime Gama sees the defence issue as a significant opportunity to broaden the subjects on the IGC at the European Council meeting in Feira<sup>65</sup>. According to the testimony of one of the Portuguese officials involved, made public on the first day of the presidency, the statements by Francisco Seixas da Costa, the junior minister for European affairs, were primarily addressed to those excluded at Luxembourg, emphasising that the door would have been opened much earlier to them if there had been support for Portugal's proposal to establish the "regatta system" finally adopted at Helsinki<sup>66</sup>.

For the prime minister, the extraordinary Council meeting on employment and innovation will be the real test of Portugal's ability to leave its mark on European integration in an area which is essential for Europe's future, both as regards support among the population and the weight it carries internationally.

Restricting institutional reform to the issues left pending at Amsterdam would boil down to renewing the procrastination strategy applied during the 1996 intergovernmental conference: no waves, as little reform as possible and as gradually as possible, so as to avoid any repeat of the post-Maastricht nightmare. The trauma of the Danish and French referendums still haunts the European governments. A minimalist strategy was followed in Portugal, and the referendum that public opinion demanded in 1992 did not, in the end, take place, through fear that abstentions would outnumber the expected "yes" vote.

The post-Maastricht reading of certain observers in Portugal is, however, the exact opposite. They want – rightly in our view – more democracy in the European Union, and for the

---

<sup>63</sup> This is how Jacques Vandamme described it in his opening presentation to the conference on "The Portuguese Presidency – Institutional reform and external relations of the European Union" (XVIIth International Conference in Lisbon, IEEI/tepsa, 11-12 November 1999).

<sup>64</sup> Jaime Gama, interviewed in *Expresso*, 30 December 1999.

<sup>65</sup> *Id.*

<sup>66</sup> Francisco Seixas da Costa, *Reunificar a Europa*, *Diário de Notícias*, 1 January 2000.

governments to stop using the tools of diplomatic negotiation to legislate in areas which increasingly affect people's everyday lives at national level. The introduction of the euro, the establishment of the European Central Bank and the inception of a European defence policy without any genuine democratic supervision of the European institutions – in particular the Council and the Commission – could, in the longer term, threaten not only the integration process, but also the democracy that underpins the European Union. The paradox is that the more the European Union advances towards political union without corresponding progress, in a way that is clearly perceived by the population, towards more democratic procedures, the greater the democratic deficit and the quicker splits will appear in the solidarity and cohesion which the Union must increasingly depend on.

The great challenge which the intergovernmental conference must take up is not to restore the balance of power between Member States but to lay the foundations for a supranational democracy. Progress in this direction is a precondition for ordinary citizens to accept any change to the current weighting of States within the Council. And the intergovernmental conference must itself, as has already been indicated, be as transparent as possible and involve the European Parliament, national parliaments and non-governmental organisations in the discussions.

In the defence field, it is necessary to clarify the conditions in which the Union should or should not intervene militarily. It is necessary to resolve the debate which NATO's action against Serbia served to initiate and which Kofi Annan's speech set out in clear terms. In other words, how can we ensure that it is not only legitimate, but also legal and effective to intervene when a sovereign state seriously violates, or fails in its duty to protect, the fundamental rights of its citizens – a generic concept which covers the overwhelming majority of current conflicts and those foreseeable in the short- and medium-term.

The European Union, and in particular the country holding the presidency, cannot focus its attention solely on the expectations of European States and their citizens. Account must also be taken of the expectations of the Union's partners, notably, in this case, in Latin America, and particularly in the Mercosur. No doubt countries in the Mercosur are hoping that the Portuguese presidency will speed up negotiations on the inter-regional agreement with the European Union.

Portugal is now determined to take a more pro-active approach to European integration. To build up the momentum under its presidency, it should avoid adopting a timid attitude on the issues of the 2000 IGC and resorting to a minimalist agenda. In some fields, notably defence, Portugal can be in the vanguard. It should also take the lead as regards reforming democracy in the Union. Only in this way can the Union become a genuine community of citizens, and a model of universal resonance.

## **ANNEXES**



## BRIEF CHRONOLOGICAL BACKGROUND

### Portugal and the European Union

1962	18 May	Portugal officially submits its association application to the European Economic Community
1972	22 July	A free-trade agreement is signed between Portugal and the EEC
1973	1 January	The trade agreements concluded between Portugal and the EEC come into force
1977	28 March	Portugal submits its membership application to the European Communities
1978	17 October	Formal opening of accession negotiations with Portugal
1979	13 March	Entry into force of the EMS
1985	12 June	Signature of Portugal's act of accession to the European Communities
1986	1 January	Formal accession of Portugal to the European Communities
1988	14 November	Portugal joins the WEU
1990	1 July	Entry into force of the first stage of EMU
1991	25 June	Portugal signs the Schengen agreements
1992	1st semester	Portuguese presidency
	7 February	Signature of the Treaty on European Union
	6 April	The escudo enters the EMS's exchange rate mechanism
1993	1 November	The Treaty on European Union comes into force
1994	1 January	Entry into force of the second stage of EMU
1997	2 October	Signature of the Treaty of Amsterdam
1999	1 January	Entry into force of the third stage of EMU, with the participation of Portugal
	1 May	Entry into force of the Treaty of Amsterdam
2000	1st semester	Portuguese presidency