# FONDATION ROBERT

### European Elections monitor

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Right and left running neck and neck three weeks before the snap general elections in Portugal

On 9 November, Portuguese President Marcelo Rebelo de Sousa dissolved the Assembly of the Republic, the single chamber of Parliament, and announced that general elections would be held on 10 March 2024. These elections, which should have been held by 11 March 2026 at the latest, have therefore been brought forward by two years.

#### **PORTUGAL CAUGHT IN A POLITICAL CRISIS**

The head of state's decision follows the resignation of Prime Minister Antonio Costa (Socialist Party, PS) on 7 November 2023 after eight years in power following the indictment and provisional detention of his chief of staff Vitor Escaria. The head of government is under investigation on suspicion of having helped to unblock procedures in the award of contracts for four industrial projects linked to a data storage centre near the port of Sines, lithium mines and the production of green hydrogen.

Several searches were carried out at the Prime Minister's residence and at various ministries (Environment, Infrastructure and Public Bodies). Several people have been indicted, including the Minister for Infrastructure and Public Institutions, Joao Galamba (PS), whose role in awarding the lithium mining concessions when he was Secretary of State for Energy is considered ambiguous. The mayor of Sines, Nuno Mascarenhas (PS), has been arrested. "The dignity of the office of Prime Minister is not compatible with any suspicion of his integrity or good conduct, still less with any suspicion of criminal practices", declared Antonio Costa when he resigned.

A few months earlier, Portugal had been rocked by the scandal surrounding the privatisation of the national airline TAP Air Portugal. A conflict of interest led to a government crisis and the resignation of the Minister for Infrastructure and Housing, Pedro Nuno Santos (PS), and the Secretary of State for the Treasury, Alexandra Reis.

The President of the Republic could have chosen to appoint a new Prime Minister to replace Antonio Costa, as his predecessors did in 2004 and 1981. The outgoing head of government proposed the name of Mario Centeno, current governor of the Bank of Portugal and former finance minister, to replace him. On 9 November 2023, the Council of State also issued a reserved opinion on a return to the ballot box. The Portuguese support the organisation of these general elections: two-thirds of those questioned by opinion polls said that this is what they wanted. Marcelo Rebelo de Sousa has stated that he would like the next prime minister to be legitimised by Parliament; he is no doubt hoping that the legislative ballot will allow the Social Democratic Party (PSD) to return to power. "The government has collapsed from within, the legitimacy of the PS has collapsed (...) The elections will ensure the economic and social stability that the country needs", said PSD leader Luis Montenegro.

According to the opinion poll carried out by the Consulmark2 institute between 6 and 12 February, the Democratic Alliance is expected to win the election by a very narrow margin with 30% of the vote, ahead of the Socialist Party with 27.4%. These two parties are expected to come in ahead of Chega (Enough) (CH), André Ventura's right-wing populist party, with 18.1%. Liberal Initiative (IL), a party led by Rui Rocha, is expected to win 5.5% and the Left Bloc (BE), a radical left-wing formation for which Mariana Motagua is spokeswoman, 4.2%. LIVRE ('Free') (L), a left-wing ecologist party for which Rui Tavares and Teresa

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Mota are spokespersons, is forecast to win 2.9%; the Unitary Democratic Coalition (CDU), an alliance of the Communist Party (PCP), the Ecologist Party - Greens (PEV) and Democratic Intervention (ID) led by Paulo Ramundo, is forecast to win 2.6%; and finally, People-Animals-Nature (PAN), for which Ines Sousa Real is spokesperson, is forecast to win 1.1%.

On the face of it, neither of the two "major" parties is likely to win an absolute majority on 10 March. The Socialist leader ruled out any "grand coalition", known in Portugal as the Bloco Central, with the PSD. "Portugal's democratic system offers an alternative. We have very different visions of Portugal, of our society and of the policies we want to put in place. A grand coalition is therefore virtually impossible," declared Pedro Nuno Santos.

#### THE POLITICAL LANDSCAPE

In the last general elections held on 30 January 2022, the PS won by a wide margin, obtaining an absolute majority in Parliament. The election, the party's third consecutive victory at the polls, exposed the fragmentation of the Portuguese right.

During his eight years at the head of the country, Antonio Costa has succeeded in bringing Portugal's public accounts back into balance, but his compatriots feel that their living conditions are deteriorating, their salaries stagnating and inflation undermining their purchasing power. They are particularly concerned about the state of the public health service (53% feel that this should be the priority of the future government); a third (38%) cite the fight against inflation and a quarter (27.5%) the state of education and housing difficulties.

House prices rose by 11.8% in 2023. To combat property speculation, the government has abolished golden visas, the name given to residence permits granted to wealthy foreigners who invest in the country by buying property. Since the end of 2022, Portugal has experienced social unrest, with numerous demonstrations by workers in the education, health and justice sectors fighting for better living conditions, and others protesting against the rising cost of living and rents.

However, the PS is still well established locally. It is now led by Pedro Nuno Santos, who replaced Prime Minister Antonio Costa as leader of the party in December. His programme focuses on a "*new balance*" between reducing debt and increasing public investment. The PS is proposing tax cuts, particularly for the middle classes, housing subsidies to facilitate access to bank loans, especially for people over 40 who are not yet homeowners, and an increase in the minimum wage to at least €1,000 by the end of the legislature.

On the right, the Social Democratic Party (PSD) is led by Luis Montenegro, who replaced Rui Rio in the summer of 2022. The PSD is running in coalition with the Social Democratic Centre/People's Party (CDS/ PP), a Christian Democrat party led by Nuno Melo, and the Monarchist People's Party (PPM). This coalition is known as the Democratic Alliance. It is proposing a general reduction in taxes and an increase in salaries and pensions. It wants to raise the minimum pension to €820 by 2028 and the minimum wage to €1,000.

The right-wing forces therefore have two options: to form a "grand coalition" with the PS, or to ally themselves in one way or another with Chega.

The right-wing populist party seems to have the wind in its sails, which can be explained in part by the scandal that shook the government, with the denunciation of elite corruption forming the first element of Chega's programme, whose slogan is "*Clean Up Portugal!*" "*Such a shock around the theme of corruption associating the government elite with business increases the protest vote for Chega*," said Antonio Pinto, professor of political science at the University of Lisbon's Institute of Social Sciences. "*André Ventura couldn't have wished for a better way to fuel his populist rhetoric about cleaning up after criminals and to stir up fear and resentment with a vigilante approach to security and xenophobia*," confirms Mafalda Anjos, director of Visao magazine.

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The leader of Chega likes to claim that voters have a choice between the modern Portugal he embodies and the Portugal of Pedro Nuno Santos' past. Ironically, on 25 April Portugal will be celebrating the 50th anniversary of the Carnation Revolution, which in 1974 put an end to the dictatorship instituted by Antonio Salazar in 1933.

"All the studies show that corruption is a subject of particular concern to the Portuguese, and when it contaminates political life, Chega's anti-system crusade always comes out on top (...) Chega's rise has taken place against a backdrop of crisis on the traditional right and the disappearance of the most conservative party in this trend, the Social Democratic Centre/People's Party, which has freed up space for a radical populist discourse", explained Antonio Pinto.

For Chega, the stakes are high. Will it establish itself as a party capable of governing?

On 4 February this year, early regional elections were held in the Azores archipelago after the collapse of the alliance of right-wing parties following disagreements over the regional budget. The outgoing coalition was supported by Chega. The vote resulted in the renewal of José Manuel Bolieiro's government, formed by the PSD, the CDS/PP and the Monarchist People's Party. Bolieiro said he did not wish to govern with the support of Chega, which emerged stronger from the elections.

Outgoing Prime Minister Antonio Costa regularly raises the threat of the situation in the Azores, claiming that the political alliance that has been set up in the archipelago is merely a dress rehearsal for what the PSD wants to achieve at national level. An alliance that can only lead the country into political crisis. However, Luis Montenegro has ruled out governing with Chega's support.

It is worth noting that all the Portuguese political parties have elected a new leader since the last general elections on 30 January 2022. Nuno Melo took over as leader of the CDS/PP in April 2022; Luis Montenegro took over as leader of the PSD in May 2022; Paulo Ramundo was elected leader of the United Democratic Coalition in November 2022; Rui Rocha became leader of the Liberal Initiative in early 2023; Mariana Motagua was appointed spokeswoman for the Left Bloc in May; and finally, Pedro Nuno Santos replaced outgoing Prime Minister Antonio Costa as leader of the PS in December.

"Following the general elections on 10 March, we risk having a highly fragmented parliament with a fragile government dependent on parliamentary agreements," said Bruno Ferreira da Costa, professor of political science at the University of Beira Interior.

#### THE PORTUGUESE POLITICAL SYSTEM

The Portuguese Parliament is unicameral. The Assembly of the Republic comprises 230 members, elected for 4 years by proportional representation in 22 multi-member constituencies. The country has 18 metropolitan constituencies and 2 autonomous regions - Madeira and the Azores - each of which forms a constituency. In addition, Portuguese nationals living abroad are divided into 2 constituencies: those living in Europe elect 2 deputies and those living in the rest of the world elect 2 also.

The lists of candidates for the general elections are blocked, so voters cannot express any preference within the list for which they are voting. At the end of the election, seats are distributed on a proportional basis using the d'Hondt method, with no pre-election threshold defined.

8 political parties were elected to the Assembly of the Republic in the 2022 general elections:

- The Socialist Party (PS), founded in 1973 and led by Pedro Nuno Santos. The party of outgoing Prime Minister Antonio Costa, it has 120 deputies;

- the Social Democratic Party (PSD), founded in 1974 and led by Luis Montenegro, has 72 seats;

- Chega (Enough) (CH), a right-wing populist party founded in 2019 by André Ventura, has 12 seats;

- Liberal Initiative (IL), a party founded in 2017 and led by Rui Rocha, has 8 seats;

- the Left Bloc (BE), a radical left-wing party founded in 1999 and for which Mariana Motagua is spokeswoman, has 5 elected members;

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- the Unitary Democratic Coalition (CDU), an alliance of the Communist Party (PCP), founded in 1921, the Ecologist Party-Greens (PEV), founded in 1982, and Democratic Intervention (ID), has 6 seats;

- People-Animals-Nature (PAN), a party that defends the rights of animals and nature, founded in 2009 and for which Ines Sousa Real is spokesperson, has 1 deputy;

- LIVRE (Libre) (L), a left-wing environmental party for which Rui Tavares and Teresa Mota are spokespersons, has 1 seat.

The Portuguese also elect their President of the Republic every 5 years by direct universal suffrage. The current head of state, Marcelo Rebelo de Sousa, a former leader of the Social Democratic Party (PSD) (1996-1999), was re-elected for a second term with 60.66% of the vote on 24 January 2021 in the first round of voting. He beat Ana Gomes (PS), who stood without the backing of her party (12.96% of the vote), and André Ventura (CH) (11.93%). Four out of ten Portuguese people (39.26%) turned out to vote.

#### Results of the previous general elections on 30 January 2022 in Portugal

Turnout: 51.46%

Political parties	N° of votes won	% of votes cast	N° of seats
Socialist Party (PS)	2 302 601	42.50	120
Social Democratic Party (PPD/PSD)	1 539 415	28.41	72
Chega (CH)	399 659	7.38	12
Liberal Initiative (IL)	273 687	5.05	8
Left Bloc (BE)	244 603	4.52	5
United Democratic Coalition (CDU)	238 920	4.41	6
Social Democratic Centre/People's Party (CDS/PP)	89 181	1.65	0
People-Animals-Nature (PAN)	88 152	1.63	1
LIVRE (L)	71 232	1.31	1
Madeira First (PSD-CDS-PP)	50 636	0.93	3
Democratic Alliance (AD)	28 330	0.52	2
Others	91 299	1.69	0

Source : https://www.cne.pt/sites/default/files/dl/2022ar mapa oficial resultados.pdf

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