



**Workshop “The Political Economy of the  
Crisis & Economic Restructuring:  
History, Dynamics, Implications &  
Lessons”**

**CESA/CSG/ISEG  
12-13 October 2017**

*Portugal – Crisis and Restructuring*

**Maria Sousa Galito**

**12/10/2017**

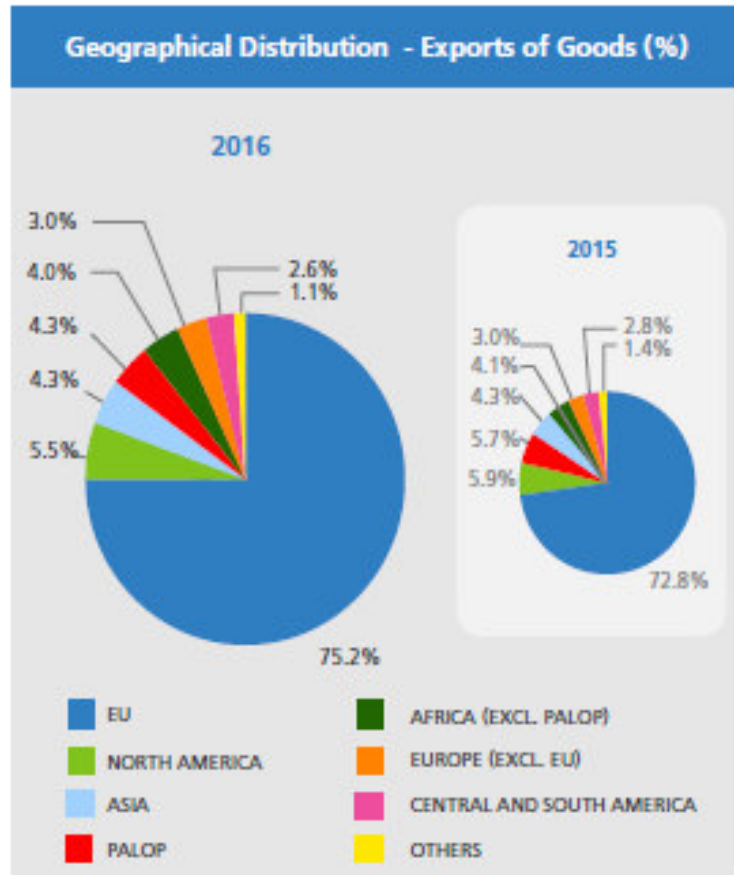
**Table 1: Portuguese GDP, market prices, expenditure side  
(volume change rate; annual)**

Year	Final consumption expenditure of resident households	Final consumption expenditure of general government	Final consumption expenditure	Gross capital formation	Domestic demand	Exports of goods (FOB) and services	Imports of goods (FOB) and services	GDP at market prices
2006	1,5	-0,2	1,1	0,0	0,9	12,3	7,5	1,6
2007	2,4	0,7	2,1	2,6	2,2	7,3	5,4	2,5
2008	1,5	0,4	1,3	0,8	1,2	-0,3	2,4	0,2
2009	-2,3	2,6	-1,1	-12,2	-3,5	-10,2	-9,9	-3,0
2010	2,5	-1,3	1,5	3,4	1,8	9,5	7,8	1,9
2011	-3,7	-3,7	-3,6	-14,0	-5,7	7,0	-5,8	-1,8
2012	-5,7	-3,3	-5,0	-18,1	-7,3	3,4	-6,3	-4,0
2013	-1,3	-1,9	-1,4	-5,1	-1,9	6,9	4,7	-1,1
2014	2,4	-0,5	1,7	5,1	2,2	4,3	7,8	0,9
2015Pe	2,6	0,7	2,1	4,7	2,5	6,1	8,2	1,6
2016Pe	2,3	0,5	1,9	-0,6	1,5	4,4	4,5	1,4

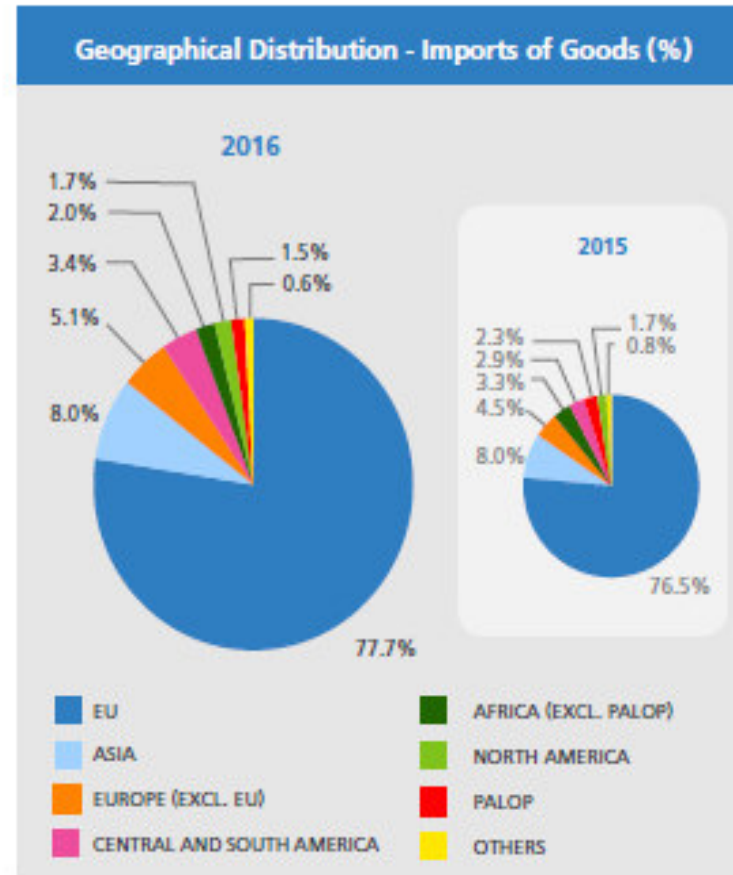
Pe=preliminary data. Reference year=2011.

Source: INE – Statistics Portugal (2017)

# Graphics 1/2: Geographical Distribution of Exports and Imports of Goods – by Regions

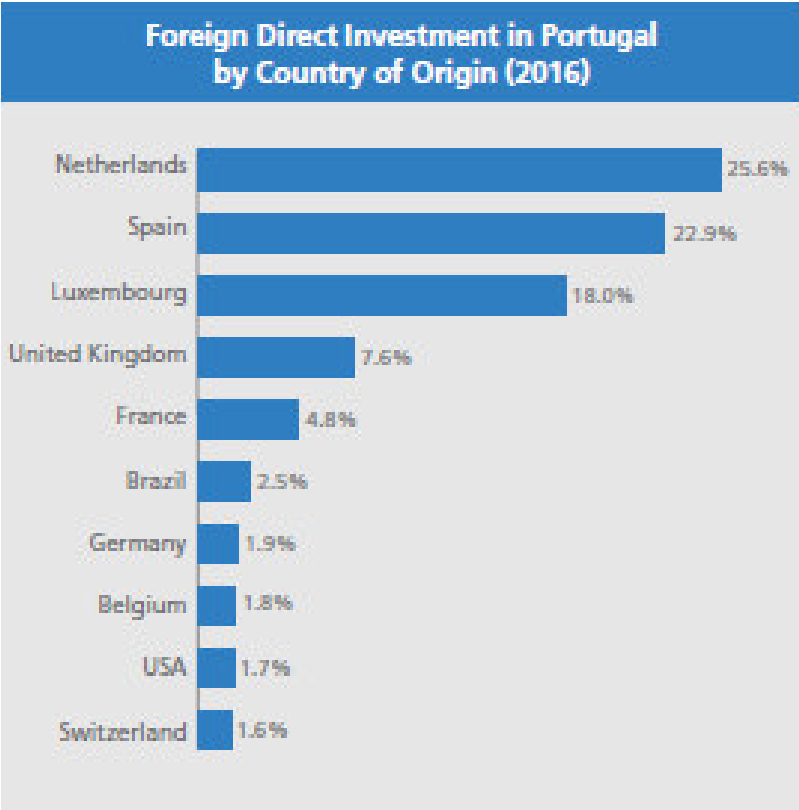


Source: INE - National Statistics Office  
 Note: 2016 - preliminary results

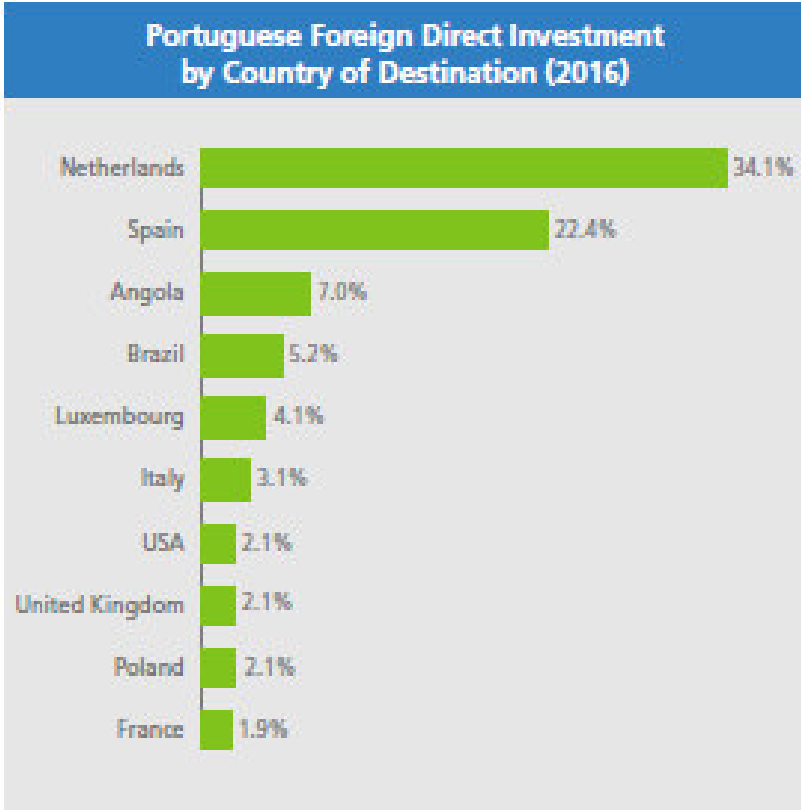


Source: INE - National Statistics Office  
 Note: 2016 - preliminary results

# Graphics 3/4: Geographical Distribution of FDI – by Countries



Source: Banco de Portugal  
 Unit: Position at the end of 2016 (% of the total)



Source: Banco de Portugal  
 Unit: Position at the end of 2016 (% of the total)

**Table 2: Portugal's Ratings**

Agency	Ratings	Outlook	Date
Standard & Poor's	BBB- BBB-	Stable Negative	Sep 15 2017
			Mar 29 2011
Moody	Ba1 Ba2	Positive Negative	Sep 01 2017
			Jul 05 2011
Fitch	BB+ BBB-	Positive Negative Watch	Jun 16 2017
			Apr 01 2011
DBRS (Canada)	BBB (low)	Stable	May 23 2014

Source: Trading Economics (2017)

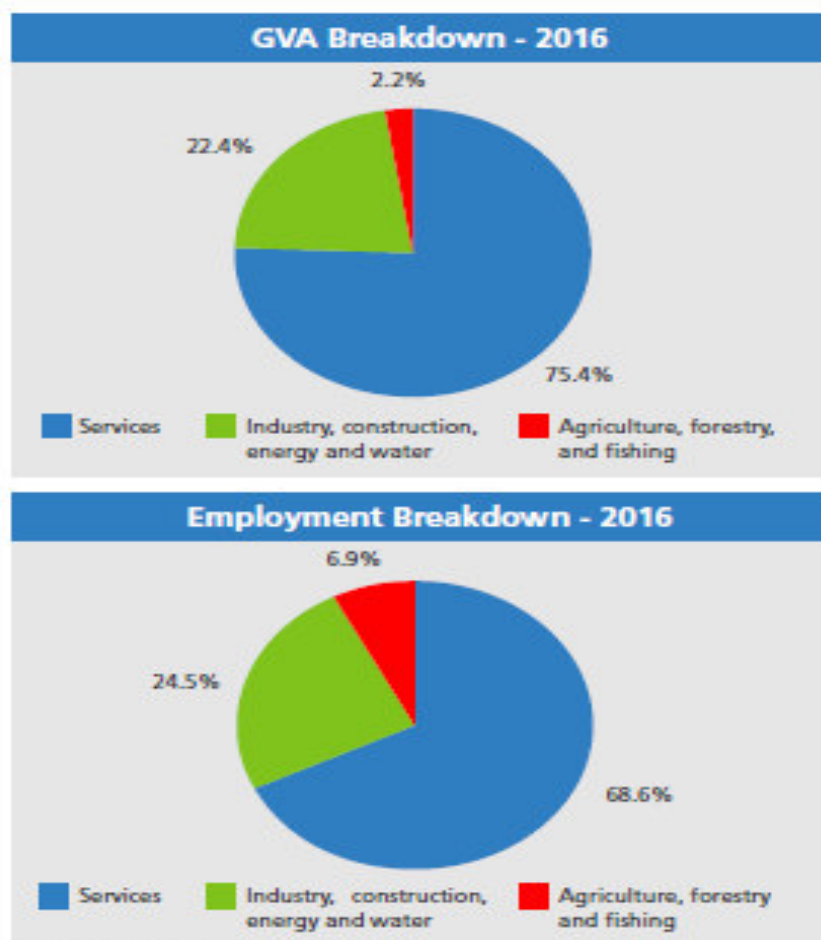
**Table 3 Debt and Deficit (% GDP)**

	Brut Debt Public Administrations	Deficit Public Administrations
2006	69,2	-4,3
2007	68,4	-3,0
2008	71,7	-3,8
2009	83,6	-9,8
2010	96,2	-11,2
2011	111,4	-7,4
2012	126,2	-5,7
2013	129,0	-4,8
2014	130,6	-7,2
2015 Pe	129,0	-4,4
2016 Pe	130,4	-2,1

Pe: Preliminary Data

Source: Pordata (2017)

## Graphic 5: GVA and Employment Breakdown – 2016



Source: INE (National Statistics Office)  
Note: GVA - Gross Value-added

### Table 4: Unemployment Rates (%)

	2016	2015	2014
<b>Man and Woman</b>	11,1	12,4	13,9
<b>Man</b>	11,0	12,2	13,5
<b>Woman</b>	11,2	12,7	14,3

Source: INE – Statistics Portugal (2017)

**Table 5: Global Peace Index – 2016**

Rank	Country	Index	State of the Peace
1	Iceland	1,192	Very High
2	Denmark	1,246	Very High
3	Austria	1,278	Very High
4	New Zealand	1,287	Very High
5	Portugal	1,356	Very High
6	Czech Republic	1,360	Very High
7	Switzerland	1,370	Very High
8	Canada	1,388	Very High
9	Japan	1,395	Very High
10	Slovenia	1,408	Very High
25	Spain	1,604	High
39	Italy	1,774	High
46	France	1,829	High
47	UK	1,830	High
82	Greece	2,044	Medium

Source: Institute for Economics & Peace (2016)

**Table 6: The Travel & Tourism Competitiveness Index – 2017**

Country/Economy	Ranking	Score
Spain	1	5.43
France	2	5.32
Germany	3	5.28
Japan	4	5.26
United Kingdom	5	5.20
United States	6	5.12
Australia	7	5.10
Italy	8	4.99
Canada	9	4.97
Switzerland	10	4.94
Hong Kong SAR	11	4.86
Austria	12	4.86
Singapore	13	4.85
Portugal	14	4.74
China	15	4.72

Source: World Economic Forum (2017)

## Conclusions

- Portugal is a state-member of the EU that was negatively impacted by the financial international crisis of 2008. The country received external assistance and supervision from Troika (International Monetary Fund, European Central Bank and European Commission) between 2011 and 2014.
- Since then financial indicators were improved, at least temporarily and economic indicators are being slowly addressed. Short-term reforms were implemented.
- But many structural unbalances coexist with higher expectations that may not be fulfilled with low economic growth (for it would mean more deficit and debt from public administrations). The situation is not sustainable yet.
- As one of the most peaceful countries in the world nowadays, Portugal is benefiting from it; especially in terms of tourism.
- The country is becoming more specialized in services. The GDP is growing with the help of exports and also pushed by internal demand. But the lack of industrialization doesn't make this pattern sustainable in the long run (also because imports of manufacturing goods are increasing).

**Thank You/ Obrigada.**