PORTUGAL

Poor internal and external policies

One out of five people live below the poverty line and the risk rate for persistent poverty is 15%. Women are discriminated against in high level positions and domestic violence is still a problem. Social welfare policies and practices are inadequate and development aid is concentrated on self-interest technical matters.

The incidence of poverty is also very strong among households where social benefits such as pensions and unemployment subsidies are the major source of income. We are therefore faced with a poverty situation characterized by the appearance of new at-risk groups including the handicapped, ethnic minorities and drug addicts, among others.

Over two million people, one out of every five, live below the poverty line defined by Eurostat. If we consider the proportion of poor people from the point of view of subjective analysis, which is a method where people declare the extent of difficulty they face meeting their needs, the values climb to about 35% of males and 44% of females nationally. There is also unofficial data which states that there are over 200,000 people suffering from hunger in the country.

Recent economic circumstances have contributed to the deterioration of poverty conditions, especially due to the increase in unemployment as well as the growing influx of immigrants. At the same time, the high indebtedness levels reached throughout the 1990s explain why numerous households find themselves in constrained living conditions.

Portugal’s situation is characterized by the following structural problems:

• Shortcomings of the social protection system, which has the lowest per capita public expenditure in the EU.

• Low education levels: in 2002, only 20.6% of 25 to 64 year-olds had completed upper secondary education, and the early school-leaving rate of 45.5% contrasts enormously with the EU average of 18.8%.

• Sectoral restructuring is hampered by low skill levels, in an economy based on labour-intensive, low-paid work together with low participation in further training (2.9% in 2002), which also explains why productivity growth is so low (0.3% in 2002, unchanged since 2001).

The relationship between poverty and the policies developed to address it reveals that:

• The level of social public expenditure as a percentage of the GDP is lower than the EU average. In 2001, the social expenditure per capita on social benefits was only 56.9% of the EU15 level (EU15 = 100).

• The social protection assured by the contributive subsystem of the Social Security System is more efficient than the protection provided by the solidarity and family subsystems. There is a high proportion of both persistent (22.8%) and chronic poverty (49.8%) in the overall poverty numbers. Of all social benefits, only pensions have a positive and significant impact on poverty reduction: 49.1% on persistent poverty, 19.8% on intermittent poverty and 22.9% on chronic poverty.

• The impact of the minimum guaranteed income (RMG) on reducing the incidence of poverty is only 1.6%. Its impact on reducing the poverty gap and severe poverty is much greater, 17.7% and 36% respectively. The expenditure of this programme as a percentage of the GDP was 0.25% in 2000 and 0.19% in 2001. In the latter year the RMG had already benefited 7.5% of the population, with 3.6% being beneficiaries.

• The inter-generational reproduction of social inequalities is due to the scarce and deficient social safety net provided to children, the elderly and the handicapped.

The gender gap

If compared to most developing countries, discrimination against women is not a major problem in Portugal. In legal terms, since the April Revolution in 1974 and EU membership in 1986, legal equality between the sexes has been confirmed.


9 Rodrigues, CF, op cit.

10 Ferreira, LV, op cit, p. 4.
there is a formal gender equality and women's rights commission (CIDM).\textsuperscript{11} But there are too many cases of violence and oppression against women.

Domestic violence is a persistent problem and studies into this issue usually reveal a male pattern of aggression. In recent years, however, there is a growing number of male victims of psychological violence. In 2004 the Portuguese Association for Victims Support reported 6,459 cases of aggression against women (up from 3,914 in 2000) and 882 against men (up from 544 in 2000).

Women are entitled by law to equal pay for equal work as compared to men but as CIDM reports “inequalities still persist and are very difficult to deal with.”\textsuperscript{12} The salary gap decreased slightly in the last 12 years from 23.8% in 1992 to 22.6% in 2004. According to Eurostat figures, which report a 9% pay gap, Portugal has a much lower wage gap than the EU15. This is due to women being mostly employed in low income jobs, where there is less difference between the salaries of men and women than in higher income jobs.

According to the CIDM when it comes to promotion, women are often discriminated and segregated. In public and private administration women hold 29.4% of executive/director posts and 44.2% of middle level technical posts. The gender gap is significant both in positions of national and local political decision-making: in 2001 local elections 5% of the elected were women, in 2005 women represented 17.8% of the members of Parliament and there are only two women among 16 ministers in the current socialist cabinet.

The most controversial gender problem in Portugal is abortion. It is illegal except in cases where the mother’s life is endangered, the foetus has serious problems or pregnancy is the result of rape. The mother’s life is endangered, the foetus has serious problems or pregnancy is the result of rape. The mother’s life is endangered, the foetus has serious problems or pregnancy is the result of rape. The mother’s life is endangered, the foetus has serious problems or pregnancy is the result of rape. Portugal has subscribed to the EU’s trade and development commitments. These include those made within the framework of the Everything But Arms initiative, the Cotonou Agreement,\textsuperscript{17} and the Europe-Mediterranean Partnership which provides access to the EU market to North African products. With the objective of promoting a favourable investment climate for two-way trade, Portugal has also made Investment Promotion and Promotion Agreements with Mozambique and Cape Verde, and Dual Taxation Agreements with Angola, Mozambique and Cape Verde. In July 2004 the Business Council of the Portuguese Speaking Countries Community was created in order to promote trade, pursue economic development and work towards the eradication of poverty. Despite the efforts mentioned above, in 2003 the total ODA allocated to trade policy and trade development, was one of the lowest among the Developing Assistance Committee (DAC) of the OECD countries at only USD 3 million.

In spite of the importance of basic social services for the eradication of poverty in the LDCs, the proportion of public aid directed to this sector is significantly below the average of DAC members. Education, for instance, received 34% of the bilateral ODA in 2003, but only 2.2% was allocated to basic education. Portugal’s performance in this area is insufficient: priority is given to teaching the Portuguese language which is hardly essential to development, and the largest share takes the form of technical cooperation. In fact, as much as 95%\textsuperscript{18} of the bilateral ODA allocated to education is for scholarships to universities in Portugal for students from Portuguese-speaking countries in Africa and East Timor, or to send Portuguese teachers to these countries, or to finance training, technical advisors and studies. The effectiveness of this kind of development aid has not been evaluated and no doubt it is less of a priority than investments in basic education such as training primary school teachers or allocating funds to education budgets to pay local teachers and build schools.

In the health sector, a large part of aid takes the form of tertiary support (4.2%),\textsuperscript{19} with only 0.2% invested in health infrastructure, basic nutrition, infectious disease control, health education, and health personnel development. With 78% of its bilateral ODA in 2003\textsuperscript{20} going towards technical cooperation, the real nature of Portugal’s contribution is clear.

Conclusion

According to the Eurobarometer on “Attitudes towards Development Aid”,\textsuperscript{21} in 2004 the great majority of Portuguese (87%) had never heard about the MDGs. Oikos is committed to raising awareness on the issue and mobilizing civil society on Global Call to Action against Poverty initiatives, but it is difficult to capture the media’s attention and to convince politicians to state their commitments. Also, as long as political and economic interests prevail in the Governments’ orientations for development cooperation, the MDGs and other development country initiatives for global poverty eradication will continue to fall short of expectations.

\textsuperscript{11} Comissão para a Igualdade e para os Direitos da Mulher.


\textsuperscript{13} Represented by the Organization for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC).

\textsuperscript{14} Instituto Português de Apoio ao Desenvolvimento (IPAD). In 2003, East Timor and the African Portuguese-speaking countries (Angola, Cape Verde, Guinea-Bissau, Mozambique, S. Tomé e Príncipe) together received 80% of the Portuguese bilateral ODA.

\textsuperscript{15} Except Cape Verde and East Timor as of 2002.

\textsuperscript{16} The UN reference target for this indicator (ODA in proportion of the GNI) is 0.15%.

\textsuperscript{17} The Cotonou Agreement (2000) is a 20-year partnership agreement between the EU and 77 African, Caribbean and Pacific nations.


\textsuperscript{19} DAC/OECD. For example, the area of medical treatment in Portugal for evacuated patients from the Portuguese-speaking countries in Africa and East Timor, or to send Portuguese teachers to these countries, or to finance training, technical advisors and studies.

\textsuperscript{20} This percentage is considerably above the DAC average.

\textsuperscript{21} http://europe.eu.int/commm/public_opinion/archives/eb/eb_s_222_en.pdf

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