There is no alternative, or is there? The historic experiment of the left-wing government in Portugal

Following elections in October 2015, António Costa formed a government in Portugal that included the support of some of the country’s radical left parties. Marco Lisi assesses how the government has performed since it took power. He argues that while the government has not achieved everything it set out to do, the successes that have been achieved in office illustrate that radical left and centre-left parties can form an effective alternative to parties on the right of the political spectrum.

Portuguese Prime Minister Antonio Costa, of the Socialist Party (PS). Credits: FraLiss (CC BY SA 3.0)

The coalition potential of radical left parties has interested political scientists for a long time. The process of political integration has evolved steadily and many have already accepted government responsibilities, something that has happened in Greece but not yet in Spain. From this viewpoint, Portugal can be considered a latecomer due to the anti-system role played by radical left parties – the Portuguese Communist Party (PCP) and the Left Bloc (BE) – and the refusal of the Socialist Party (PS) to cooperate with the far left.

And yet, after the 2015 legislative elections, the wall between the socialists and the far left was removed when a historic agreement was signed between left-wing parties, paving the way to a minority government led by the socialist leader António Costa. How was it possible to establish this unexpected cooperation? And how has the new government performed over the last year?

The historic change in the Portuguese party system occurred a little over a year ago, in November 2015. After a full four-year term under a right-wing coalition government – responsible for the implementation of the bailout and the
Memorandum of Understanding (MoU) – the right-wing parties (PSD and CDS-PP) ran in an electoral alliance and won the elections with a plurality of votes (as shown in the table below). Radical left parties performed very well – particularly the BE, which obtained its best result ever, while the PS had a very disappointing result. The attempt to form a minority right-wing government failed when all of the left-wing parties decided to reject a new cabinet under former Prime Minister Pedro Passos Coelho and to seek out an alternative solution.

Table: Result of the 2015 Portuguese election

<table>
<thead>
<tr>
<th>Parties</th>
<th>Percentage vote share</th>
<th>Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portugal Ahead (PSD / CDS–PP)</td>
<td>38.4</td>
<td>107</td>
</tr>
<tr>
<td>Socialist Party (PS)</td>
<td>32.3</td>
<td>86</td>
</tr>
<tr>
<td>Left Bloc (B.E.)</td>
<td>10.2</td>
<td>19</td>
</tr>
<tr>
<td>Democratic Unity Coalition (PCP-PEV)</td>
<td>8.3</td>
<td>17</td>
</tr>
<tr>
<td>People-Animals-Nature (PAN)</td>
<td>1.4</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: The Parliament has 230 seats, but 4 of these seats will only be assigned after the final results from voters outside Portugal are counted. Only parties that have a seat are shown. Portugal Ahead is a coalition of the Social Democratic Party (PSD) and CDS – People’s Party (CDS-PP). The Social Democratic Party (PSD) shown in the table refers to the electoral list in Madeira and the Azores. The Democratic Unity Coalition is a coalition between the Portuguese Communist Party (PCP) and the Ecologist Party “The Greens” (PEV). For information on the other parties see: Socialist Party (PS); Left Bloc (B.E.); People-Animals-Nature (PAN). Source: Comissão Nacional de Eleições (National Election Commission)

The main aim of the agreement signed by the left-wing parties was to undo some of the austerity measures implemented under the previous government. The central strategy was to adopt more redistributive policies, to strengthen the welfare state and to raise disposable income – namely for the poorest sectors of society – by reversing some of the salary cuts adopted under the Troika.

However, the agreement had several shortcomings. Although it is very detailed on a small number of policy issues, mainly related to the rejection of austerity measures enacted during the previous government, it is highly vague on crucial matters (e.g. privatisation). Moreover, it does not cover the most controversial issues, such as debt restructuring and the Lisbon Treaty. Finally, the document does not include any mechanisms to solve internal disputes, in particular with regard to confidence and censure motions.

Many observers have argued that the current Prime Minister and PS leader, António Costa, played a vital role in forging the historical alliance between the PS and the radical left. This argument is not a new one for political scientists. However, other factors played a more important role. First, austerity politics increased the polarisation between moderate parties and ‘enlightened’ the programmatic affinities between left-wing parties. Second, the agreement could not be achieved without the control of party leaders over party organisations. While this was to be expected within the PS, it was a particularly relevant problem for the Left Bloc, which has experienced a high level of factionalism as well as splits and growing dissent since the withdrawal of their historic leader, Francisco Louçã, in 2011.

The minority socialist government has implemented important left-wing measures such as an increase in taxation for higher incomes, the defence of public schools and other welfare policies – e.g. the expansion of child and unemployment benefits. The government is also committed to improving labour conditions through the re-introduction of a 35-hour working week and the adoption of various measures to fight precarious jobs.
Yet the government was unable to expand public investments and GDP growth fell short of the expected increase. António Costa’s government has tried to ‘square the circle’ by fulfilling commitments at the European level, while making piecemeal concessions to radical left partners. Thus far, this strategy has proved successful, but the survival of the government is highly dependent on the country’s economic performance. In addition, it is clear that left-wing partners have avoided tackling the most important and divisive issues, which also inhibits the reformist scope of the government.

The socialist government has also experienced some problems in terms of both internal coordination and outcomes. On the one hand, competition between the BE and the PCP has made negotiations with the socialists on specific policy issues more difficult and lengthy. The need to show their constituents ‘who gets what’ may have negative effects on government action and the mutual trust between left-wing actors. It also increases the electoral pressure and the importance of maintaining popular support. On the other hand, wrongdoings committed by some government officials have soured relations between the PS and the radical left, weakening the ‘moral authority’ of the socialist executive.

Compared to other southern European countries, the resilience of the socialists is an interesting aspect of the Portuguese case. True, the PS did not perform very well in the 2015 election and the centre-right coalition was able to win the elections, but the new strategy of alliance adopted by Costa has revitalised its role in the party system, thus benefiting from the increasing fragmentation of the party system. As recent opinion polls show, support for the socialists has increased during the last year, rising from 33.3% in January 2016 to 36% by the end of the year, whereas support for the radical left has remained almost stable (around 17-18%).

The long-term consequences of this new cooperation are certainly more important than the short-term results of the socialist government. Although radical left parties might return to their outsider status – something that is common for anti-establishment parties – the historic agreement removed a wall between the socialists and the far left that had lasted since the democratic transition. Besides this, the new government has improved the responsiveness of the political system by breaking with the TINA discourse (that ‘there is no alternative’) and has fully integrated the radical left into the institutional arena by taking government responsibility.

Regardless of the duration of the current government, the novelty of this experience has the added benefit of moderating radical left parties, boosting social stability and making all actors of the party system share government responsibilities. The Portuguese experience shows that such strategies of alliance can be a powerful means to combine the continuity of the party system with a renewal of representative democracy, thus limiting the success of new challenger parties.

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