

Introduction

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0.

The present work “Alemanha-Portugal: Aspectos em revista” or “Germany–Portugal: A review of aspects” deals with aspects through which Germany and Portugal interact and seeks to contribute to a better appreciation of this understanding which persists despite various economic, political and historical vicissitudes.

It draws on contributions from a variety of sources – Political Science: Adriano Moreira and Ana Mónica Fonseca; Geography: José Lúcio and Bruno Pereira Marques; Economics: J. Félix Ribeiro; Cultural Studies and Diplomacy: Fernando Ribeiro – and takes into account all those who pursue the best way in which people can continue to build the future, since only when the winners – and the defeated too – have discovered how to transform the “brutal sacrifice of war” into wisdom, as Professor Adriano Moreira points out right at the start, can humanity, having made this self-discovery, work towards a lasting peace. It traces ways to succeed through interaction in finding a way to bring together the energies of those people who lack union and forward-looking vision and thus make the dream, measured by global prosperity, become reality.

1.

Ana Mónica Fonseca focuses on the important role played by the Federal Republic of Germany (FRG) in the transition to and consolidation of the democratic regime in Portugal and its consequent formal application to join the EEC (1974-1977). She discusses West Germany which, while enjoying special relations with East Germany and with a constant longing for reunification, did not neglect “the stability, strengthening and future expansion of the EEC”, and thereby sought to

boost the credibility of the democratic regime that followed the collapse of the *Estado Novo*, and which also supported Portugal's decolonisation process.

Fonseca demonstrates the importance of Mário Soares' relations with Willy Brandt and the SPD – which right from the outset were key in the founding of the Socialist Party (PS) in April 1973. She then goes on to talk about the decisive action taken by the Friedrich Ebert Foundation (with its links to the German Social Democratic Party) and the SDP in favour of the Socialist Party as well as the influence of German diplomacy and that of the USA on the other members of the EEC so that western support for Portuguese democracy might help it avoid changing direction or getting lost through revolutionary enthusiasm and might also help it gain “electoral legitimacy” and the respect of the international community. She comments further on West Germany's strategic vision: to stimulate Europe's entry into a new political cycle through consolidating the democratic Western bloc and resisting the Eastern bloc. As for the southern states, the FRG would encourage moving trade agreements with the EEC up to the higher level of political union. In short, what the FRG sought was consolidation of Portuguese democracy, all the while bearing in mind the economic support – viewed as being very onerous when “foreseen by an accurate evaluation of the cost” – that was essential for Portugal's modernisation and economic development, which, in the words of Willy Brandt (14 March 1976), would come about through “acts of solidarity at different levels of European institutions”. As a result of the German Foreign Ministry's commitment and the Portuguese government's determination, Portugal signed agreements in Brussels on 20 September 1976 that would allow it to continue to receive the Community's financial support. She also mentions that consultations with Chancellor Helmut Schmidt were a decisive step towards Portugal's formal application to become a member of the EEC on 28 March 1977 and later for the agreement enacted by the European Commission in May 1978 which would allow Portugal to take its place as a full member of the EEC in January 1986.

2.

José Lúcio and Bruno Pereira Marques focus on German investment in the years 2008 and 2010 as shown by the territorial profile. First of all, acknowledging the importance of classical German authors such as J. H. von Thünen (1783-1850), Alfred Weber (1868-1958), W. Christaller (1893-1969) and A. Lösch (1906-1945) with regard to “theories of localization in economic geography”, Lúcio and Marques reflect upon Space and Economy and introduce the reader to the idea of including time and transport variables in the spatial organisation of society while seeking profitable management of the economic value to be gained. They consider that

transport and labour costs may be factors as significant as “the advantages associated to agglomeration” (A. Weber), with respect for the “principle of geographical centrality” (W. Christaller) and of “systems of industrial production” (A. Lösch) with a view to increasing profit being also of key importance. Finally, they argue that due consideration of the application of these principles must always take into account the specificities of each territory (W. Isard).

Basing their results on surveys completed in 2008 and 2010 by “German companies in Portugal”, the authors consider that the majority of these (60%) are dedicated to the automobile, metallurgical, machine, chemical and pharmaceutical industries. They found that the more industrial their production is (maximum >90%) the more it is directed towards export (minimum 25%). At the end of the day, German companies in Portugal, according to the authors, contribute a high percentage of the Portuguese GDP by selling their products to Germany and/or other markets. They also found that in these companies in Portugal the larger the industrial production unit, the higher the German share of equity capital. Using statistical data they show how much German investment there is in Portugal despite an inefficient public administration, poor payment conditions, high energy costs, and high taxes and welfare contributions among other negative factors.

However, Portugal’s relative financial stability and infrastructure together with the high standard of living available for local German managers and directors can be added to other factors for success such as “an understanding of the mentality of the customer and the employees, flexibility and adaptability, innovation of products and services, competitive prices, and quality of products and services”. Pointing to the concentration of German companies in the districts of Lisbon (around 40%) and Porto (17%), the authors note a “logic of urban-functional discontinuity” in these areas since German companies also operate in districts adjoining these such as Setúbal and Braga – the proximity to dispatch centres such as main airports and sea ports, and the existence of a sizeable skilled workforce make these districts unequalled. Statistical tables and maps showing the distribution of German companies in Portugal further help the reader to quickly and clearly understand the negative trend of German foreign direct investment in Portugal from 2000 to 2013 and to illustrate the degree of attractiveness that Portugal enjoys with the German business sector (2.5 out of 5).

3.

José Manuel Félix Ribeiro presents a vision for Portugal in the light of strategic thought. He begins by structuring the different waves of foreign investment

according to “geo-economic processes”, favourable factors and “macroeconomic policies” into “four main waves” that occurred from the 1960s onwards:

- 1 – the “EFTA Wave”
- 2 – the “Cape Route Wave”
- 3 – the “EFTA in the EEC Wave”
- 4 – the “German Wave”

He then goes on to list the shocks which the Portuguese economy has been a victim of since the end of the 20th century and continues by explaining the difficulties experienced by the Portuguese economy while highlighting the “four external shocks”:

- “Export-oriented dynamism of the emerging economies”
- “Expansion of the EU to the East”
- “Adherence to the Economic and Monetary Union (EMU)”
- “Significant increase in Portugal’s energy imports”

All of these led to a “worsening of external accounts” owing to the non-existence of “volume” and “variety” in the investments that have been made in Portugal since the year 2000 which have not been sufficient to obviate the difficulties that are currently being experienced.

This reminds us of the strong commitment made by major Portuguese companies such as Telecom, EDP, Galp Energia, Cimpor and large construction firms which knew how to multiply their post-EMU adherence external financing facilities and overcome the former impasse. This created the so-called “Brazil Wave”.

Taking his strategic thinking further, Félix Ribeiro points out the need for Portugal to not focus exclusively on a “collective expediency to globalisation”, i.e. the internationalisation of Portuguese companies, without considering the design of the new wave exporting “goods and services, contents and concepts”, without exploiting “the attraction of income coming from the outside”, without seeking to exploit market niches as less demanding of intensive capital as they are more differentiated in “competences and knowledge”, and without accepting the concentration of direct foreign investment in industrial activity for geostrategic added value.

Emphasising the internationally recognised capacities of the current generation of Portuguese technical personnel, he refreshes our collective memory when he enumerates the good practices that are cultivated in various public and private laboratories in the technical-scientific area, which includes engineering,

healthcare, computing, automation-robotics and biotechnologies, which has been positively evaluated by international juries from foreign centres of excellence and is for this very reason the object of foreign seduction.

He therefore proposes that Portugal, making use of its attractiveness factors and based on its geo-political, geo-economic and geo-historical advantages, should generate an Investment Wave XXI and try to incorporate within this: better developed services and concepts of “Reception, Health and Entertainment” and “Development, Construction, Mobility, Communication and Energy” and efficient German science and technology that has been tried and tested in the hundred-year-old, export-policy-based German practice, thus simultaneously contributing to growth and to European cohesion in a new era of Transatlantic Free Trade.

4.

Based on objective data published by AICEP (Portugal Global – Trade & Investment Agency) on the ten biggest German export companies in Portugal and by the weekly newspaper “Expresso” on the 1000 biggest companies in Portugal and on those that produce the forty top export products elected by A. Mateus & Associados, Fernando Ribeiro’s paper focuses on German companies in Portugal, whether satellites of German clusters or not, in order to place on record other companies, but here of a national conception using national technology and management, that operate alongside the former. Whenever possible quoting age, location and export share, Ribeiro points out how much this data can contribute to an understanding of the cause of German concerns with our national potential. Making reference to accounts written by German travellers, he explains that two of them, one written at the very end of the 18th century by the botanist Link and the other in the mid 19th century by the diplomat Lichnowsky, denounced not only the weaknesses of the kingdom but also the economic, commercial and political measures being advocated by Portugal in an attempt to reach a level that would enable it to boost its domestic resources – and external resources too since the powerful, almost universal reach of the Portuguese language is not forgotten either. The economist F. List argued in favour of the lessons to be learnt from England’s economic development. These were followed by Portugal, which understood the advantages of both free trade and competitive trade and the strategic union of Portugal with those states where such values as “love of work”, “order”, economic efficiency and moderation were observed. These values are somewhat similar to those Baron Renduffe claimed for the Prussians when he was the Portuguese plenipotentiary in Berlin: order, regularity, balance, austerity and far-sighted vision.

Turning to Eça de Queiroz, as both writer and journalist, Ribeiro goes on to develop criticism of Portugal's lack of ambition since the nation used to be respected as a country with the potential for an auspicious future in the light of the "Portuguese genius" were it not to forget, as Europe did, its most valuable patrimony: "historical sciences" and "social sciences", the sole counterweight to balance the unrestrained competitiveness that restricted the fraternal spirit underlying the founding of the "United States of Europe", a place of refuge for justice, freedom and law as on the other side of the Atlantic. Following this line of argument, proposals by Portuguese economists and CEO's are again taken up together with those of their contemporary foreign counterparts who, just like Eça did over a hundred years ago, demonstrate the values of a "strong civil society" and "intelligent austerity". This should be consolidated by an elite who are ready to help Portugal disembark with merit and a relevant role on the European ship as a way to survive the ocean of globalisation.

Finally, after placing the Portuguese question within the European context, and in the light of German thinkers and politicians such as U. Beck, H. G. Gadamer or Helmut Schmidt, the crux of, and the solution to, the current problem is once again discussed: the union of Europe and how to consolidate the European Union. Thus, solidarity between the centre of Europe and the periphery is highlighted as being the true path to bring all peoples to full sovereignty: to create citizens aware of the existence of the Culture of Humanity(ies) in the Other, a culture of which each one feels they are the regional living heritage, as a *sine qua non* condition for institutional management that is in effect advantageous when interacting with any commercial bloc or global policy so that Europe might continue to be "the most interesting part of the world" (Eça de Queiroz).

5.

The question is therefore: how to make Europe "the most interesting part of the world" in which to live in peace and in which the world might see itself at peace and as reflecting peace?

Could Europe survive without its dominance of raw materials, without its market of finished products, without the guaranteed work regime of its inhabitants? Will scientific advances – the control over which escapes it through global channels – enable it to capture this peace based on the "creed of the market" and on the Welfare State which it does not know how to sustain?

Unpleasantly pertinent, these questions bring us face-to-face with our future survival or future experience; they spring from the considerations of Professor

Adriano Moreira, who denounces the “neo-wealth” evident in the “lack of any real European governance”, the cause of the current crisis. The questions bring with them the counsel of age where experience advocates that international institutions like the UN Economic and Social Council be convened so as to activate paradigms of humanity and to avoid national sovereignty being pledged for generations to come and the disaggregation of Europe whose voice will become lost in the absence of any “strategic plan to achieve the governance of its unity”.

Professor Moreira returns to the theme and words of a lecture he gave at the Portuguese National Defence Institute (IDN) in October 2012. He stresses the importance of being aware of the power of the weak and the poor of Southern Europe, in countries such as Portugal, whose voices could contribute with their many centuries of experience, knowledge and action to enlightening others further to the North. In this way they might discover how to persist in using the power of the word against another’s word of power.

6.

The present work, although focusing on aspects relating to interaction that is advantageous for both Portugal and Germany, does not fail to call attention to the urgent problem currently being experienced within the heart of Europe of which these two countries, their respective states and nations, form part: the crisis. This opportune crisis can only be overcome if neither Europe nor Portugal lose hope but instead help to undertake urgent reforms.

Ultimately, it will be important to form new elites who, using present-day means of global communication, will be able to promote communication between Community citizens and institutions thereby overcoming the indifference and lack of interest that are clearly visible among the peoples and their legitimate Community representatives. Only thus would the former be provided with a consequent and more natural access to an understanding of a future shared trajectory and to the requisite commitment to exercise their civic and Community rights. In this way the new elites would be providing proof that they could keep up with the change enabled by the different means of communication and travel, the results of which will be visible to all through the assimilation of new ways of living – thinking and behaving. Nowadays, deprived of a reason for sacrifice – provided in the past in the form of an identifiable artificial catastrophe such as war – which generates a collective conscience of solidarity, it will be difficult for us to structure and engage any collective solidarity to resist a catastrophe such as financial speculation which is as artificial as it is abstract but with such dire consequences.

New elites will be imposed along with new reforms featuring new ways of enabling this transformation to transfer itself from the conscience of the national citizen to the transnational one without the institutions losing either their democratic or their egalitarian nature. Sovereignty will be maintained, but more so than under the States, within the conscience of the people – as far removed from dissatisfaction as they are from apathy – who will be mindful of any resistant political orientation and under transnational authority.

“Poverty” – the nature of the South; “wealth” – the nature of the North. Both of these resort to solidarity which in both cases leads to the rebirth of Culture. Or, as J. Habermas said in his *An Essay on the Constitution for Europe*:

The Union must guarantee what the Basic Law of the German Federal Republic calls the ‘uniformity of living standards’ (Art. 106, para. 3). This ‘uniformity’ refers only to a range of variation in *social* living conditions which is still acceptable from the perspective of distributive justice, not to the levelling of *cultural* differences. (J. Habermas, *An Essay on the Constitution for Europe*, Cambridge: Polity Press, 2012, p. 53)

7.

Europe, the European Union, will join together in a regional quarter fully within the global world where the ‘National-State’ dimension will enjoy a status that is much valued as a contributor of added value to both a new World Order and to the effectiveness of global justice within it – although not the focus of this volume, an aura of reflection with regard to the global space does hover over it.

The international community would gain if it could be transferred to the level where global accessibility communication long ago became available to consider the best judgement that underpins all the best decisions. The international community could not recoil from this as it is the head institution for competence and ethical performance. Its Security Council “would take the key decisions”, which would in turn be controlled by tribunals, with the “World Parliament” maintaining a reflective role on the global justice of a new UN where, according to Habermas, the defence of human rights and the abolition of violence would constitute the heart of its mission (id. *ibid.* p.126).

Reflection exclusively in such a place, in search of a “common ethos” and in the exclusive defence of human rights, would justify not only the issuing of norms of coercive law but above all would compel “global public opinion” to a determined and decisive commitment. This would be the reflection of the civilisa-