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***"FOREIGN ECONOMIC RELATIONS AND ECONOMIC
GROWTH IN PORTUGAL 1840-1990: A LONG TERM VIEW"***

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Abstract:

This paper is a summary of some recent contributions to the study of Portuguese international economic relations. It presents a general overview of the main features of the evolution of protection, foreign trade and economic growth in Portugal between the 1840s and the end of the 1980s. The analysis focus on some puzzling aspects of that evolution before the Second World War and on the import substitution and export-led growth strategies implemented after the Second World War. It concludes that, as expected, protectionist measures hindered economic growth, and free-trade measures fostered economic growth. Moreover, important inefficiencies caused by protectionism, which helped to preserve traditional patterns of specialization and to delay modernization, are identified both before and after the Second World War.

Resumo:

Este texto é uma síntese de algumas contribuições recentes para o estudo das relações internacionais da economia portuguesa. Apresenta uma visão geral dos aspectos principais da evolução da protecção, do comércio externo e do crescimento económico em Portugal entre os anos 40 do século 19 e o final dos anos 80 do século 20. A análise foca sobretudo alguns aspectos surpreendentes da evolução anterior à Segunda Guerra Mundial e as estratégias de substituição de importações e de crescimento arrastado pelas exportações implementadas em Portugal depois da Segunda Guerra Mundial. Conclui que, como seria de esperar, as medidas proteccionistas prejudicaram o crescimento económico e as medidas livre-cambistas promoveram o crescimento económico. Além disso, são identificadas, tanto antes como depois da Segunda Guerra Mundial, importantes ineficiências provocadas pela protecção, que ajudaram a preservar padrões tradicionais de especialização e a adiar a modernização.



1. A general overview of Portuguese foreign economic relations.

This paper is a discussion of the role of foreign economic relations in the process of Portuguese economic growth based on long-term statistics from the mid-19th century to the end of the 1980s.

The analysis begins with a general overview of the evolution of protection, foreign trade and economic growth in Portugal (section 1). Section 2 tries to explain some puzzling relations existing before the Second World War, when the Portuguese economy remained rather closed to foreign trade and its growth was intermittent. Section 3 turns to a more detailed analysis of policy options during the post-Second World War years, when a quantitative increase in Portuguese foreign economic relations and an acceleration of Portuguese economic growth are apparent, in spite of some predominance of the import substitution strategy over the export-led growth strategy. In both periods protection had deep consequences in the pattern of specialization of the Portuguese economy, delaying modernization and causing significant inefficiencies.

- Long term trends of tariff protection, foreign trade and economic growth.

Table 1 presents a summary of the evolution of the main indicators of tariff protection, foreign trade and economic growth in Portugal. Long term trends coincide with what might be expected from the general evolution of the world economy: there was a decline in tariff protection, an increase in the importance of foreign trade, and some economic growth. These long term trends were, however, often interrupted for long periods. Moreover, when specific periods are considered, it does not immediately follow from the table either a permanent relation between the degree of openness and economic growth or a good match of actual levels of tariff protection (measured by the averages and time trends of the ratios of import duties to imports) and political purposes (stressed in the laws that enacted Portuguese tariffs). At the same time, there is an almost permanent trade deficit, what raises the problem of the financing of imports, and, more generally, of the overall balance of foreign payments.

- The 1840s.

During the 1840s, it was the protectionist doctrine that prevailed in shaping the institutional background of Portuguese foreign trade, according to the 1837 tariff. Thus, a whole framework of specific duties, quantitative restrictions and import licensing schemes was set up to protect the Portuguese economy from foreign competition. Data is too scanty to allow the identification of the trends of the ratios of import duties to imports, of imports to gross domestic product, and of exports to gross domestic product. Anyway, it is possible to say that the ratio of import duties to imports was rather high and that the importance of foreign trade in economic life remained at a low level. At the same time, there was a stagnation of real per capita gross domestic product.

- From the 1850s to the 1880s.

In the early 1850s, the free-trade doctrine made some progress in shaping the institutional background of Portuguese foreign trade. The 1852 tariff reduced specific duties, and most quantitative restrictions and import licensing schemes were dropped until the mid-1860s. Anyway, specific duties remained rather high, not only for protectionist reasons, but also because they were a crucial item of the state revenue.

The drive to freer trade was not straightforwardly translated into the quantitative evidence. As a matter of fact, during the following decades, the ratio of import duties to imports was lower in average than in the previous period but tended to increase, and the ratios both of imports and of exports to gross domestic product were higher in average than in the previous period but tended to decline. As a consequence, the degrees of tariff protection and of openness of the Portuguese economy in the late 1880s did not show a significant improvement in what concerns the integration in the international economy when compared with those of the 1840s. At the same time, there was a positive time trend of real per capital gross domestic product.

- From the 1890s to the First World War.

The 1890s and the early 20th century witnessed the recovery of protectionism as the doctrine shaping the institutional background of Portuguese foreign trade. In particular, specific tariffs were raised, according to the 1892 tariff, and quantitative restrictions and import licensing schemes were reestablished. At the same time, schemes of imperial preference among Portugal and its recently much extended colonial empire were implemented.

Once more, the quantitative evolution was not in accordance with the official aims: the ratio of import duties to imports decreased; the ratio of imports to gross domestic product increased, coming back to the mid-19th century levels; and the ratio of exports to gross domestic product stagnated. At the same time, real per capita gross domestic product tended to stagnate again.

- The world wars and the inter-war period.

During the world wars and the inter-war period, the institutional background of Portuguese foreign trade remained rather similar to the one that had existed since the 1890s. The main novelties were the upheavals resulting from the wars, which led to a temporary tightening of administrative controls of foreign trade. The quantitative results were somewhat mixed. The war and immediate post-war years saw decreases of the ratio of import duties to imports (due to price increases in the context of specific duties), and increases in the ratios both of exports and imports to gross domestic product (resulting from the fact that domestic economic activity was more hurt by the wars than foreign trade - this may simply be a consequence of the bad quality of the estimates of gross domestic product for the war and immediate post-war years). However, long term trends tended to be not very significant, specially in the case of the ratio of exports to gross domestic product. At the same time, real per capita gross domestic product resumed its growth, in spite of the recessions that accompanied the wars, specially the First World War, and in spite of the absence of a clearly growing importance of foreign trade.



- The post-Second World War years.

The post-Second World War years saw significant changes in the institutional background of Portuguese foreign trade. Portugal was one of the founding members of the European Organization for Economic Cooperation (EOEC) in 1948. When the EOEC split into two rival trade blocks, the European Economic Community (EEC) and the European Free Trade Association (EFTA) in the late 1950s, Portugal became one of the founding members of the EFTA by the Stockholm convention of 1959. In 1961, there was an attempt to transform the schemes of imperial preference among Portugal and its colonies into a formal Portuguese free trade zone. Such attempt lasted only for nearly one decade: the Portuguese free trade zone collapsed for most practical matters in 1971, because of balance of payments problems in the main colonies, and any hope of revival was destroyed by decolonization in 1974-1975. In 1962, Portugal became a member of the General Agreement on Tariffs and Trade (GATT). In the early 1970s, the reshuffling of the membership of the two West European trade blocks led Portugal to negotiate a treaty for formal association to the EEC, which was implemented in 1973 and revised in 1976. The next year, Portugal applied for full membership of the EEC. Negotiations dragged for nearly one decade. Portugal became a member of the EEC in 1986.

These post-Second World War institutional changes led Portugal not only to reduce its average degree of tariff protection, but also to drop most quantitative restrictions and import licensing schemes (and to replace specific duties by ad valorem duties). In the long term, the trend for less protection is undoubted, and the quantitative consequences were those that could be expected: the ratio of import duties to imports decreased, and the ratios of both exports and imports to gross domestic product increased. Nowadays, import duties are quite low, exports account for nearly one third of gross domestic product, and imports account for more than two fifths of gross domestic product. At the same time, real per capita gross domestic product experienced a very high growth between the late 1940s and the early 1970s, and such a positive trend remained thereafter, in spite of temporary setbacks in the mid-1970s, the early 1980s, and the early 1990s. In this period, economic growth clearly coincided for the first time with an epoch of increasing importance of foreign trade.

- A sum up.

It is possible to draw the following fundamental conclusions from the preceeding analysis:

a) The Portuguese economy remained rather closed to foreign trade, specially considering its small size, until the First World War and even until the Second World War. Moreover, there was no permanent time trend towards higher ratios of foreign trade to gross domestic product until at least the last decade of the 19th century, and such increasing time trend remained rather sluggish until the Second World War. (See figure 1).

b) The ratios of import duties to imports and of imports to gross domestic product usually presented the expected opposite evolution (exceptions corresponded to periods of absence of significant time trend in one of the variables). (See figure 2).

c) Until the First World War, real per capita gross domestic product tended to increase during periods of decreasing ratios of foreign trade to gross domestic product (between the 1850s and the 1880s) and to stagnate during periods of increasing ratios of foreign trade to gross domestic product (after the 1890s and perhaps also before the 1850s). Only after the First World War, there existed a positive relation between the ratios of foreign trade to gross domestic product and the evolution of real per capita gross domestic product. (See figure 3).

- Overall balance of payments.

Before proceeding, attention must be also drawn to one striking feature of the long term evolution of the Portuguese foreign trade: the almost permanent deficit of the balance of trade. As a matter of fact, between the 1840s and the 1980s, 1941, 1942 and 1943 were the only years to show a surplus of exports over imports. (See figure 1).

This feature may be explained by the fact that the Portuguese economy always benefited from significant superavits in other items of the balance of payments. Private transfers resulting from emigrants remittances (since the early 19th century and even before), foreign loans and investments (since the mid-19th

century), and tourist expenditures (since the early 20th century, and specially since the mid-20th century) were the main positive items of the balance of payments. The overall result for the balance of payments fluctuated widely. The main foreign payments crises occurred in the early 1890s, in the post-First World War and post-Second World War years, and in the wake of the oil-shocks in the mid-1970s and early 1980s, but there were never persistent balance of payments problems. Anyway, short-term problems of the balance of payments both in the 1890s and in the 1970s helped to trigger protectionist measures (besides leading to significant devaluations). (See figure 4).

The trade surpluses of 1941, 1942 and 1943 may be explained by the increase in the demand of tungsten ore resulting from the needs of the belligerent powers for the armament industry, and by the reduction in the accessibility of the main traditional world suppliers (specially China).

2. Before the Second World War: ups and downs of protection, foreign trade and economic growth.

The evolution identified for the period before the Second World War, specially between the mid-19th century and the First World War, presents some puzzling features that deserve some further attention. First of all, there is a systematic divergence between the purposes of the laws that enacted new tariffs and the quantitative evidence: alleged protectionist periods are periods of declining tariff protection and of increasing importance of foreign trade, and alleged freer trade periods are periods of increasing tariff protection and of decreasing importance of foreign trade. Moreover, as already pointed out, there seems to exist a negative relation between the importance of foreign trade and economic growth.

- Protectionism versus freer trade: purpose and practice.

It is possible to explain the divergence between the alleged purposes of government policy and the evidence of table 1, in what concerns the degrees of protection and of openness of the Portuguese economy between the mid-19th century and the First World War, considering the evolution of import prices and the role of non-tariff protection.

The evolution of import prices was decisive in what concerns industrial commodities. As Portugal was a poorly industrialized country, a significant part of its imports was formed by manufactured commodities. Once tariff laws always enacted specific duties, import duties were not sensitive to import prices, and their ratio to imports tended to have a negative correlation with import prices. The period of intended freer trade between the 1850s and the 1880s coincided with a period of falling import prices; thus, the ratio of import duties to imports tended to increase and imports were discouraged. The period of intended protectionism between the 1890s and the First World War coincided with a period of rising import prices; thus, the ratio of import duties to imports tended to decrease and imports were fostered.

Where the role of non-tariff protection was specially important, and this was the case of agricultural commodities, among them mainly cereals, the evolution of imports had other causes. The question must be dealt in connection with the problem of the impact of protectionism and freer trade on economic growth.

- Protectionism versus freer trade: impact on economic growth.

Relative prices and the rules about cereal imports played a crucial role, both in the evolution of the composition of cereal supply in Portugal, and in shaping the allocation of resources in the whole Portuguese agricultural sector (which still had an overwhelming weight in Portuguese economic activity - agriculture accounted for around three quarters of gross domestic product in the mid-19th century, and to around half of the gross domestic product on the eve of the First World War). To support a more detailed analysis of the problem, some data relating to wheat prices and supply is presented in table 2.

The period of intended protectionism until the 1850s witnessed the enacting of quantitative restrictions and of licensing schemes for cereal imports, which promoted domestic cereal production. Anyway, domestic prices were still clearly lower than import prices, and domestic production was able to fulfil almost all domestic needs.

The period of intended freer trade between the 1850s and the 1880s was characterized by the lifting of all restrictions (and by a significant reduction of import duties) on cereal imports. At the same time, import prices presented a falling trend that gradually brought them to the same level of domestic prices. As a consequence, there was some replacement of domestic by foreign cereal supply: foreign supply rose to nearly one tenth of total supply.

The period of intended protectionism after the 1890s saw the coming back of quantitative restrictions and of licensing schemes for cereal imports (and a slight increase in import duties on cereals). This prevented domestic cereals, now clearly dearer than imported cereals, from losing much of the domestic market. Anyway, imports went on growing, because domestic production was unable to fulfil all the increase in domestic demand resulting from population growth. Thus, the degree of openness of the Portuguese market to foreign cereals increased, not as a consequence of foreign trade policies, but as a consequence of some inelasticity of domestic production.

The consequences for the allocation of resources of the trade policies in the Portuguese agricultural sector were quite significant. During the period of intended freer trade, resources were drawn away from the inefficient cereal production into the much more efficient fruit, vegetables, animal and wine productions; during the period of intended protectionism, resources were drawn to the rather inefficient cereal production. The evolution of the wheat prices reflects such trends: periods of intended protectionism witnessed increasing domestic wheat prices, resulting from the cultivation of marginal lands; the period of freer trade witnessed at least stagnating domestic wheat prices, resulting from the reduction of cultivation to adequate lands.

The consequences for economic growth can be summarized as follows: during the period of intended freer trade, economic growth was benefited, directly because of the more efficient allocation of resources in the agricultural sector, indirectly because cheaper food meant lower relative wages and higher competitiveness in an international context for all sectors; during the period of intended protectionism, economic growth was handicapped, directly because of the less efficient allocation of resources in the agricultural sector, indirectly because dearer food meant higher relative wages and lower competitiveness in an international context for all sectors.

It is impossible to go here into further details about the social, economic and political processes that shunted the Portuguese economy into the inefficient protectionist policy until the 1840s and again in the late 19th century. Anyway, it is important to stress that it is not suggested that protectionism was the only reason for the stagnation trend of the second quarter of the 19th century, and of the 1890s and early 20th century. However, it certainly played some role in those periods of retardation of Portuguese economic growth.

3. The second half of the 20th century: import substitution versus export-led growth.

The post-Second World War years saw a significant economic growth, a significant reduction of the ratio of import duties to imports and significant increases in the ratios of exports and imports to gross domestic product as pointed out above.

In spite of this setting, the post-Second World War years cannot be characterized by throughout liberalization. The period witnessed a debate between those who supported an import-substitution strategy and those who supported an export-led growth strategy as the principle to tackle foreign trade in the development policy, and the first strategy had the upper hand until Portugal became a member of the European Community, except for the late 1960s and early 1970s. Such option had decisive implications in shaping the pattern of specialization of the Portuguese economy, promoting traditional and less efficient sectors, and eventually acting as a brake to economic growth.

- The import substitution policy until the 1960s.

The import substitution policy clearly predominated until the 1960s. Portugal had to abandon most quantitative restrictions and import licensing schemes towards European countries in the context of the European Organization for Economic Cooperation. However, such liberalization was not extended to the rest of the world, and there was some increase in import duties to compensate for it. Moreover, differentials in import duties corresponded to the pattern of high protection in consumer goods and low protection in capital goods typical of the early stages of import substitution policies. High rates of tariff protection and mainly tariff effective protection in the consumer goods sectors even extended to the products that supplied most of the exports. A most interesting case is provided by textiles and clothing. A possible explanation for the protection of such a traditional labour-intensive sector might have been the political purpose to guarantee employment stability.

At the same time, the introduction of some basic industries, such as iron and steel, was one of the priorities of the Development Plans of the 1950s and 1960s

and infant industry arguments were put forward to justify the protection needed for their beginnings. In the case of these sectors, however, protection was not basically provided by tariffs, but by quotas and administrative restrictions to imports.

Besides trade protection, a scheme of government authorization for the most important investments, the so-called industrial conditioning [condicionamento industrial], which had been implemented during the 1930s as a response to the Great Depression, was maintained after the Second World War, with a significant impact on industrial productive capacity. This scheme protected established industries from internal competition and was also used as a device to keep out foreign investment.

These policies may have contributed to economic growth, but allowed, at the same time, the survival of many inefficiencies. In order to lower costs in consumer goods industries, some industries producing intermediate and capital goods were stimulated, while others were almost prevented because of the absence of protection. Even among export industries, protection against external competitors allowed the survival of firms with low levels of competitiveness, raising internal prices and creating the basis for price discrimination in internal and foreign market by efficient firms.

The decision to join EFTA instead of EEC in the late 1950s may be understood in the context of the dominant import substitution strategy. Such choice is usually related to four main reasons: a) Great Britain, which still was the main trade partner of Portugal, also choose not to join the EEC; b) Portugal wanted to preserve the schemes of imperial preference with its colonies, what would have been impossible in the context of the EEC; c) there were some fears about the effects for the Portuguese economy of belonging to the same customs union than some of the main economic powers of Europe; d) there were also some fears of the political impact of the EEC choice on the Portuguese authoritarian regime of the time. Moreover, Portugal was able to obtain a special treatment under annex G of the Stockholm convention: firstly, it was allowed a much slower reduction of its protectionist devices than the reduction imposed on its EFTA partners (there was a maximum period of 20 years for total elimination of import duties by Portugal instead of the 10 years period that benefited its exports); secondly, it received some advantages for exporting its agricultural products.

To sum up: import substitution remained the industrial policy guideline at least until the mid-1960s. It may be even said that the reduction of protection imposed by accepted international agreements was somewhat reluctantly made: liberalization in

the European context was slowed down and schemes of non-tariff protection and government subsidies partially replaced the tariff protection.



- The export-led growth strategy of the late 1960s and early 1970s.

However, the export opportunities afforded by the opening of British, Scandinavian and Alpin markets to Portuguese commodities in the context of EFTA paved the way to a switch to an export-led growth strategy in the late 1960s and early 1970s. Such a switch was also fostered by the idea that European economic integration was becoming irreversible, the more because Great Britain, the main Portuguese trade partner, was trying to join EEC. The need to respond to the European challenge became the leit-motiv of official endeavours, and for a while priority was given to the idea that competitiveness, not sheltering of the domestic market from foreign commodities, was the key to sustained economic growth.

Some hesitations can nevertheless be pointed out. The industrial conditioning scheme was maintained to avoid high adjustment costs, specially in sectors with significant scale economies. Non-tariff protection and a policy of government subsidies were also maintained as an instrument of industrial policy, which aimed at the development of some capital goods sectors.

The 1972 treaty for association to EEC presented some similarities to the special treatment Portugal had obtained in the 1959 Stockholm Convention. A maximum period of 13 years for total elimination of import duties was given to Portugal contrasting with the 8 years period for its trade partners. Moreover, most of the advantages already obtained in the trade with ex-EFTA members were retained.

- The resurgence of import substitution during the late 1970's and early 1980s.

Curiously enough, the association to EEC and application for full membership of the Community in the mid-1970s coincided with a resurgence of the import substitution perspective, which remained until Portugal became an EEC member in 1986.

Such evolution was partly a consequence of external payments problems. Actually, the international crisis and the internal political upheavals of the mid-1970s meant a reversal of the balance of payments surpluses that had existed

since the post-Second World War years. The Portuguese government increased import duties by creating a new tax on account of external problems and implemented administrative restrictions to imports in an attempt to avoid a suspension of external payments. At the same time, however, claims that the country had to profit from the period before full integration in the European economy to develop some industrial sectors were also put forward, to support the resurgence of the import substitution outlook.

The increase in import duties was formally presented as an additional on existing import duties to comply to GATT, EFTA and EEC rules, but was in fact a very extensive scheme, affecting most commodities and impinging also on EFTA and EEC members. Criteria for implementing administrative protection were somewhat unclear, but it may be said that it was mainly based in lobbying. All these measures contributed once more to the survival of significant inefficiencies in the Portuguese economy. They benefited consumer goods, non-qualified labour intensive industries. Thus, they contributed to maintain the previous pattern of specialization in a fast changing world.

In the early 1980s there was an increase of tariff protection against non-European countries which may be understood in this context of an import-substitution outlook, and was also an attempt to win some manoeuvring space in negotiations with EEC.

- The coming back of the export-led growth strategy since the early 1980s.

To become a member of the EEC implied full liberalization of trade with the Community, and a significant decrease of protection towards the rest of the world. The last strongholds of protection surrendered more or less reluctantly, and stress on the competitiveness in international markets became the key policy guideline again. The late 1980s witnessed the sensible return to export-led growth perspectives.

It is still too early to dress the bilan of such an evolution. It is true that economic growth resumed its pace in the late 1980s, but it is also true that liberalization of foreign trade forced Portugal to start changing its traditional pattern of specialization. As a matter of fact, it has to compete with thriving outsiders in the range of less sophisticated goods which were its traditional staples, and it is necessary to switch to higher quality types of these goods, and perhaps even to the range of high technology goods in which it has to compete with its most developed EEC partners and other developed economies. Unfortunately, the short term

market situation is not always a good signal in such strategical decisions. Anyway, it is perhaps possible to extract an optimistic prospective from the fact that the past experience of the Portuguese economy usually associated higher importance of foreign trade and higher growth, even when aggregate figures seem to tell another story.

Table 1 - Evolution of the main indicators of protection, foreign trade and economic growth in Portugal

period	data	exports/ /gdp (%)	imports/ /gdp (%)	import duties/ /imports (%)	real per capita gdp (1914 escudos)
1842-1851	average value	3	5	27	107
1852-1891	average value	4	6	32	127
	time trend	-	-	+	+
1892-1913	average value	4	7	29	159
	time trend	0	+	-	0
1914-1945	average value	7	15	17	174
	time trend	+	0	+	+
1946-1990	average value	16	28	9	635
	time trend	+	+	-	+
1842-1990	average value	9	16	20	291
	time trend	+	+	-	+

Conventions: + indicates a raising time trend; 0 indicates the absence of significant time trend; - indicates a decreasing time trend.

Source - Our computation based on data from the statistical appendix.

Table 2 - Wheat prices and supply

period	data	wheat prices		wheat supply	
		imports (réis/kg)	domestic (réis/kg)	imports (%)	domestic (%)
1842-1851	average value	50	29	+ 0	100
1852-1891	average value	47	42	9	91
	time trend	-	0	+	-
1892-1913	average value	42	55	14	86
	time trend	+	+	0	0

Conventions: + indicates a raising time trend; 0 indicates the absence of significant time trend; - indicates a decreasing time trend.

Source - Our computation based on Sousa, 1990 for wheat prices and on Lains, 1992 for wheat supply.

Figure 1 - Ratios of exports and imports to gross domestic product.

Source - Statistical appendix, table 1.2.

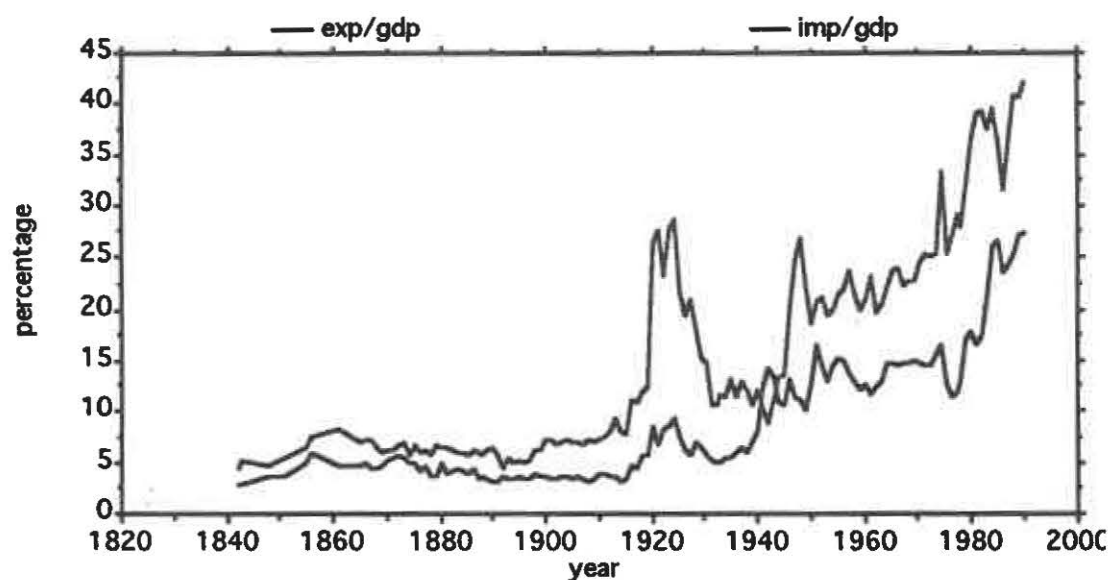


Figure 2 - Ratios of import duties to imports and of imports to gross domestic product.

Source - Statistical appendix, table 1.2.

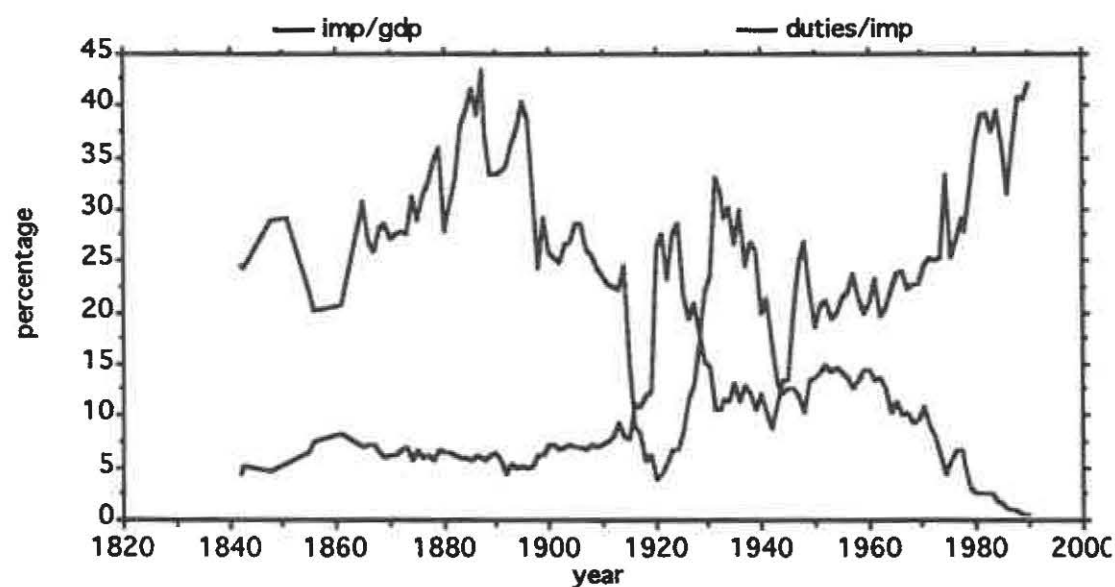


Figure 3 - Ratio of total foreign trade to gross domestic product and real per capita gross domestic product.

Source - Statistical appendix, tables 1.2 and 3.1.

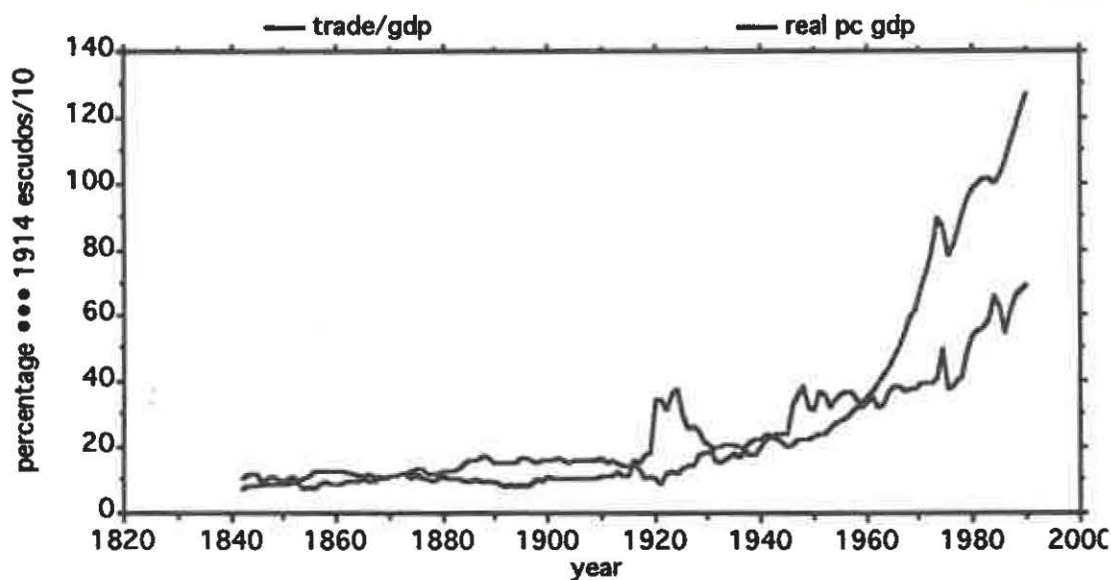
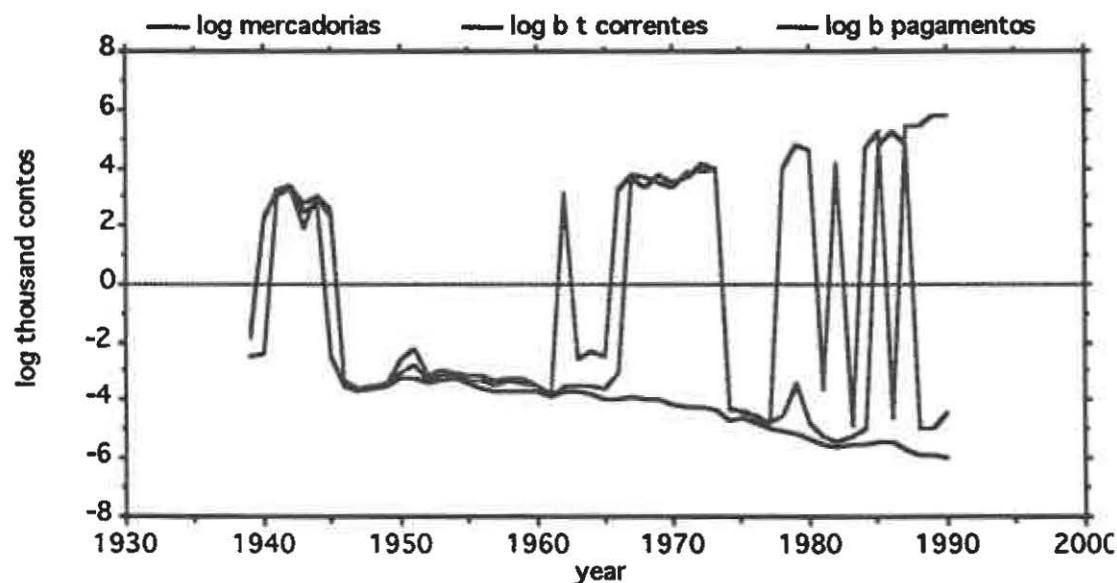


Figure 4 - Trade balance, balance of current transactions and overall balance of payments.

Source - Statistical appendix, tables 2.1 and 2.2.



STATISTICAL APPENDIX

Plan:

Part 1 - Foreign trade

Table 1.1 - Foreign trade absolute figures

Table 1.2 - Foreign trade ratios

Technical notes

Part 2 - Balance of payments

Table 2.1 - Balance of current accounts

Table 2.2 - Overall balance of payments

Technical notes

Part 3 - Gross domestic product

Table 3.1 - Gross domestic product

Technical notes

Part 1 - Foreign trade

Table 1.1 - Foreign trade absolute figures

year	exports	imports	trade superavit (+) or deficit (-)	total foreign trade	import duties
	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos
1842	7	10	-3	16	2
1843	7	12	-5	19	3
1844	.	.	.	.	.
1845	.	.	.	.	.
1846	.	.	.	.	.
1847	.	.	.	.	.
1848	8	11	-2	19	3
1849	.	.	.	.	.
1850	.	.	.	.	.
1851	8	12	-4	20	4
1852	.	.	.	.	.
1853	.	.	.	.	.
1854	.	.	.	.	.
1855	12	16	-4	28	4
1856	15	19	-4	35	4
1857	.	.	.	.	.
1858	.	.	.	.	.
1859	.	.	.	.	.
1860	.	.	.	.	.
1861	14	25	-11	38	5
1862	.	.	.	.	.
1863	.	.	.	.	.
1864	.	.	.	.	.
1865	16	24	-8	41	8
1866	17	25	-8	42	7
1867	16	26	-10	42	7
1868	16	24	-8	40	7

year	exports	imports	trade superavit (+) or deficit (-)	total foreign trade	import duties
	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos
1869	17	22	-5	40	6
1870	20	24	-4	44	7
1871	21	24	-2	45	6
1872	23	27	-4	50	8
1873	24	30	-7	54	8
1874	23	27	-4	50	8
1875	24	34	-9	58	10
1876	21	30	-9	51	9
1877	23	31	-8	54	10
1878	18	29	-10	47	10
1879	18	33	-15	51	12
1880	25	32	-8	57	9
1881	21	33	-13	54	10
1882	23	34	-11	56	11
1883	23	31	-8	54	12
1884	23	33	-10	55	13
1885	23	33	-10	55	14
1886	26	37	-11	63	15
1887	21	37	-16	58	16
1888	23	38	-15	62	14
1889	23	42	-18	65	14
1890	22	44	-23	66	15
1891	21	40	-18	61	13
1892	25	31	-6	55	10
1893	23	38	-15	62	14
1894	24	36	-12	60	14
1895	27	40	-13	67	16
1896	26	40	-13	66	15
1897	27	40	-13	68	13
1898	31	49	-18	80	12
1899	29	51	-22	79	15

year	exports	imports	trade superavit (+) or deficit (-)	total foreign trade	import duties
	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos
1900	31	60	-29	91	16
1901	28	58	-29	86	15
1902	28	56	-27	84	14
1903	31	59	-28	89	16
1904	31	62	-31	93	17
1905	29	61	-32	90	17
1906	31	60	-30	91	17
1907	30	62	-31	92	16
1908	28	67	-39	96	17
1909	31	65	-34	96	16
1910	36	70	-34	105	16
1911	34	68	-34	102	16
1912	34	75	-40	109	17
1913	35	89	-54	124	20
1914	27	69	-42	96	17
1915	34	76	-42	110	12
1916	56	129	-73	185	12
1917	55	137	-82	192	11
1918	83	178	-95	261	10
1919	107	229	-122	336	14
1920	222	691	-469	913	26
1921	225	933	-708	1158	40
1922	444	1252	-808	1696	69
1923	684	2229	-1545	2913	147
1924	949	2958	-2009	3907	198
1925	862	2484	-1622	3346	213
1926	736	2342	-1606	3078	271
1927	723	2663	-1940	3386	342
1928	1029	2679	-1650	3708	455
1929	1073	2529	-1456	3602	554
1930	945	2406	-1461	3351	565

year	exports	imports	trade superavit (+) or deficit (-)	total foreign trade	import duties
	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos
1931	812	1674	-862	2486	552
1932	791	1707	-916	2498	539
1933	802	1905	-1103	2707	555
1934	909	1965	-1056	2874	595
1935	923	2294	-1371	3217	612
1936	1026	1994	-968	3020	599
1937	1202	2353	-1151	3555	578
1938	1139	2300	-1161	3439	619
1939	1336	2077	-741	3413	543
1940	1619	2441	-822	4060	483
1941	2972	2468	504	5440	528
1942	3939	2477	1462	6416	421
1943	4035	3323	712	7358	437
1944	3166	3920	-754	7086	479
1945	3237	4050	-813	7287	510
1946	4587	6857	-2270	11444	867
1947	4307	9445	-5138	13752	1131
1948	4295	10351	-6056	14646	1073
1949	4089	9043	-4954	13132	1225
1950	5334	7879	-2545	13213	1071
1951	7559	9472	-1913	17031	1348
1952	6811	9988	-3177	16799	1488
1953	6283	9513	-3230	15796	1357
1954	7297	10085	-2788	17382	1484
1955	8165	11453	-3288	19618	1641
1956	8621	12725	-4104	21346	1738
1957	8289	14422	-6133	22711	1845
1958	8299	13809	-5510	22108	1874
1959	8351	13681	-5330	22032	1990
1960	9408	15695	-6287	25103	2273
1961	9373	18863	-9490	28236	2548



year	exports	imports	trade superavit (+) or deficit (-)	total foreign trade	import duties
	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos
1962	10632	16830	-6198	27462	2299
1963	12024	18866	-6842	30890	2390
1964	14831	22377	-7546	37208	2341
1965	16573	26553	-9980	43126	3029
1966	17812	29406	-11594	47218	2992
1967	20166	30453	-10287	50619	3112
1968	21917	33858	-11941	55775	3112
1969	24526	37262	-12736	61788	3533
1970	27299	45495	-18196	72794	4896
1971	30248	52416	-22168	82664	4786
1972	35255	60684	-25429	95939	4890
1973	45410	74776	-29366	120186	4725
1974	58014	118095	-60081	176109	5128
1975	49328	99474	-50146	148802	5581
1976	55089	130859	-75770	185948	8916
1977	77685	190684	-112999	268369	12797
1978	106451	230128	-123677	336579	11650
1979	176051	331927	-155876	507978	10551
1980	231623	475486	-243863	707109	12107
1981	256913	609014	-352101	865927	15600
1982	331743	756981	-425238	1088724	19087
1983	508568	899340	-390772	1407908	23006
1984	760580	1160633	-400053	1921213	19721
1985	971747	1326529	-354782	2298276	22041
1986	1082261	1444026	-361765	2526287	16236
1987	1311003	1965315	-654312	3276318	18449
1988	1581231	2555163	-973932	4136394	18899
1989	2015711	3003196	-987485	5018907	18956
1990	2335798	3589560	-1253762	5925358	21703

Table 1.2 - Foreign trade ratios

year	exports/ /gross domestic product %	imports/ /gross domestic product %	trade balance/ /g. d. p. %	total foreign trade/ /g. d. p. %	import duties/ /imports %
1842	3	4	-1	7	24
1843	3	5	-2	8	24
1844	.	.	.	.	.
1845	.	.	.	.	.
1846	.	.	.	.	.
1847	.	.	.	.	.
1848	4	5	-1	8	29
1849	.	.	.	.	.
1850	.	.	.	.	.
1851	4	5	-2	9	29
1852	.	.	.	.	.
1853	.	.	.	.	.
1854	.	.	.	.	.
1855	5	6	-2	11	22
1856	6	7	-2	13	20
1857	.	.	.	.	.
1858	.	.	.	.	.
1859	.	.	.	.	.
1860	.	.	.	.	.
1861	5	8	-4	13	21
1862	.	.	.	.	.
1863	.	.	.	.	.
1864	.	.	.	.	.
1865	5	7	-2	12	31
1866	5	7	-2	12	27
1867	4	7	-3	12	26
1868	4	7	-2	11	28
1869	5	6	-1	10	29
1870	5	6	-1	11	27
1871	6	6	-1	12	28

year	exports/ /gross domestic product %	imports/ /gross domestic product %	trade balance/ /g. d. p. %	total foreign trade/ /g. d. p. %	import duties/ /imports %
1872	6	7	-1	12	28
1873	5	7	-2	12	28
1874	5	6	-1	11	31
1875	5	7	-2	12	29
1876	4	6	-2	10	31
1877	5	6	-2	11	33
1878	4	6	-2	9	35
1879	4	7	-3	10	36
1880	5	6	-2	11	28
1881	4	6	-2	10	31
1882	4	6	-2	11	33
1883	4	6	-2	10	38
1884	4	6	-2	10	40
1885	4	6	-2	10	42
1886	4	6	-2	10	39
1887	3	6	-3	9	44
1888	4	6	-2	9	37
1889	3	6	-3	10	33
1890	3	7	-3	10	33
1891	3	6	-3	9	34
1892	4	4	-1	8	34
1893	3	5	-2	9	36
1894	3	5	-2	8	38
1895	4	5	-2	9	40
1896	3	5	-2	8	39
1897	3	5	-2	9	32
1898	4	6	-2	10	24
1899	4	6	-3	10	29
1900	4	7	-3	11	26
1901	3	7	-4	11	25
1902	3	7	-3	10	25
1903	4	7	-3	11	27

year	exports/ /gross domestic product %	imports/ /gross domestic product %	trade balance/ /g. d. p. %	total foreign trade/ /g. d. p. %	import duties/ /imports %
1904	4	7	-4	11	27
1905	3	7	-4	10	29
1906	4	7	-3	10	29
1907	3	7	-3	10	26
1908	3	7	-4	10	26
1909	3	7	-4	10	24
1910	4	7	-4	11	23
1911	4	8	-4	11	23
1912	4	8	-4	12	22
1913	4	9	-6	13	22
1914	3	8	-5	11	25
1915	3	8	-4	11	15
1916	5	11	-6	16	9
1917	4	11	-7	15	8
1918	6	12	-6	18	6
1919	6	12	-7	18	6
1920	8	26	-18	35	4
1921	7	28	-21	34	4
1922	8	23	-15	31	6
1923	8	28	-19	36	7
1924	9	29	-20	38	7
1925	8	22	-14	29	9
1926	6	19	-13	25	12
1927	6	21	-15	27	13
1928	7	18	-11	25	17
1929	6	15	-9	22	22
1930	6	15	-9	21	23
1931	5	11	-5	16	33
1932	5	11	-6	15	32
1933	5	12	-7	16	29
1934	5	11	-6	17	30
1935	5	13	-8	19	27

year	exports/ /gross domestic product %	imports/ /gross domestic product %	trade balance/ /g. d. p. %	total foreign trade/ /g. d. p. %	import duties/ /imports %
1936	6	11	-6	17	30
1937	7	13	-6	19	25
1938	6	12	-6	18	27
1939	7	11	-4	18	26
1940	8	12	-4	20	20
1941	12	10	2	23	21
1942	14	9	5	23	17
1943	13	11	2	25	13
1944	11	13	-3	24	12
1945	11	13	-3	24	13
1946	13	20	-7	33	13
1947	11	25	-13	36	12
1948	11	27	-16	38	10
1949	10	22	-12	32	14
1950	13	19	-6	31	14
1951	17	21	-4	37	14
1952	15	21	-7	36	15
1953	13	19	-7	32	14
1954	14	20	-6	34	15
1955	15	21	-6	37	14
1956	15	22	-7	37	14
1957	14	24	-10	37	13
1958	13	21	-9	34	14
1959	12	20	-8	32	15
1960	13	21	-8	34	14
1961	12	23	-12	35	14
1962	12	20	-7	32	14
1963	13	20	-7	33	13
1964	15	22	-8	37	10
1965	15	24	-9	38	11
1966	15	24	-9	38	10
1967	15	22	-8	37	10

year	exports/ /gross domestic product %	imports/ /gross domestic product %	trade balance/ /g. d. p. %	total foreign trade/ /g. d. p. %	import duties/ /imports %
1968	15	23	-8	37	9
1969	15	23	-8	38	9
1970	15	25	-10	39	11
1971	15	25	-11	40	9
1972	15	25	-11	40	8
1973	15	25	-10	41	6
1974	16	33	-17	50	4
1975	13	25	-13	38	6
1976	11	27	-16	38	7
1977	12	29	-17	41	7
1978	13	28	-15	41	5
1979	17	32	-15	49	3
1980	18	36	-19	54	3
1981	16	39	-23	56	3
1982	17	39	-22	57	3
1983	21	38	-16	59	3
1984	26	40	-14	66	2
1985	27	36	-10	63	2
1986	24	31	-8	55	1
1987	24	37	-12	61	1
1988	25	41	-16	66	1
1989	27	41	-13	68	1
1990	27	42	-15	69	1

Technical notes

Data of Portuguese foreign trade presented are official figures taken from the following sources published by the Instituto Nacional de Estatística, Lisboa (several issues):

- 1842, 1843, 1848, 1851, 1855, 1856, 1861, and 1865-1877 - Mappas geraes do commercio de Portugal com as suas possessões e as nações estrangeiras;
- 1878-1896 - Commercio do Continente do Reino e Ilhas com os paizes estrangeiros e as provincias ultramarinas;
- 1897-1920 - Commercio e navegação;
- 1921-1990 - Estatísticas do comércio externo.

Exports are valued in a f. o. b. basis and imports are valeud in a c. i. f. basis.

Pedro Lains has recently published revised series of Portuguese foreign trade for the years for which there are official data prior to 1913 (see Lains, 1992). These revised series are based on the comparison of Portuguese foreign trade statistics with those of some of its main trade partners - United Kingdom, Spain, France, Belgium and Germany (Brazil and the United States had to be excluded for technical reasons).

The comparison was made using deflated c.i.f. series, to take into account pricing effects. Conversion of Portuguese f.o.b. export values into comparable c.i.f. values was made using an international freight index for the United Kingdom / United States trade, corrected using contemporary information to allow for specificities of Portuguese foreign trade. The exclusion of the American countries was due to the fact that they registered foreign trade by regions according to origin and destination of the means of transportation, while Portuguese (and other European foreign trade statistics) registered foreign trade by regions according to consignment.

Correction coefficients for imports and exports were computed as the ratio of Portuguese imports from and exports to the United Kingdom, Spain, France, Belgium and Germany according to the statistics of those countries and according to Portuguese statistics, and those coefficients were applied to total imports and exports to obtain the revised series.

Correction coefficients for imports vary between 0.835 and 1.175 with an average of 0.978. This means that Portuguese official import statistics seem to be on average correct, with a margin of error lower than 20 %. Anyway, the high number of overvaluations and the systematic overvaluation from 1891 on may be considered somewhat surprising.

Correction coefficients for exports vary between 0.954 and 2.352 with an average of 1.439. This means that Portuguese official export statistics seem to be on average undervalued and undervaluation is systematic and sometimes exceptionally high from 1891 on. Pedro Lains supposes that this fact occurs because official statistics converted prices stated in foreign currencies into Portuguese currency at par exchange rate and not at the higher market exchange rate. However, he does not substantiate this supposition, and the correlation coefficient between the correction coefficients for exports and the ratios between the market exchange rate and the par exchange rate is only 59%.

We decided not to use the revised series for two reasons.

First, it is impossible to link the revised series with the official series for the years from 1914 on (Pedro Lains suggests multiplication for the gold premium, that is to say for the ratio between the market exchange rate and the par exchange rate as a rule of thumb, but this would lead to unacceptable figures, the amount of exports attaining more than ten times the amount of imports in the early 1920s, a period of high depreciation of the Portuguese currency).

Second, the revised series imply a rather strange relation between the evolution of foreign trade balance and the exchange rate for the period 1891-1913. As a matter of fact, according to the revised series, periods of improvement of the trade balance saw significant depreciations of the Portuguese currency and periods of deterioration of the trade balance saw significant appreciations of the Portuguese currency. It might be suggested that the exchange rate fluctuations were the cause of the evolution of trade balance, through the classical mechanism of relative prices. However, such hypothesis needs an explanation for the exchange rate fluctuations, which cannot be provided by intervention of monetary authorities (which did not exist), but by market forces in a context of free movement of international means of payment. In these circumstances, it seems necessary that foreign payments presented a balance opposite to the trade balance to explain the exchange rate fluctuations. Such behaviour is, however, most unlikely. These difficulties do not arise if the official figures are accepted. The basic figures related to this argument are presented in table A below.

Of course, this does not mean that official figures are perfectly accurate. Undervaluation of imports, at least until the 1980s, because of smuggling, and undervaluation of exports, specially during the 1920s, because of exchange controls involving heavy export duties, are very likely.

Table A - Foreign trade official and revised series and gold premium 1891-1913.

year	exports		imports		trade balance		gold
	official	revised	official	revised	official	revised	premium
	10 ⁶	10 ⁶	10 ⁶	10 ⁶	10 ⁶	10 ⁶	
	escudos	escudos	escudos	escudos	escudos	escudos	ratio
1891	21.4	31.4	39.5	37.3	-18.1	-5.9	1.074
1892	24.6	46.0	30.8	27.0	-6.2	19.0	1.274
1893	23.4	41.0	38.3	34.3	-14.9	6.7	1.244
1894	23.9	37.9	35.7	29.8	-11.8	8.1	1.287
1895	27.0	43.0	39.8	34.8	-12.8	8.2	1.266
1896	26.1	48.4	39.5	33.3	-13.4	15.1	1.301
1897	27.3	55.4	40.4	36.6	-13.1	18.8	1.461
1898	31.1	73.2	48.6	45.6	-17.5	27.6	1.580
1899	28.8	56.8	50.6	45.5	-21.8	11.3	1.426
1900	30.9	61.1	59.7	54.6	-28.8	6.5	1.404
1901	28.3	55.5	57.8	51.2	-29.5	4.3	1.418
1902	28.4	51.8	55.6	51.7	-27.2	0.1	1.272
1903	30.6	52.1	58.8	57.1	-28.2	-5.0	1.240
1904	30.7	48.0	62.0	59.9	-31.3	-11.9	1.203
1905	29.0	38.4	60.7	58.0	-31.7	-19.6	1.065
1906	30.6	42.8	60.4	55.4	-29.8	-12.6	1.018
1907	30.4	43.5	61.5	57.7	-31.1	-14.2	1.032
1908	28.4	46.2	67.2	63.5	-38.8	-17.3	1.155
1909	30.9	53.0	64.8	62.4	-33.9	-9.4	1.152
1910	35.7	69.7	69.5	69.0	-33.8	0.7	1.088
1911	34.0	58.5	68.1	69.0	-34.1	-10.5	1.086
1912	34.3	61.9	74.6	70.7	-40.3	-8.8	1.105
1913	35.2	69.6	89.0	83.5	-53.8	-13.9	1.163

Part 2 - Balance of payments

Table 2.1 - Balance of current accounts

year	commod- ities	services	tourism	interest	transfer	balance of current accounts
	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos
1939	-328	-13	35	9	230	-67
1940	-229	-30	120	47	262	171
1941	1027	72	107	63	272	1541
1942	2162	65	1	53	167	2448
1943	296	103	-61	104	127	570
1944	555	198	-30	136	196	1055
1945	-310	124	51	143	359	367
1946	-3052	84	103	265	722	-1878
1947	-5024	-30	144	-118	918	-4111
1948	-3564	-409	152	120	662	-3039
1949	-3277	-239	168	114	716	-2518
1950	-1787	-169	140	115	703	-998
1951	-1489	-173	119	213	761	-569
1952	-2316	27	71	52	299	-1867
1953	-1970	41	106	89	490	-1244
1954	-1725	-7	146	124	454	-1008
1955	-2624	-286	169	83	582	-2076
1956	-3529	123	288	45	879	-2194
1957	-5078	-51	400	87	1401	-3241
1958	-4387	376	352	47	1421	-2191
1959	-4567	1	363	38	1638	-2527
1960	-4962	-15	305	76	1570	-3026
1961	-7697	-1188	379	-94	1186	-7414
1962	-4675	-375	727	-142	1450	-3015
1963	-5296	-836	1186	-136	1972	-3110
1964	-6162	-1087	1945	-170	2270	-3204
1965	-8526	-372	2344	-163	3109	-3608

year	commod- ities	services	tourism	interest	transfer	balance of current accounts
	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos	10 ⁶ escudos
1966	-9785	-876	5118	-152	4537	-1158
1967	-7052	-2358	5859	592	7753	4794
1968	-8306	-3494	4385	609	9036	2230
1969	-8767	-1570	3141	935	11977	5716
1970	-12972	-3212	4101	889	14567	3373
1971	-18084	-2530	6102	415	19103	5006
1972	-16184	-2109	7123	578	23778	13186
1973	-22258	-6247	7896	2109	27056	8556
1974	-50530	-8439	6553	3279	28216	-20921
1975	-42669	-6897	2583	-369	26486	-20866
1976	-63764	-4831	5616	-4021	29401	-37599
1977	-97329	-6946	10328	-6872	43470	-57349
1978	-105456	-6633	19253	-14540	72602	-34774
1979	-128999	-7428	34095	-21361	121309	-2384
1980	-210750	-14482	42917	-30603	150113	-62805
1981	-317259	-20785	48422	-60995	178627	-171990
1982	-377574	-33526	49825	-103024	215000	-249299
1983	-328386	-27006	67717	-119590	241987	-165278
1984	-308074	-28108	107606	-177293	320301	-85568
1985	-256164	-18869	151725	-196444	379686	59934
1986	-250807	-40469	179548	-151574	434983	171681
1987	-504003	-76546	242961	-130813	531909	63508
1988	-736979	-110107	272142	-131319	620248	-86015
1989	-811140	-155847	318891	-126146	690839	-83403
1990	-967682	-186436	380192	-35533	781893	-27566

Table 2.2 - Overall balance of payments

year	balance of current accounts 10 ⁶ escudos	short term capital movements 10 ⁶ escudos	long term capital movements 10 ⁶ escudos	overall balance of payments 10 ⁶ escudos
1939	-67	42	-17	-42
1940	171	87	-65	193
1941	1541	9	-184	1366
1942	2448	-216	-187	2045
1943	570	-287	-200	83
1944	1055	40	95	1190
1945	367	119	-266	220
1946	-1878	176	-643	-2346
1947	-4111	214	-604	-4501
1948	-3039	-110	138	-3011
1949	-2518	-341	398	-2461
1950	-998	64	534	-397
1951	-569	152	265	-152
1952	-1867	131	455	-1281
1953	-1244	121	332	-791
1954	-1008	54	-118	-1072
1955	-2076	641	108	-1327
1956	-2194	614	174	-1406
1957	-3241	400	774	-2067
1958	-2191	409	0	-1782
1959	-2527	751	114	-1662
1960	-3026	89	116	-2821
1961	-7414	1105	297	-6012
1962	-3015	3451	788	1224
1963	-3110	2550	221	-339
1964	-3204	3242	-222	-184
1965	-3608	2060	1254	-294
1966	-1158	3054	-234	1662
1967	4794	2459	-862	6391
1968	2230	2696	-625	4301



year	balance of current accounts 10 ⁶ escudos	short term capital movements 10 ⁶ escudos	long term capital movements 10 ⁶ escudos	overall balance of payments 10 ⁶ escudos
1969	5716	-750	-1893	3073
1970	3373	682	-1794	2261
1971	5006	1841	819	7665
1972	13186	-3510	-2111	7565
1973	8556	-3490	3337	8403
1974	-20921	6918	-2086	-16089
1975	-20866	-2746	-2279	-25891
1976	-37599	983	3121	-33495
1977	-57349	4194	-1252	-54407
1978	-34774	34126	10285	9637
1979	-2384	39969	29089	66674
1980	-62805	70555	34655	42405
1981	-171990	112728	54979	-4283
1982	-249299	203598	59281	13580
1983	-165278	158399	-72545	-79424
1984	-85568	195822	-58304	51950
1985	59934	198788	-87407	171315
1986	171681	-42460	-166190	-36969
1987	63508	32761	182625	278894
1988	-86015	118821	207229	240035
1989	-83403	404504	296021	617122
1990	-27566	435772	156898	565104

Technical notes

Data of Portuguese balance of payments presented are official figures taken from the following sources published by the Instituto Nacional de Estatística, Lisboa (several issues): Estatísticas Financeiras.

Figures of trade balance of table 2.1 were computed on a c. i. f. basis. Thus, they do not coincide with figures of trade balance implicit in table 1.1.

Part 3 - Gross domestic product

Table 3.1 - Gross domestic product

year	gross domestic product current prices 10 ⁶ escudos	price index 1914 basis	population thousands	real gross domestic product 1914 prices 10 ⁶ escudos	per capita real gross domestic product 1914 prices escudos
1842	228	60	3759	380	101
1843	234	57	3771	411	109
1844	229	49	3782	467	124
1845	226	49	3793	461	122
1846	226	60	3804	377	99
1847	227	58	3816	391	103
1848	227	52	3827	437	114
1849	225	55	3838	409	107
1850	224	61	3850	367	95
1851	225	57	3861	395	102
1852	237	56	3873	423	109
1853	234	68	3884	344	89
1854	234	80	3892	292	75
1855	248	78	3901	318	82
1856	261	94	3909	278	71
1857	278	81	3923	343	87
1858	289	75	3960	385	97
1859	283	82	3998	345	86
1860	282	79	4035	357	88
1861	301	83	4110	363	88
1862	325	84	4149	387	93
1863	333	81	4188	411	98
1864	348	83	4213	419	100
1865	353	81	4238	436	103
1866	344	83	4264	414	97
1867	360	88	4289	409	95

year	gross domestic product current prices 10 ⁶ escudos	price index 1914 basis	population thousands	real gross domestic product 1914 prices 10 ⁶ escudos	per capita real gross domestic product 1914 prices escudos
1868	366	83	4314	441	102
1869	380	82	4340	463	107
1870	392	78	4366	503	115
1871	385	76	4392	507	115
1872	407	76	4418	536	121
1873	433	79	4444	548	123
1874	462	82	4471	563	126
1875	492	82	4497	600	133
1876	501	83	4524	604	133
1877	509	93	4551	547	120
1878	505	92	4591	549	120
1879	492	88	4632	559	121
1880	502	83	4673	605	129
1881	524	85	4715	616	131
1882	535	86	4757	622	131
1883	532	82	4799	649	135
1884	557	77	4842	723	149
1885	578	75	4885	771	158
1886	608	76	4929	800	162
1887	623	75	4973	831	167
1888	662	75	5017	883	176
1889	681	80	5062	851	168
1890	679	88	5105	772	151
1891	681	86	5138	792	154
1892	699	88	5182	794	153
1893	703	89	5220	790	151
1894	717	91	5251	788	150
1895	763	87	5275	877	166
1896	787	88	5297	894	169
1897	782	93	5331	841	158

year	gross domestic product current prices 10 ⁶ escudos	price index 1914 basis	population thousands	real gross domestic product 1914 prices 10 ⁶ escudos	per capita real gross domestic product 1914 prices escudos
1898	792	97	5365	816	152
1899	806	95	5407	848	157
1900	829	93	5450	891	164
1901	811	92	5497	882	160
1902	816	89	5552	917	165
1903	843	92	5613	916	163
1904	859	97	5670	886	156
1905	864	96	5720	900	157
1906	874	96	5758	910	158
1907	903	96	5800	941	162
1908	928	97	5840	957	164
1909	941	98	5883	960	163
1910	947	94	5937	1007	170
1911	906	99	6004	915	152
1912	936	98	6008	955	159
1913	950	101	6004	941	157
1914	862	100	6053	862	142
1915	976	110	6107	887	145
1916	1173	129	6147	909	148
1917	1248	148	6186	843	136
1918	1488	240	6104	620	102
1919	1846	268	6082	689	113
1920	2629	420	6084	626	103
1921	3366	606	6148	555	90
1922	5405	707	6216	764	123
1923	8049	1022	6271	788	126
1924	10263	1338	6344	767	121
1925	11368	1295	6429	878	137
1926	12075	1250	6507	966	148
1927	12680	1325	6580	957	145

year	gross domestic product current prices 10 ⁶ escudos	price index 1914 basis	population thousands	real gross domestic product 1914 prices 10 ⁶ escudos	per capita real gross domestic product 1914 prices escudos
1928	14802	1278	6658	1158	174
1929	16632	1320	6729	1260	187
1930	16304	1266	6812	1288	189
1931	15795	1148	6908	1376	199
1932	16117	1129	7003	1428	204
1933	16450	1128	7096	1458	206
1934	17093	1138	7189	1502	209
1935	17306	1140	7279	1518	209
1936	17532	1163	7379	1507	204
1937	18289	1201	7476	1523	204
1938	19123	1170	7575	1634	216
1939	19427	1114	7677	1744	227
1940	20220	1157	7758	1748	225
1941	23986	1273	7800	1884	242
1942	27785	1499	7859	1854	236
1943	30025	1657	7934	1812	228
1944	29064	1696	8013	1714	214
1945	30230	1819	8101	1662	205
1946	34545	2022	8182	1708	209
1947	38214	2073	8258	1843	223
1948	38305	2048	8358	1870	224
1949	40667	2147	8434	1894	225
1950	42255	2097	8512	2015	237
1951	45798	2196	8547	2086	244
1952	46878	2245	8563	2088	244
1953	49062	2196	8587	2234	260
1954	50650	2147	8607	2359	274
1955	53597	2196	8657	2441	282
1956	57769	2270	8698	2545	293
1957	60750	2270	8737	2676	306

year	gross domestic product current prices 10 ⁶ escudos	price index 1914 basis	population thousands	real gross domestic product 1914 prices 10 ⁶ escudos	per capita real gross domestic product 1914 prices escudos
1958	64466	2295	8789	2809	320
1959	68760	2319	8837	2965	336
1960	74860	2369	8891	3160	355
1961	80607	2418	8944	3334	373
1962	85655	2418	9002	3542	394
1963	92903	2467	9040	3766	417
1964	100505	2517	9053	3993	441
1965	112073	2615	8996	4286	476
1966	122678	2739	8871	4479	505
1967	137118	2838	8798	4832	549
1968	149057	2862	8743	5208	596
1969	163382	3035	8696	5383	619
1970	185668	3134	8648	5924	685
1971	207799	3282	8642	6331	733
1972	241704	3528	8622	6851	795
1973	294062	3849	8545	7640	894
1974	353226	4565	8891	7738	870
1975	392478	5305	9457	7398	782
1976	483975	6144	9685	7877	813
1977	653963	7698	9737	8495	872
1978	822625	9376	9772	8774	898
1979	1033954	11079	9800	9333	952
1980	1306548	13522	9828	9662	983
1981	1559675	15964	9829	9770	994
1982	1922573	19285	9844	9969	1014
1983	2391480	24029	9862	9952	1013
1984	2925541	29940	9881	9771	994
1985	3661379	36377	9884	10065	1024
1986	4592796	43834	9889	10478	1066
1987	5376547	48787	9883	11020	1121

year	gross domestic product current prices 10 ⁶ escudos	price index 1914 basis	population thousands	real gross domestic product 1914 prices 10 ⁶ escudos	per capita real gross domestic product 1914 prices escudos
1988	6236858	54397	9867	11465	1166
1989	7408340	61578	9854	12031	1224
1990	8529800	68042	9831	12536	1275

Technical notes

Gross domestic product figures presented are estimates taken from *Nunes, Mata, Valério, 1989* for years 1842-1980, and official data revised for compatibility with the previous series for years 1981-1990.

Nunes, Mata, Valério, 1989 figures have been the subject of some controversy. *Lains, 1990, Lains, Reis, 1991, Nunes, Mata, Valério, 1991, Nunes, Mata, Valério, 1992, Esteves, 1993 and Marques, Esteves, 1994* are the main references of this debate. The main doubts raised during this debate concerned the bad performance of the Portuguese economy during the 1890s, the First World War and immediate post-war years, and the Second World War.

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