Chapter 15

Victoria Stadheim

PUBLIC BANKING IN PANDEMIC TIMES: PORTUGAL'S CAIXA GERAL DE DEPÓSITOS

It is widely acknowledged that public banks have the potential to play an anti-cyclical role in times of economic crisis. As lending by private banks dries up, public banks step in. The world is currently confronting a twin crisis: a pandemic that has generated a profound recession. Within this public health and economic crisis, what role do state-owned banks play? This chapter examines how *Caixa Geral de Depósitos* (CGD) has responded to the crisis in Portugal. It shows that the CGD acted swiftly when faced with a pandemic. It launched its own initiatives and it played a role within the Portuguese Government's response. Some of the most important measures were the debt moratoria, various credit lines and a series of steps to facilitate the digitalization of finance. These measures helped to accommodate the lockdown and to mediate its economic effects on families and businesses. Despite this, the bank's initiatives need to be understood within the competitive – and indeed profit seeking – logic in which the CGD operates. Further research is required to investigate the extent to which CGD's response differed from that of the private banks.

INTRODUCTION

Portugal has a brief but relatively recent history of a large state presence in the banking sector. Almost the entire financial system was nationalized in the mid-1970s, but by the mid-1990s, most of it had returned to private ownership (Antão et al. 2009, 432; Rosa 2014, 180). Bank ownership and control have played a central role in social and economic change in Portugal, whether of an authoritarian or socially progressive character. Today, the country's only remaining state-owned bank is *Caixa Geral de Depósitos* (hereafter referred to as CGD or Caixa), which is fully owned by the national government.

It is widely acknowledged that public banks have the potential to play an anti-cyclical role in times of economic crisis (Yeyati et al. 2007). As lending by private banks dries up, public banks step in. For example, the World Bank's *Global Survey of Development Banks* highlights that most development banks in Latin America, Africa, Asia and Europe scaled up their lending at a time when private banks held back in the period between 2007 and 2009 (Luna-Martínez and Vicente 2012). The world is currently facing a pandemic that has generated a profound recession. As states around the globe sought to contain the virus, lockdowns and workplace closures led to violent interruptions in capital accumulation.

The lockdowns and social distancing measures worldwide have had a huge impact on work and production. In April 2020, full or partial lockdowns affected 81% of the world's workforce (ILO 2020, 1). As workers were prevented from going to work, production plummeted, and as people were subject to compulsory or voluntary social distancing, demand collapsed too. Millions have been thrown into unemployment, and according to the International Labour Organization (ILO) (2020), "nearly half of global workforce [is] at risk of losing livelihoods". The Organisation for Economic Co-operation and Development (OECD) (2020, p.8) warns that, "By the end of 2021, the loss of income exceeds that of any previous recession over the last 100 years outside wartime, with dire and long-lasting consequences for people, firms and governments".

Within this public health and economic crisis, what role do state-owned banks play? This chapter examines the CGD's response to the pandemic crisis in Portugal. It is still early in the crisis, however, so the analysis is necessarily a preliminary note that addresses some of the bank's measures.

The chapter is structured as follows. The first section gives an overview of public banking in Portugal. The second provides historical background of the CGD. The third section gives an overview of the manifestations of the pandemic in Portugal and outlines some of the Government's measures to contain the virus and counter the recession. The fourth section situates the CGD within the Government's response and outlines some of the bank's own initiatives.

PUBLIC BANKING IN PORTUGAL

After a military coup in 1926, *Estado Novo* was formally established by the Constitution of 1933: an authoritarian regime based on corporatism, nationalism, fascism and a revival of colonialism (Chilcote 2010, 78). During this period, a monopolistic/duopolistic national bourgeoisie controlled the bulk of finance and industry. This part of the bourgeoisie was dominated by seven capitalist groups (Costa et al. 2010; Rosa 2014). Some started in industry and expanded into finance ("industrial business groups"), and others did the reverse ("bank-centred business groups") (Ferreira da Silva et al. 2015). Through these owners, finance and industry were connected.

Portuguese colonialism was at the heart of the *Estado Novo* dictatorship. A new phase of imperialism had started in the 1890s, and after its decline in the 1920s, it was restored by the Colonial Act, which was included in the 1933 Constitution (Lains 1998,466-467, 485). Several of the economic groups replicated their diversification process from Portugal when establishing economic activities in the colonies (Ferreira da Silva et al. 2015).

The 1974, the Carnation Revolution brought an end to the dictatorship. It began as a peaceful coup-d'état by the Movement of the Armed Forces (MFA) on April 25 of that year. Initially, there was no plan for a transition to socialism. The objectives were to achieve democracy and to end the colonial wars. The situation soon polarized, however, and the revolutionary demands radicalized. A failed coup was attempted in March 1975 but failed. This led to the appointment of the Revolutionary Council, which called for "bold measures against the capitalist elite that control finance and much of industry" (Norohna 2013, 1). Within three days, the entire banking system was nationalized, except for credit unions and those that were foreign owed. This happened with the help of delegates from bank workers' trade unions, who had pushed for nationalization and occupied banks (Noronha 2013, 1; Rosa 2014, 180). This step was justified with reference to social and economic policies. In the words of the Revolutionary Council's Decree-Law 132-A/75, the banking system was to be converted into a "fundamental lever of command over the economy in order to create growth and employment". During this brief historical period, credit allocation was coordinated by the Bank of Portugal, with the bank workers' unions playing a role in this process (Noronha 2013).

The Constitution of 1976 stated that "all the nationalisations put into effect after 25 April 1974 are irreversible conquests of the working classes". However, in the 1980s, several constitutional revisions opened the door to the re-privatization of banking and insurance. In 1988, state-owned enterprises (SOEs) could be transformed into joint stock companies with up to 49% private capital. In 1989, a constitutional revision allowed SOEs to be fully privatized, except in certain sectors. The stated objectives were to enhance firms' competitiveness, to reduce the role of the state in the economy, to reduce the public debt and to strengthen the entrepreneurial capacity (Rosa 2014, 184-186). In the words of Miguel Cadilhe, who was Minister of Finance 1985-1990, "The objective is to strengthen and promote the Portuguese entrepreneurial class through privatisation" (Mortágua and Costa 2015, 7).

The speed at which the Portuguese banking system was privatized was remarkable (Antão et al. 2009, 432). In the words of Pinho (1997, 6) "the 1985-1995 period witnessed an impressive change in ownership structure as a result of the creation of new private-owned Portuguese banks, the entry of many reputable foreign institutions but, most importantly, as a result of privatisations". The constitutional revisions of the 1980s also gave rise to what Rodrigues and Reis (2012, 196) call "the most intense cycle of privatization in the EU". During those years Portugal's revenue from privatization was equivalent to 23% of Gross Domestic Product (GDP) in 2000 prices. This was twice as much as other "big privatisers" like the UK (Rodrigues and Reis 2012, 196). The transfer to private ownership first focused on the financial sector, but then spread to other sectors (Baer and Nogueira Leite 2003, 749). Most of banking was privatized in the beginning of the 1990s, and the process was largely completed by 1995. As this transition progressed, the market share of banks under public ownership decreased from 74% to 24% between 1990 and 1996, and remained stable thereafter (Antão et al. 2009, 432).

CAIXA GERAL DE DEPÓSITOS

The CGD has been state owned since its foundation in 1876 and remains 100% so (Antão et al. 2009, 432; CGD 2019, 331; DBRS 2020). It was modelled on the *French Caisse Générale des Dépôts et Consignations* and its initial purpose was to mobilize private savings. It also collected fiscal and administrative deposits required by law. Soon after its creation, the CGD came to dominate the Portuguese banking system. Between the 1890s and World War One, it was by far the largest institution as far as deposits are concerned. In contrast to a specialized banking system, the CGD served as a development bank for industry, agriculture and civil construction. It also played an important role vis-à-vis activities in the colonies. Until the late 1920s, in a context of budget deficits, an important function was to finance public expenditure through purchases of public debt (CGD; Reis 1997, 255-268).

In 1929, 90% of the CGD's deposits went towards financing the public sector's needs, but a series of reforms soon transformed its role. António de Oliveira Salazar, who at the time was a Minister of Finance, played a central role in this transition. As a dictator and Prime Minister (1932-1968), he was committed to budgetary discipline and austerity, and the 1929 reforms sought to reverse the CGD's role in channelling resources into the public sector (CGD; Reis 1997). These reforms also restructured the bank and changed its name to *Caixa Geral de Depósitos, Crédito e Previdência*, which administered two autonomous institutions: *Caixa Nacional de Crédito* (CNC) and *Caixa Nacional de Previdência* (CNP). The CNC was responsible for credit for industry and agriculture whilst the CNP covered a range of social security schemes for public sector employees (CGD; Reis 1997, 255-268). The CGD continued to be an important economic instrument through which the *Estado Novo* regime promoted the "national interest" (Reis 1997, 255-268). In Salazar's view, "the reconstruction of the country [could] not be achieved without a strong credit structure – in the metropole and in the colonies" (Salazar 1930, quoted in Reis 1997, 261).

At the end of the dictatorship, the *Lei Orgânica* changed the CGD's legal framework. So far, it had been subject to the same rules as the public administration, but it was now transformed into a public enterprise. Its management came to comply with guidelines for business management. This made it increasingly aligned with other financial institutions (CGD). During the Revolution, following the nationalizations provoked by the coup attempt in March 1975, CGD became part of "Groupo Estado", along with other banks and companies that were now under state ownership (Rosa 2014, 180-182). In 1993, the CGD's governance once again changed. It became a joint stock company with the state as an exclusive owner of its shares (CGD). The CGD is currently a universal bank (CGD 2019, 370). It is the largest retail and commercial bank in Portugal, and it is part of the CGD Group, which comprises many financial institutions in Portugal and abroad. Some of these include *Caixa Gestão de Ativos*, SGFI, CGD *Pensões Caixa Banco de Investimento, Caixa Capital* and *Caixa Imobiliário*, The CGD is a leader in several markets and has a 29% market share of individual deposits (CGD 2019, 6, 16; DBRS 2020). It is a profit-seeking institution and, in 2019, its profits amounted to €776 million – 57% higher than the 2018 level. This was the first time in nine years that it was able to pay dividends to its shareholder, the state, which received €200 million that year (CGD 2019, 8; O Minho 2020).

Like private banks, CGD is subject to external assessments by credit rating agencies. In 2019, several of these improved their assessment of the bank. DBRS upgraded it by one notch, to BBB, whereas Fitch changed it from BB to BB+ (CGD 2019, 6; O Minho 2020). The CGD Group is highly internationalized and has a presence in France and in Portugal's former colonies. Among the institutions that are fully or partly owned by the CGD Group are *Banco Caixa Geral* (Brazil), *Banco Nacional Ultramarino* (Macao), *Banco Comercial do Atlântico* (Cape Verde) and *Banco Caixa Geral* (Angola) (CGD 2019, 16).

In the context of the 2008-09 financial crisis, the CGD played a role in state interventions in finance. It was instrumental in the rescue operation that saved the private bank *Banco Português de Negócios* (BPN). The BPN's nationalization in 2008 was one of ten bank nationalizations in Europe that year (Assembleia da República 2009, 214). Despite a small market share, it was justified on the grounds of "systemic risk". The BPN was integrated into CGD, which administered it during its time under public ownership (Moura e Silva 2013, 130; Torres 2009, 61). It remained under state ownership between November 2008 and March 2012. The "toxic assets" of the BPN were separated out and placed under public ownership (Cabral 2015; Assembleia da República 2012; Mortágua 2015). The healthy part of the bank, on the other hand, which was later given the nickname "BPN bom" was privatized and purchased by Banco BIC, with Angolan capital. Its privatization "on an accelerated schedule" was part of the structural adjustment programme that Portugal underwent in the context of the crisis in the Eurozone (IMF 2011, 8).

Over the last decade, the CGD has been subject to restructuring. When Portuguese authorities were compelled to request a rescue package from the European Commission (EC), the International Monetary Fund (IMF) and the European Central Bank (ECB) in 2011, the creditors sought to include the CGD's privatization in the structural adjustment programme. However, this was averted (Cardoso 2016). Instead, the insurance arm of the CGD, *Caixa Seguros*, was among the state-owned enterprises that were listed for sale (IMF 2011, 45). This CGD has regularly been recapitalized, and this last happened in 2017-2018.

In the context of the last recapitalization, the CGD was required to implement a "strategic plan", which Portuguese authorities have drawn up with the European Commission (Cavaleiro and Vicente 2020; CGD 2019, 6). The restructuring plan (2017-2020) included a scaling down of international operations, a reduction in the number of branches, and a reduction in non-performing assets. In 2016, its ratio of non-performing loans was three times higher than the current level of 4.7% (CGD 2019, 6; DBRS 2020). It was compelled to sell its subsidiaries in Spain and South Africa in 2019 (Cavaleiro 2019; DBRS 2020; Fernandes 2019). As part of the strategic plan, CGD was also required to sell off *Banco Caixa Geral – Brazil* and reduce its ownership in banking in Cape Verde. However, this has been disrupted by the Covid-19 pandemic (Cavaleiro and Vicente 2020; CGD 2019, 7; DBRS 2020; Relvas 2020).

THE COVID-19 PANDEMIC IN PORTUGAL

In the European context, Portugal fared quite well in the early stages of the Coronavirus pandemic. Portugal's initial 'success' is likely to reflect resolute action at an early stage. The school system was closed on 16 March and a lockdown was imposed before any Covid-19 deaths had been recorded. Subsequently, the border with Spain was closed by mutual agreement and connections through air, river and rail were suspended. The country entered a state of emergency on 18 March, which lasted until early May (Jones 2020; Mamede et al 2020; Peixoto et al. 2020; Presidência 2020; Worldometers 2020).

Like elsewhere in Europe, the situation is getting worse, and total deaths now amount to 2,297 (as of late October 2020). The number of active cases was contained between the end of May and the end of August, but thereafter started to increase and, at the time of writing, is at its highest level so far. Deaths also started to creep up from the second half of September and Portugal entered a "state of calamity" in mid-October (Direção-Geral da Saúde 2020; Worldometers 2020).

Covid-19 and the measures to contain the virus brought profound disruptions to production and demand. Portugal is now in recession. In the first quarter of 2020, GDP contracted by 2.3% year-on-year and in the second quarter it shrunk by 16.5% (Ataíde 2020; European Commission 2020). Before the pandemic, the country had been in growth for six years, but industrial slowdown in Germany had already been a cause of concern (Ribeiro 2019; World Bank 2020). The *form* of Portugal's recovery from the previous crisis also came to shape the pandemic induced recession. In a Fast and Exceptional Enterprise Survey conducted by Statistics Portugal and the Bank of Portugal in mid-April, 80% of respondent enterprises reported a decrease in turnover resulting from the pandemic. The most frequently cited causes were the absence of clients and orders and the restrictions that accompanied the state of emergency (Instituto Nacional de Estatística 2020a). The hospitality sector was hard hit (European Commission 2020). By the end of April, almost 60% of firms in the accommodation and food sector had shut down temporarily (53.9%) or indefinitely (5.5%) (Mamede et al. 2020). Portugal's economic recovery from the previous crisis was in part driven by tourism, and this came to shape the economic effects of Covid-19. Tourism was the most severely affected sector, as visits plummeted by nearly 100% in April, compared with the previous year (European Commission 2020). Despite an easing of restrictions, tourism was practically in suspension also in May, when overnight stays by non-residents dropped by over 98% year-on-year (Instituto Nacional de Estatística 2020b). Faced with international travel restrictions and quarantines in other countries, much of the tourist season was lost.

To facilitate the lockdown and to counter the recession and its social impact, the Portuguese Government implemented a large anti-cyclical programme, much like other Western countries. These measures can be grouped into: 1) liquidity and access to credit; 2) employment retention and training; 3) extended social protection; and 4) taxation and social security contributions. Taxation measures included deferral of various taxes paid by companies and the self-employed in situations such as compulsory closure or a turnover loss of more than 20%. It also included reductions and deferral of social security contributions depending on firm size, sector and losses. A furlough scheme sought to retain jobs. This was conditional on avoiding dismissal of workers. The extension of social protection included cash benefits to pay for care of children or grandchildren to facilitate self-isolation; financial support for workers who cared for children due to school closure; automatic extension of unemployment benefits; and a new benefits scheme for informal workers with no prior history of paying social contributions (Mamede et al. 2020, 18-19).

A whole series of credit and debt related measures were launched. These targeted companies as well as individuals. A €13 billion scheme approved by the European Commission financed grants and state guarantees on loans to for investments and capital needs. This included a €6.2 billion credit line with state guarantees channelled through the banking system. It was oriented towards industry (€4.5 billion), tourism (€900 million), restaurants (€600 million) and travel agencies (€200 million). A €400 million credit line was oriented towards the companies that were most severely hit by the pandemic and another credit line was directed towards micro-enterprises in tourism (€60 million). Subsidized credits were offered to operators in the fishing and aquaculture sector (€20 million) and a €25 million support package targeted start-ups and social innovation (Mamede et al. 2020, 18). A debt moratorium was among the "exceptional" measures to protect families and companies' access to credit. The moratorium, which was passed through Decree-Law no. 10-J/2020, was the result of a close collaboration between *Banco de Portugal* and the banking system. It allowed the suspension of debt and mortgage repayments and included the principal and interest. The scheme required that the mortgage financed their permanent home. It was initially for a period of six months, until 30 September 2020, but was subsequently extended until September 2021 (Bank of Portugal 2020a).

During the state of emergency and thereafter, there was a ban on terminating rental contracts due to delayed rent caused by income loss (Governo de Portugal 2020). Cancellation of essential services such as water, electricity, gas and electronic communication was also banned during this period (Diário da República 2020). In other words, individuals and families were protected against evictions and from having essential services cut off. The banking system played an important role in operationalizing many of the above measures.

CAIXA GERAL DE DEPÓSITOS AND COVID-19

The World Health Organization (WHO) declared that Covid-19 was an international pandemic and a public health emergency on March 11, 2020. Two days later, the CGD communicated its commitment to support Government policies through a credit line (CGD 2020a). Subsequently, it launched a broader set of initiatives. It stated that, "without compromising measures that are being approved by national and European authorities, CGD has decided to implement a series of measures that ... will be carried out at the request of its customers" (CGD 2020b). This was immediately after Portugal entered a state of emergency. In the context of the pandemic, it was decided that the CGD would not transfer dividends to its only shareholder – the state in 2020. The Vice-Chair and Executive Officer abstained from bonuses.

Many of CGD's actions towards individuals and firms can be broadly divided into three categories: 1) debt moratoria and a flexible stance towards debt repayment; 2) credit lines; and 3) digitalization of finance and measures to support financial transactions that reduced the risk of Covid-19 transmission. These were the CGD's initiatives, but they were in line with legislation that was about to come through.

Concerning credit lines, CGD announced that "as part of the state package to support companies to minimise the impact of the new coronavirus on the economy" it would make a new credit line available for enterprises. On March 13, a total of €200 million was reserved for micro-enterprises, small enterprises and medium-sized firms. The credit line was supported by state guarantees. The rationale was to offer support and to accommodate "abrupt reduction in demand in many sectors of economic activity" (CGD 2020a). Subsequently, new measures were introduced and CGD announced that it would "keep in operation, with great simplification of processes and speed of decisions, all the financing lines that CGD has, satisfying the needs of customers in time and capacity". Additionally, it would reinforce existing credit lines, and create new ones to assist companies with the acquisition of IT and telecommunications to facilitate teleworking (CGD 2020b). In April, the CGD launched a new €400 million credit line exclusively for microenterprises (TVi24 2020). These constitute the vast majority of Portuguese firms. Currently, the credit line *Linha de Apoio à Economia Covid-19* offers loans with six years maturity for up to €50,000 for microenterprises and €250,000 for small firms. The conditions include not having been in difficulty before December 31, 2019, having seen a drop in business volume of more than 40% and committing to maintaining permanent jobs until the end of 2020 (CGD 2020c). Another credit line with state guarantees – *Linha de Apoio ao Setor Social COVID-19* – is available for companies and charities in the area of social assistance and solidarity (CGD 2020d).

A second set of measures concerned debt moratoria and a flexibilization of debt repayment vis-à-vis companies and individuals. On the day Portugal entered a state of emergency, the Government held a press conference where the Minister of Finance, Mário Centeno, outlined the "possibility of constituting a moratorium on capital and interest". The details were yet to be decided. At the time, it was not mentioned that this would also cover families, but this was later included (Melo 2020). The CGD immediately announced the introduction of initiatives along these lines. Vis-à-vis companies, the CGD accepted readjusted monthly debt repayments for a period of up to six months. Additionally, companies in the tourist sector were offered an extension of up to five years on the maturity of any debts. For individual customers with mortgages or personal credit, CGD would consider the suspension of capital repayments for a period of up to six months (CGD 2020b). When the Decree Law that outlined the moratorium came into force, CGD was legally required to offer moratoriums on capital and interests to its customers. In CGD's own assessment (2020e, 7), it was "quick to react in making prompt adjustments" to the legislative changes. Additionally, CGD has a private moratorium. This compliments the legally required moratorium. It covers mortgage debt and personal credit that is not included in the Government's moratorium. There are several private moratoria in Portugal, and these have been designed in the context of guidelines provided by the European Banking Authority. The CGD offers the one that is promoted by the Portuguese Banking Association (APB). Private banks also offer private moratoria (Bank of Portugal 2020b, 84-85; CGD 2020f). Furthermore, *Caixa* was proactive in signalling its willingness to extend the moratoria beyond the initial six months covered by the Decree-Law (O Minho 2020). By July 28, the CGD had approved 48,326 moratoriums: 36,604 to individuals (€3,063 million) and 12,222 to companies (€3,919 million) amounting to €6,982 million (Sapo 2020).

A last set of measures concerned a digitalization of finance and of support of socially distant financial transactions. *Caixa* waived small merchants' fees for Automatic Payment terminals with bills below €7,500 per month. To facilitate payment by card rather than cash, it would maintain the practice of not changing the fixed component of the merchant service charge for transactions with a small value. Individual account holders would benefit from free transfers through digital channels during the "crisis period". For account holders without a debit card, Caixa would waive the debit card fee for the first year. Finally, the CGD stressed its commitment to protect the most vulnerable groups, through an exemption from commissions for customers with an income of up to 1.5 times the minimum wage and young people up to the age of 26 (CGD 2020b).

The bank evaluates its digital efforts successfully and highlights that the number of digital customers in the domestic market increased to 1.76 million (CGD 2020). According to the bank's own evaluation, "the Covid-19 pandemic enabled CGD to consolidate its leading position as the digital bank of Portuguese citizens, in its almost immediate provision of distance solutions designed to facilitate access to the bank and maintain customer proximity" (CGD 2020e, 8). This points towards a simultaneous digitalization of finance and a support of transactions that reduce the risk of Covid-19 transmission.

CONCLUSION

On the eve of the pandemic, the CGD wrote that "2020 is likely to be an especially complex year owing to the, as yet, uncertain impact of Covid-19" and that "the progress achieved over the last few years enables us to claim that Caixa is currently ready and in a position to make an important contribution to minimising the pandemic's effects on economic actors and Portuguese society, as has been the case on several occasions over its 144 years of existence" (CGD 2019, 7). There is no doubt that the CGD's response to the Covid-19 pandemic has played a role within the Government's public health management and its anti-cyclical programme. Along with the rest of the banking system, the CGD was legally required to provide "exceptional" support to companies and firms. In relieving families of their immediate debt obligations, it facilitated the lockdown and mediated the social impacts of income loss. The CGD also acted proactively. It passed measures before they were required by law and signalled its commitment to extending the moratoria.

However, some of these measures should be understood within the market imperatives and the regulative framework within which the public bank operates. While the moratorium is socially inclusive, it is also a financial stability measure. Defaults on debt represented a major risk, and the moratoria protected creditors as much as obligors. For the banks, it was important that these were not classified as "non-performing loans" within the European framework. This was the case for the CGD and for private banks. The moratoria flexibilized debtors' contractual obligations vis-à-vis creditors and it simultaneously helped the banks to avoid a large amount of non-performing loans in their portfolio (Bank of Portugal 2020, 83-85; Melo 2020). This may explain why *Caixa*, as well as the private banks, implemented private debt moratoria. Various associations including *Associação Portuguesa de Bancos, Associação de Instituições de Crédito Especializado* and *Associação Portuguesa de Leasing, Factoring e Renting* promoted these (Bank of Portugal 2020, 83-85).

Finally, it should be pointed out that some of the GCD's initiatives that concerned a digitalization of finance and of support of socially distant financial transactions were compatible with the bank's identity as a profit-seeking public bank. The bank positively evaluated its improved position in the market for digital customers. However, further research is required to examine how different the CGD's response was from that of the private banks.

REFERENCES

Antão, P., Boucinha, M., Farinha, L., Lacerda, A., Leal, A.C., and Ribeiro, N. 2009. Financial integration, financial structures and the decisions of households and firms. In: Economics and Research Department, Banco de Portugal. *The Portuguese Economy in the Context of Economic, Financial and Monetary Integration*, pp. 415-538. Lisbon.

Assembleia da República. 2009. *Comissão de Inquérito sobre a Situação que Levou à Nacionalização do BPN e sobre a Supervisão Bancária Inerente.* Relatório Final e Anexos. December 16, 2008- July 10, 2009. http://www.parlamento.pt/sites/COM/XLEG/CINBPNposRAR/Paginas/Relatorios-Actividade.aspx (accessed December 3, 2016).

Assembleia da República. 2012. *Comissão Parlamentar de Inquérito ao Processo de Nacionalização, Gestão e Alienação do Banco Português de Negócios,* SA. Retrieved from email correspondence with Mortágua, M.

Assembleia da República. 2012. *Comissão Parlamentar de Inquérito ao Processo de Nacionalização, Gestão e Alienação do Banco Português de Negócios,* SA. Retrieved from email correspondence with Mortágua, M.

Ataíde, Â. 2020. "Portugal entra em recessão técnica. Economia tomba 16,5% no segundo trimestre." *Journal Económico,* July 31. https://jornaleconomico.sapo.pt/noticias/portugal-entra-em-recessao-tecnica-economia-portuguesa-tomba-165-no-segundo-trimestre-620371 (accessed November 4, 2020).

Baer, W., and Nogueira-Leite, A. 2003. "The economy of Portugal within the European Union: 1990–2002". *The Quarterly Review of Economics and Finance,* 43(5).

Bank of Portugal 2020a. COVID-19. Medidas de proteção dos créditos das famílias e das empresas foram prolongadas até 30 de setembro de 2021. Conheça aqui todas as alterações. https://www.bportugal.pt/comunicado/covid-19-medidas-de-protecao-dos-creditos-das-familias-e-das-empresas-foram-prolongadas (accessed November 4, 2020).

Bank of Portugal. 2020b. *Financial Stability Report. June 2020.* https://www.bportugal.pt/en/publications/banco-de-portugal/all/120 (accessed November 4, 2020).

Cabral, R. 2015. "Parvalorem: alguém sai bem na fotografia?" *Público.* 13 October. http://blogues.publico.pt/tudomenoseconomia/2015/10/13/parvaloremalguem-sai-bem-na-fotografia/ (accessed October 15, 2015).

Cardoso, F. P. 2016. "Privatizar CGD? 'Negociadores com a troika defenderam interesse nacional'." *Dinheiro Vivo,* July b28. https://www.dinheirovivo.pt/empresas/privatizar-cgd-negociadores-com-a-troika-defenderam-interesse-nacional-12846968.html (accessed November 4, 2020).

Cavaleiro, D. 2019. "Quase trinta anos depois, Caixa Geral de Depósitos deixa de ter banco em Espanha." *Expresso,* 14 October. https://expresso.pt/economia/2019-10-14-Quase-trinta-anos-depois-Caixa-Geral-de-Depositos-deixa-de-ter-banco-em-Espanha (accessed November 4, 2020).

Cavaleiro, D. and Vicente, I. 2020. "Covid-19. Caixa Geral de Depósitos está com dificuldades em sair do Brasil." *Expresso,* 29 April. https://expresso.pt/economia/2020-04-29-Covid-19.-Caixa-Geral-de-Depositos-esta-com-dificuldades-em-sair-do-Brasil-1 (accessed November 4, 2020).

CGD, 2020a. Linha específica da Capitalizar 2018. 13 March. . https://www.cgd.pt/Institucional/Sala-de-Imprensa/2020/pages/linha-de-credito-capitalizar-covid-19.aspx (accessed November 4, 2020).

CGD. 2020b. CGD adota conjunto de medidas para fazer face ao impacto da COVID-19 nas empresas e particulares. 19 March. https://www.cgd.pt/Institucional/Sala-de-Imprensa/2020/pages/medidas-cgd-covid-19.aspx (accessed November 4, 2020).

CGD. 2020c. Linha de Apoio à Economia Covid-19. https://www.cgd.pt/Empresas/Em-Campanha/Pages/Micro-Pequenas-Empresas-Covid-19.aspx (accessed November 4, 2020).

CGD. 2020d. Linha de Apoio ao Setor Social COVID-19. https://www.cgd.pt/Empresas/Investimento-Capitalizacao/Pages/Linha-Apoio-Setor-Social-COVID.aspx (accessed November 4, 2020).

CGD. 2020e. Consolidated results. 1st Half 2020. Press release. https://www.

cgd.pt/English/Investor-Relations/Financial-Information/CGD/2020/Documents/Press-Release-EN-2Q-2020.pdf (accessed November 4, 2020).

CGD. 2020f. Moratória CGD ao abrigo do Protocolo celebrado no âmbito da APB (Associação Portuguesa de Bancos), de 15 de abril. https://www.cgd.pt/Particulares/Pages/Medida-credito-particulares.aspx (accessed November 4, 2020).

CGD. 2019. *Annual Report 2019.* https://www.cgd.pt/English/Investor-Relations/Financial-Information/CGD/2019/Documents/Annual-Report-CGD-2019.pdf (accessed November 4, 2020).

CGD. https://www.cgd.pt/Institucional/Patrimonio-Historico-CGD/Historia/Pages/Historia-CGD.aspx (accessed November 4, 2020).

Chilcote, R. 2010. *The Portuguese Revolution. State and Class in the Transition to Democracy.* Plymouth: Rowman & Littlefield.

Costa, J., Fazenda, L., Honório, C., Louçã, F., and Rosas, F. 2010. *Os Donos de Portugal. Cem Anos de Poder Económico (1910-2010).* Porto: Edições Afrontamento.

DBRS. 2020. Caixa Geral de Depósitos, S.A. Rating Report, 16 July. https://www.dbrsmorningstar.com/research/364109/caixa-geral-de-deposit-os-sa-rating-report (accessed November 4, 2020).

Diário da República 2020. Lei n.º 7/2020. https://dre.pt/web/guest/pesquisa/-/search/131338917/details/maximized (accessed November 4, 2020).

Direção-Geral da Saúde. 2020. Portugal entra em estado de calamidade. https://covid19.min-saude.pt/portugal-entra-em-estado-de-calamidade/ (accessed November 4, 2020).

European Commission. 2020. 2.16 Portugal. https://ec.europa.eu/economy_finance/forecasts/2020/summer/ecfin_forecast_summer_2020_pt_en.pdf (accessed November 4, 2020).

European Commission. 2020. Portugal. https://ec.europa.eu/economy_finance/forecasts/2020/summer/ecfin_forecast_summer_2020_pt_en.pdf (accessed November 4, 2020).

Fernandes, S. 2019. CGD encaixa 215 milhões com venda de banco na África do Sul. *Dinheiro Vivo,* 7 November. https://www.dinheirovivo.pt/empresas/cgd-encaixa-215-milhoes-com-venda-de-banco-na-africa-do-sul-12775864.html (accessed November 4, 2020).

Ferreira da Silva, Á. Amaral, L., and Neves, P. 2015. "Business Groups in the Estado Novo period (1930-1974): Family, Power and Structural Change". *Business History*, 58(1):49-68.

Ferreira da Silva, Á. Amaral, L., and Neves, P. 2015. "Business Groups in the Estado Novo period (1930-1974): Family, Power and Structural Change". *Business History*, 58(1):49-68.

Governo de Portugal. 2020. Regime excecional para as situações de mora no pagamento da renda devida nos termos de contratos de arrendamento urbano habitacional e não habitacional, no âmbito da pandemia COVID-19 e Apoio do IHRU ao pagamento das rendas ao abrigo do regime excecional FAQ's. https://www.portugal.gov.pt/download-ficheiros/ficheiro.aspx?v=%3d%3dBAAAAB%2bLCAAAAAAABACzNDcyAwDKWomvBAAAAA%3d%3d (accessed November 4, 2020).

ILO. 2020. *ILO monitor: COVID-19 and the world of work. Third Edition.* 29 April. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_743146.pdf (accessed November 4, 2020).

IMF. 2011. *Letter of Intent, Memorandum of Economic and Financial Policies and Technical Memorandum of Understanding.* 17 May. https://www.imf.org/external/np/loi/2011/prt/051711.pdf (accessed December 20, 2016).

Instituto Nacional de Estatística. 2020a. Fast and Exceptional Enterprise Survey – COVID-19 Week from 13 to 17 April 2020. Instituto Nacional de Estatística and Banco de Portugal Press release, 21 April. https://www.bportugal.pt/sites/default/files/anexos/documentos-relacionados/iree_20200421_en.pdf (accessed November 4, 2020).

Instituto Nacional de Estatística. 2020b. Tourist activity almost stopped in May 2020. Press release, 15 July. https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_destaques&DESTAQUESdest_boui=415253070&DESTAQUESmodo=2 (accessed November 4, 2020).

Jones, S. 2020. Swift action kept Portugal's coronavirus crisis in check, says minister. *The Guardian*, 19 April. https://www.theguardian.com/world/2020/apr/19/swift-action-kept-portugals-coronavirus-crisis-in-check-says-minister (accessed November 4, 2020).

Lains, P. 1998. "Causas do colonialismo português em África, 1822-1975". *Análise Social*, 33(2/3):463-496.

Lima, P. 2010. "Banco de Portugal decreta fim do BPP." *Expresso*. April 16. https://web.archive.org/web/20100421011040/http://aeiou.expresso.pt/banco-deportugal-decreta-fim-do-bpp=f576935 (accessed December 15, 2016).

Luna-Martínez, J. and Vicente, C. L. 2012. *Global Survey of Development Banks*. The World Bank. Policy Research Paper 5969.

Mamede, R. P., Pereira, M. and Simões, A. 2020. *Portugal: Rapid assessment of the impact of COVID-19 on the economy and labour market*. International Labour Organization: Geneva. https://www.ilo.org/emppolicy/pubs/WCMS_749191/lang--en/index.htm (accessed October 15, 2020).

Mamede, R. P., Pereira, M., and Simões, A. 2020. "Portugal: Rapid assessment of the impact of COVID-19 on the economy and labour market". International Labour Organization, June 2020. https://www.ilo.org/emppolicy/pubs/WCMS_749191/lang--en/index.htm (accessed November 4, 2020).

Melo, C. 2020. Vem aí uma moratória no crédito da casa. Com Sócrates a adesão foi fraca. *Sapo*, 19 March. https://eco.sapo.pt/2020/03/19/vem-ai-uma-moratoria-no-credito-da-casa-com-socrates-a-adesao-foi-fraca/ (accessed November 4, 2020).

Minho. 2020. "Caixa Geral de Depósitos disponível para prolongar moratórias de crédito." *O Minho*, 22 April. https://ominho.pt/caixa-geral-de-depositos-disponivel-para-prolongar-moratorias-de-credito/ (accessed November 4, 2020).

Minho. 2020. Caixa Geral de Depósitos disponível para prolongar moratórias de crédito. *O Minho*, 22 April. https://ominho.pt/caixa-geral-de-depositos-disponivel-para-prolongar-moratorias-de-credito/ (accessed November 4, 2020).

Mortágua, M. 2015. Member of Parliament, *Bloco de Ezquerda*. Interview, Lisbon, 22. June.

Mortágua, M., and Costa, J. 2015. Privataria. *Quem ganha e quem perde com as privatizações em Portugal*. Lisbon: Bertrand Editora.

Moura e Silva, M. 2013. "Antitrust in Distress: Causes and Consequences of the Financial Crisis". T*he Competition Law Review*, 9(2).

Noronha, R. 2013. "'The Most Revolutionary Law Ever Approved': Social

Conflict and State Economic Intervention during the Portuguese Revolution (1974-1975)." In: L. Trindade (ed.) *The Making of Modern Portugal.* Newcastle upon Tyne: Cambridge Scholars Publishing.

OECD. 2020. OECD *Economic Outlook,* 2020(1). Paris: OECD Publishing. https://www.oecd-ilibrary.org/economics/oecd-economic-outlook/volume-2020/issue-1_0d1d1e2e-en (accessed November 4, 2020).

Peixoto, V. R., Vieira, A., Aguilar, P., Carvalho, C., Thomas, D. and Abrantes, A. 2020. "Rapid assessment of the impact of 'lockdown' on the COVID-19 epidemic in Portugal". *Medrxiv.* https://www.medrxiv.org/content/10.1101/2020.05.26.20098244v1 (accessed November 4, 2020).

Pinho, P. 1997. "The Impact of the Single Market Programme and the Preparations for EMU in Portuguese Banking". *Economics Faculty, Universidade Nova de Lisboa,* Working Paper No. 312.

Presidência. 2020. Mensagem do Presidente da República ao País sobre a declaração do estado de emergencia. Lisbon, 18 March. http://www.presidencia.pt/?idc=22&idi=176060 (accessed November 4, 2020).

Reis, J. 1997. "A Caixa Geral de Depósitos como instrumento de política económica: o período entre as duas guerras". *Análise Social,* 32(141): 255-277.

Relvas, J. 2020. "CGD está a vender banco em Cabo Verde que deu lucros recorde em 2019." *Expresso,* 22 June. https://expresso.pt/economia/2020-06-22-CGD-esta-a-vender-banco-em-Cabo-Verde-que-deu-lucros-recorde-em-2019 (accessed November 4, 2020).

Ribeiro, L. R. 2019. Recessão alemã vai doer mais a norte de Portugal e no setor automóvil. *Diário de Notícias,* 26 August. https://www.dn.pt/edicao-do-dia/20-ago-2019/recessao-alema-vai-doer-mais-a-norte-de-portugal-e-no-setor-automovel-11221489.html (accessed November 4, 2020).

Rodrigues, J., and Reis, J. 2012. "The Asymmetries of European Integration and the Crisis of Capitalism in Portugal." *Competition and Change,* 16(3).

Rosa, E. 2014. *Grupos Económicos e o Desenvolvimento em Portugal no contexto da globalização.* Lisbon: Página a Página.

Sapo. 2020. Covid-19: CGD aprovou mais de 48 mil moratórias no valor de quase 7 mil ME. 31 July. https://visao.sapo.pt/atualidade/economia/2020-07-31-covid-19-cgd-aprovou-mais-de-48-mil-moratorias-no-valor-de-quase-7-mil-me/ (accessed November 4, 2020).

Torres, F. 2009. "Back to External Pressure: Policy Responses to the Financial Crisis in Portugal". *South European Society and Politics*, 14(1).

TVi24. 2020. Caixa Geral de Depósitos anuncia linha de crédito de 400 milhões para microempresas. 22 April. https://tvi24.iol.pt/ao-minuto/5e56645d0cf2071930699ff6/caixa-geral-de-depositos-anuncia-linha-de-credito-de-400-milhoes-para-microempresas/5ea0cadd0cf2cd6069eb7b48 (accessed November 4, 2020).

World Bank. 2020. GDP growth (annual %) – Germany. World Development Indicators. https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=DE (accessed October 25, 2020).

Worldometers. 2020. Portugal. https://www.worldometers.info/coronavirus/country/portugal/ (accessed November 4, 2020).

Yeyati, E. L., Micco, A., Panizza, U., Detragiache, E. and Repetto, A. 2007. "A Reappraisal of State-Owned Banks." *Economía*, 7(2): 209-25