

PSD WINS PORTUGAL ELECTIONS

Lisbon, March 18, 2002

Portuguese EPP member party PSD (Social Democratic Party) has driven the Socialists from power as voters swung to the right and gave centre-right parties a majority in Parliament for the first time in seven years.

Social Democrat leader and CDI Vice President Jose Durao Barroso, who is to be the new prime minister, said the Portuguese had expressed 'a desire for change' after the Socialists 'led Portugal into extreme difficulties'.

'A new era has begun today. I hope it will bring a richer and fairer country', he said.

Portugal's weak economy and chaotic public services had eroded support for the Socialists. The Social Democrats have promised to cut corporate taxes, slash public spending and privatize some state services, including parts of the national health service.

The Socialist Party - which won the last general, presidential and European ballots - was on the deffensive after it lost heavily in December's municipal elections and resigned from government forcing erly elections. Portugal was not due to go to the polls until next year.

The Social Democrats collected 40.12 percent of the vote compared to 37.85 percent for the socialists. The Popular Party, netted 8.75 percent. The Social Democrats gained 102 seats in Parliament and the Popular Party gathered 14, providing them together with a slim majority in the 230-seat Parliament.

Durão Barroso said he would seek to form a government that would guarantee political stability, credibility and confidence. But he would first discuss the issue of a coalition government with Jorge Sampaio, Portugal's president.

The PSD win continues a European trend towards centre-right governments following similar victories in Austria, Italy and Denmark in Europe's three previous general elections.