

Foreign citizens and investment that we can do without

As from a few weeks ago Portugal is a country where foreign citizens are not welcome, not even tourists let alone investors. This is the message going around the world. The end of Golden Visas and the end of Local Accommodation itself constitute an unprecedented attack against drawing foreign investment, tourism, investors and foreign citizens who, legitimately, believed and invested in Portugal.

Lets check the listed problems. Specifically in major cities, such as Lisbon and Porto, anyone who knows well the housing problems acknowledges that these are not a consequence of the Golden Visa programme, but rather of all factors and context costs seriously hindering and delaying the placement of more supply in the market, specially for the middle class and young people. In particular, concerning the supposed reduction of the number of inhabitants, for instance according to the 2011 survey, between 1980 and 2011 Lisbon lost 260,000 inhabitants. Now, the Golden Visas were created in 2012, therefore the transfer of inhabitants, specially into the neighboring municipalities, had nothing to do with it. Moreover, we are talking about totally different real estate investments. According to the now disclosed information, the average investment amount through Golden Visas is approximately EUR 575,000. Considering the average purchasing power of the Portuguese citizens, with the help of loans, this average investment amount should not exceed EUR 350,000 and, therefore, should be quite smaller than the Golden Visas value. Thereby, these are assets, markets and values completely different.

On the other hand, it is true that the was, the pandemic and all economic constraints we are currently facing are pressing the need for foreign investment for an (again) decapitalized country. We live and work in a country low on capital and where foreign investment is a necessity. On the other hand, instability and specifically lack of safety in some countries generated new opportunities that was urgent to take. Please note that this programme draws high calibre individuals as residents, who don't just create wealth and bring capital, but also bring new insights and experiences that we cannot afford to neglect. Let's recall the many investors from China; American continent, specially the United States and Brazil; from South Africa, who are educated and highly accomplished professionals, some of them in top positions of renowned companies, willing to move to Europa and who **elect Portugal as destiny, often leaving their home country due to insecurity. Should we tell them that we do not want them here?**

And all this, we must stress it, had been a major income source for the economy and the State (EUR 85 millions/year) both in direct taxes and administrative charges, which also created and maintained thousands of jobs in the construction and real estate sector, in materials industry and leveraged all the other sectors in the Portuguese economy, such as tourism, business, retail, catering and many others.

Because of all this, a serious debate about the end of golden visas is required. There are task forces created within the Government itself that must have analysed the programme's impact in housing and in the economy. Now, how does the Government intend to terminate a programme, which (agreeing or not agreeing) collected during the past year alone EUR 654 million, and which we are now squandering? And that has drawn over EUR 6.7 billion from the beginning? And all this failing to disclose to the Portuguese citizens and investors, who, legitimately have chosen Portugal to invest and even, for some of them, to live in, either temporarily or permanently, any kind of justification or even the numbers of that impact?

The reality shows us a scenario quite different than the one provided by the Government: in the past year, the Golden Visas amounted to 0.6% of the total volume of transactions. Is this the figure to worry about? Do 0.6% of transactions impact the housing sector?

Until some justification is provided to the Portuguese citizens and particularly to the investors and foreign citizens who believed in our country, invested their money here and elected our country as their own, about the real impact of all the Golden Visas investment, either residential or non-residential, we cannot allow the credibility of a nation, that still claims to be a state of law, to be called into question this easily and lightly. Or shall we dare to question: **Is this a country where the rules are changed in the middle of the game, without regard for nothing or anyone, let alone the lawful rights acquired** by thousands of foreign citizens who, from now on, will only spread the word that Portugal is a country without rules or laws.