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¹¹ See Souza (1994: 154-159). Earlier published under the title "Feudal Lords Unmasked," in *Goa Today*, March 1987. De Souza starts this about the Ranés of Sanquilim (the ancestors of the then and current Chief Minister of Goa) as follows: "This essay was to be originally included in a Goa University publication on Goa's freedom struggle. This paper was deemed improper and ... rejected by the editorial committee) the official historians subservient to ruling political interests who were only interested in paying floral tributes to Goa's freedom struggle, or whatever they choose to understand by that. Unfortunately, even the institution that is meant to set the tone for our intellectual life, including historical research, joined the chorus with 'Goa wins Freedom.' This is the state of intellectual subservience and poverty twenty-five years after our liberation!"

¹² The Ranés of Sattari are a politically influential family in post liberation Goa. A recent account of history (Kamat, 1985) has viewed the Rane Revolt of 1895 as one of the early fights against Portuguese colonial rule.

¹³ According to Foucault (1980), the production of knowledge is not independent from the exercise of power. It is the position occupied by the people exercising of power which privileges one version of history over the other.

¹⁴ In a letter elaborating his view on the Asiatic Mode of Production, Kosambi (1964) wrote: "The real difficulty here is the misleading documentation. Ancient Indian records derive from the brahman caste and those who read them pay not attention to the function of caste in ancient - (as well as modern and feudal) Indian society."

Globalization Hits Lisbon: the Rise of Banks from 1970 to 2000

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One day in 1979 a rock was lanced through the window of my second floor Lisbon apartment. This was the second round in a dispute between those of us occupying the apartment and the "occupant" of the empty lot next door. During the early evening hours, after a day of collection, he would build a fire and melt the rubber coatings off of copper wire. The toxic smoke drifted into our apartment making everyone feel quite ill. Some days later, while watering the plants on our patio, we extinguished his fire. His response was the above-mentioned rock. He was not the first occupant, nor would be he the last. He was followed by a group of gypsy women and children. Their fires were made in the morning, and what drifted into my second floor window was the sound of crying babies. Today that lot is no longer empty and available for squatting. Its new occupant is a shiny building housing a multinational corporation. How has globalization changed the urban landscape of Lisbon? This research note offers one small piece of the answer.

Globalization

The growing cross-national spread of culture, production, technology, labor and capital has been characterized in the social science literature as "globalization". A shortcoming of this conceptual approach is that, because of its scope, it simultaneously signifies everything new and nothing new. In one of its more exact usages, however, "globalization" has come to stand for a worldwide convergence on, or adoption of, a more or less homogeneous set of rules of international and domestic economic engagement. These rules, derived from the theory of neoclassical economics and its application in the United States, include privatization, reduced intervention of the state in the economic affairs of nations, and the free movement of goods and capital across national boundaries. What is called globalization at a world level is, of course, the sum of many individual nations integrating themselves, or being integrated, into a world economy. Thus, the multilateral lowering of constraints to the free movement of goods and services across national boundaries implies the further integration of countries into global networks of investment, production, and trade. Such integration is not new, but its form has been changing over the centuries. Trade, which historically had

been the main mechanism of global integration was joined by foreign investment and more recently by debt.

How has the concept of globalization been operationalized? Since the early form of integration was trade, it is not surprising that "The growth of commodity trade figures prominently in claims that the economy is globalizing."¹ Often these trade figures are offered as growth rates and given in relation to GNP.² Globalization in its current usage, however, clearly signals that there is something qualitatively different: globalization involves not only international flows of resources, but economic systems that operate as international flow economies.³ These might include global supply and worldwide market coordination. The latter concerns make it clear that trade statistics can only make a small contribution to the measurement enterprise.

Globalization and its Effects on Urban Environment

What effect does globalization have on urban environments? This relationship can best be explored using perspectives outlined by Castells, Sassen, and Walton. They are among the ranks of scholars that advocate joining urban sociology with political economy. It is political economy, Walton argues, that has been the most unifying and vigorous paradigm in urban sociology because of its capacity for structural explanations of a variety of urban conditions.⁴ Their mandate is that any research endeavor should incorporate the insights of world-system, political sociology, and urban sociology.

The decades of sociological research on urban succession make it unequivocal that spatial redistribution has been an ongoing feature of urban life. A preponderance of the recent work has focused on the decline of manufacturing and the shift to services.⁵ This spatial redistribution has also involved neighborhood gentrification, or high-income rehabilitation. Because some cities have a "disproportionate concentration of certain types of service industries, such as financial and advanced corporate services..."⁶, it is the shift to this service concentration that constitutes the rearrangement observed in some global cities.

How shall we assess the urban manifestation of globalization? Sassen suggests a location quotient. For example, one might judge the prominence of the financial sector in Lisbon by computing the ratio of Lisbon's share of the employment in producer services such as finance, insurance and real estate over Lisbon's share of the national employment. Such a measure would reflect something about the local employment transformation that accompanies globalization. The particular measure employed in this research note focuses even more specifically on urban landscape and one transformation that has accompanied Portuguese reintegration into the global stream.

Lisbon, a Global City Again

Waves of "globalization" do not wash evenly across all countries. Although one can find evidence, for example, of a substantial expansion of banks by 1976, particularly in the number of foreign bank branches that had opened around the world⁷, Portugal held back this global wave. Prior to the revolution of 1974, banking and insurance were dominated by a few private firms operating in a fairly protected environment. In the year after the revolution, banks and insurance companies were nationalized, along with about 1,300 enterprises which had been partially or fully owned by the nationalized financial institutions. The few foreign banks and insurance companies that were already there were not nationalized. Following the liberalizations of the 1980's, new capital, both foreign and national, entered the banking industry. In that decade, and in anticipation of the 1992 adherence to the EU, Portugal embarked on programs to privatize firms and to reduce red tape and tariffs. Adherence meant that any EU country could have unfettered access to the EU's internal markets and be free to move capital, goods, and services from one country to another.⁸ These liberalizations demolished the wall that had kept out foreign capital, and foreign investment in Portugal doubled every year from 1987 to 1991.⁹ From 1986 to 1991, the Portuguese economy experienced internationalization but it was particularly notable in the important growth of foreign direct investment in the financial sector.¹⁰

In 1984, these transformations permitted the privatization of the previously nationalized banking system. New private banks and foreign bank branches appeared. The early entrants did well—Citibank made an impressive return of 50% on its capital during its first year.¹¹ Foreign banks moved into the consumer credit, mortgage, retail and capital markets, and, into international investment funds. "Banks' sales of life insurance, mutual funds, and other products have also soared."¹² Since privatization, and particularly since the loosening of credit ceilings in 1990's, the Portuguese banking sector has seen a hefty turnover in acquisitions and ownership.¹³

One consequence of economic liberalization has been the increased prominence of banking institutions in Lisbon. This conclusion is derived from an examination of banking addressed in Lisbon.¹⁴ The bank address listing also required a decision rule regarding some of the addresses included under banks. Banks in Portugal, particularly in the 1970 and 1980 listings, included a number of non-banking activities such as sports (*grupo desportivo*), health (*serviço saude*), and restaurants (*cantina* or *refeitória*) for their workers. These services are less prevalent in the more recent years, particularly, of course, for the foreign branches. For the sake of consistency, the coding decision was to exclude those services which were of a distributive nature service a clientele of bank workers. I include those addresses which

were related to the infrastructural or administrative activity of the banking organization. Exclusions included: *Serviços clínicas, Serviços psicologia, Grupo desportivo, Serviço saúde, Serviço Social, Economato, Cozinha, Refeitória, Cantina, Armazen.* Addresses which remained included: *Arquivo, Postos de câmbio, Contabilidade, Pessoal, Obras, and instalações.* The data for these calculations were taken from the Yellow Pages (*Páginas Amarelas*) of Lisbon. As Lieberson writes about his own use of the Rand McNally Bankers Directory, there are no doubt errors inherent in using such data sources, but such sources provide an "excellent opportunity for roughing out the changes."¹⁵

Expansion of the Banking Sector in Lisbon

Banks have a commanding presence in Lisbon: they crowd together on the streets of the downtown area and on many major streets that radiate out from the centers. This physical presence has grown over the decades. From 1970 to 2000 there was an increase of 221% in the number of banks in Lisbon (listed in the Yellow Pages) and 190% in the number of bank addresses (see Table 1). Ironically, this increase has taken place during a time when automated tellers and electronic banking have functioned to reduce the amount of "storefront" space that one would expect be dedicated to banking. This increase has also taken place at a time when new alternatives to conventional banks have appeared. In 1997, *Modelo*, a supermarket chain, opened 43 branches of *Banco Universo* inside its supermarkets.¹⁶ The fact that these *Modelo* bank stations do not appear in the count suggests that this 190% increase is a conservative estimate.

The increase in the number of foreign banks is consistent with the assertions regarding the new globalization and the unfettered flow of capital. Related to this finding is another reached by Lieberson who found that the expansion of branch banking into locations such as Athens, Beirut, and Japan was accompanied by an expansion of English-usage in the names of banks.¹⁷ Does Lieberson's finding apply to the transformations in the banking sector in Lisbon? Not exactly. While there is a 20.6% decrease in the use of Portuguese names from 1970 to 2000 (see Table 2), the less frequent term "banco" has not been totally absorbed by English names; to the contrary there is a growth of bank names that are neither English nor Portuguese. The appearance of Spanish, German, and French names is not a surprise given Portuguese adherence to the EU and the consequent unfettered access to capital markets. These two points can be illustrated with the trajectory of four banks, two Portuguese banks founded in the 19th and early 20th centuries, a foreign bank that predates the liberalization of the 1980s, and a foreign newcomer (see Table 3). The vertiginous rise of *Santander* parallels the general rise of Spanish investment in Portugal.

Baklanoff writes "Within the recently-enlarged EC, Spain emerged as a significant direct investor, increasing its share from only 3 percent of new investment in 1985-1986 to more than 13 percent in 1989-1990."¹⁸

A trend regarding bank concentration can be hypothesized from the Yellow Pages data set. First it appears that there was a substantial rise in the number of banks with only one or two addresses (see Table 4). A perusal of the bank list reveals that small Portuguese banks have been joined by foreign branches such as *Banca Commerciale Italiana, Banco de Negocios Argentaria SA, Banque Nationale de Paris, Citibank Portugal NA, and The Bank of Tokyo* to name a few. After liberalization, it is likely that these banks were interested in establishing a presence in Portugal. At the same time, the percentage of banks with more than twenty-one locations in Lisbon has declined. With the exception of *Banco Santander Portugal SA*, they appear to be Portuguese banks. Such a conclusion, however, is only speculative because the bank-name data used here do not necessarily correspond to the country-of-origin of the share holders. Ownership data must be culled from other sources such as the *Bankers Almanac*.¹⁹ In conclusions regarding the question of concentration, it appears that the middle-sized categories have suffered the most from the early years and that the banking field in Lisbon is dominated by many banks with one or two addresses and a few with twenty-one or more addresses.

Conclusions

What conclusions can be drawn from this particular examination of the *Páginas Amarelas, Regiao Lisboa*? Globalization can transform the urban geography of a city. Lisbon has historical prominence as a global city. It is natural that, once Portugal was opened, international capital would reflect trends attendant with that globalization. In the period from 1970 to 2000, Lisbon has seen a doubling in the number of banks and a doubling in the number of bank addresses. It is not surprising that a visitor might marvel at what seems like a mushrooming number of banks and wonder if they will soon be displacing the pastry shops.

Table 1. Number of Banks and Bank- Addresses in Lisbon

	Number of Banks	Number of Bank Addresses
1970	28	217
1980	22	252
1990	61	367
2000	62	412
% change 1970-2000	221%	190%

Table 2. Percentage of Banks by Language of Title

	Portuguese	English	Neither	N
1970	92.7%	3.6%	3.6%	28
1980	77.3%	13.6%	9.1%	22
1990	67.2%	16.4%	16.4%	61
2000	72.1%	14.8%	13.1%	62
% change 1970-2000	-20.6%	11.2%	9.5%	

Table 3. Number of Addresses for Selected Banks: 1970-2000

	1970	1980	1990	2000
Banco Nacional Ultramarino (fn 1864)	20	31	19	7
Banco Pinto e Sotto Mayor (fn 1914)	16	28	22	5
Bank of London & So. America	5	3	0	0
Banco Santander	0	0	0	27

**Table 4. Concentration of Branches:
Percentage of banks by number of branch addresses**

	1&2	3-5	6-10	11-20	21+
1970	46.43%	10.71%	14.29%	14.29%	14.29%
1980	31.82%	18.18%	9.09%	13.64%	27.27%
1990	73.77%	3.28%	1.64%	6.56%	14.75%
2000	72.58%	8.06%	4.84%	4.84%	9.86%

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NOTES

¹ Stoper 1997, 22.

² Evans 1977.

³ Stoper 1997, 32.

⁴ Walton 1993, 307, 317.

⁵ Sassen 1990, 466.

⁶ Sassen 1990, 469.

⁷ Lieberman 1982, 46.

⁸ Campbell 1990, 3.

⁹ *International Herald Tribune* 29/1/91.

¹⁰ Mateus 1992, 660-665.

¹¹ Jones 1987, 3.

¹² *Economist*. 1997.

¹³ See Popper 1998 for a summary of the transition to a market-oriented banking system.

¹⁴ The population was defined as banks with addresses inside of the municipal area of Lisbon. This meant the exclusion of address in the

suburban ring. While it is certainly the case that urban sprawl has rendered artificial the distinction between Lisbon and some of the "suburban" rings, it was necessary to follow a single rule of inclusion and exclusion. I adhered to the distinction found in the bank listings of *Paginas Amarelas* which grouped Lisbon distinct from others such as: Estoril, Cascais, Linha, Alges, Moscavide, Estrada Nacional.

¹⁵ 1982, 46.

¹⁶ Pottinger 1997. 21.

¹⁷ 1982, 48.

¹⁸ 1992-93, 87.

¹⁹ *The Bankers Almanac* contains complete data on owners of the bank and the percentage of ownership.