1-22-2010

Chile: Right Wins First Post-pinochet Presidency

LADB Staff

Follow this and additional works at: https://digitalrepository.unm.edu/notisur

Recommended Citation

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in NotiSur by an authorized administrator of UNM Digital Repository. For more information, please contact amywinter@unm.edu.
Chile: Right Wins First Post-pinochet Presidency

by LADB Staff
Category/Department: Chile
Published: Friday, January 22, 2010

For the first time since the end of Gen. Augusto Pinochet's lengthy military dictatorship (1973-1990), Chilean voters have turned to the right, electing billionaire Sebastian Pinera in a tight Jan. 17 runoff against former President Eduardo Frei (1994-2000) of the governing Concertacion coalition. Pinera, a 60-year-old former senator from the center-right Renovacion Nacional (RN), obtained 51.61% of the vote in the head-to-head contest, edging past Frei (48.38%) to become Chile's first elected conservative leader in more than half a century. The last rightist to win the presidency was Jorge Alessandri (1958-1964), who triumphed in 1958, also by 3 percentage points (31% to 28%), against Salvador Allende (1970-1973). "Tonight we've earned a huge victory and have the legitimate right to celebrate with joy but also with much respect and peace," Pinera told supporters shortly after the results were announced. "Better times are ahead for Chile. After 20 years of Concertacion rule, tonight we've been given the marvelous responsibility of guiding the future of our country."

Pinera lost the last presidential election to President Michelle Bachelet of the Partido Socialista (PS). Bachelet, Chile's first female head of state, is constitutionally barred from seeking a second-consecutive term. With less than two months before she leaves office, her more than 80% approval rating is a record for Chilean presidents, fueling speculation she may attempt a return to power in 2014. End of an era For now, however, Pinera's triumph ends two decades of political dominance by the center-left Concertacion, which, despite Bachelet's sky-high popularity, is showing real signs of wear and tear. Even with Bachelet's repeated endorsements, Frei, a 67-year-old senator from the centrist Democrata Cristiano (DC), trailed Pinera throughout the campaign, coming up 14 percentage points behind the president-elect in a Dec. 13 first-round election (see NotiSur, 2009-12-18). That contest also featured a pair of Concertacion dissidents: former PS members Marco Enriquez-Ominami, a 36-year-old congressman, and Jorge Arrate, a far-left candidate who won 6% of the vote. Enriquez-Ominami the biological son of slain revolutionary Miguel Enriquez and stepson of former PS Sen. Carlos Ominami (see NotiSur, 2009-06-26) proved to be a decisive figure in the contest, winning 20% of the vote on a progressive yet decidedly anti-Concertacion platform.

Promising a "second transition" for Chile, Pinera used his acceptance speech to once again outline the basic tenets of his particular brand of compassionate conservatism: job creation, a strong-arm approach to crime, an end to corruption, and improvements to the country's health and education systems. "Neither the president, nor the ministers, nor any government collaborator is going to waste a minute knowing that there are 600,000 Chileans out of work, knowing that there are millions and millions of Chileans who are afraid because of crime and drug trafficking," Pinera said. "Change has come, just as millions of Chileans wanted."
How exactly that change will manifest itself, however, remains very much to be seen. Observers point out that, in many ways, Frei and Pinera are quite similar. Both are essentially business-friendly centrists who hail from the same generation of Chilean leaders who has driven policy since democracy was restored. During its 20-year grip on power, Frei's Concertacion which groups together the PS, DC, Partido por la Democracia (PPD), and Partido Radical Social Democatra (PRSD) has done little to challenge the free-market economic model imposed during the Pinochet regime and endorsed by Pinera. The conservative president-elect, in turn, has promised not to dismantle the Concertacion's array of social-assistance programs. Pinera will also have to contend with an evenly divided Congress, obliging him to seek consensus and compromise with Concertacion opponents. In the Senate, the Concertacion will maintain a slight advantage (19-16) over the new president's Alianza por Chile coalition, rechristened during the campaign as the Coalicion por el Cambio. The Alianza represents the RN and the hard-right Partido Union Democrata Independiente (UDI). The Senate's other three seats are held by a pair of independents Carlos Cantero, a former RN member, and Carlos Bianchi and Alejandro Navarro, a progressive who split from the PS last year to found a new party, the Movimiento Amplio Social (MAS). In the Chamber of Deputies, the Alianza will enjoy a slim two-seat advantage over the Concertacion (55-53). For the first time the new lower house will also feature three Partido Communista de Chile (PCCh) representatives. The changing of the guards at the presidential level is, nevertheless, certainly a shakeup for the country's political order. Although Pinera has carefully distanced himself from the specter of the dictatorship, repeatedly reminding the public that he voted 'no' in the famed 1988 referendum on Pinochet's stay in power, many of his backers particularly those in the UDI are far less apologetic about their ties to the military government. Pinera is expected to name some of those figures to Cabinet positions. Likely ministerial appointees include former Santiago mayor Joaquin Lavin and economist Cristian Larroulet. Both are Chicago Boys (they studied economics as the University of Chicago under Milton Friedman) who worked directly for Pinochet's government apparatus. It is unclear how such appointments will be received by the majority of Chileans, for whom the dictatorship, even three years after Pinochet's death (see NotiSur, 2007-01-05), continues to be a major point of division. More than one reason to celebrate Another point of uncertainty is how the immensely wealthy Pinera who has been likened to controversial Italian Prime Minister Silvio Berlusconi will juggle his personal business interests with his new political responsibilities. Launching his empire in the late 1970s as a credit-card pioneer, Pinera now figures on Forbes Magazine's World's Billionaires list in a multiway tie for the 701st position. A major shareholder in Chile's top airline, LAN, as well as in its most successful soccer team, Colo-Colo, he also owns a popular television station. So far Pinera has not followed through on promises to sell off his various corporate assets, a delay that has paid off nicely of late. On Jan. 18, the day after the election, the Chilean stock market celebrated the businessman's victory with a 1.6% surge. His own investment company, Axxion, jumped more than 12%. In just the first couple weeks of the year, the value of Axxion has shot up more than 50%, the daily La Nacion reported. This is not the first time eyebrows have been raised regarding the mogul/politico's conflicts of interest. In 2007, the country's securities regulator Superintendencia de Valores y Seguros (SVS) fined Pinera more than US$600,000 after determining he had engaged in insider trading with LAN stock. The president-elect owns more than 25% (worth an estimated US$1 billion) of the successful carrier. A final question surrounding the future government is how the shift may affect the country's traditional political alliances on both the right and left. Godoy and other analysts predict the conservative victory will only exacerbate divisions within the Concertacion, whose DC and PS parties could stray right and left, respectively, eventually breaking away from each other. Enriquez-Ominami, in the meantime, promises to use his newfound political might to forge a new
center of political gravity: an opposition in and of itself. "I won't be part of any government. I'll be the opposition of both, to whichever is elected tonight," the young deputy said on Jan. 17, prior to hearing the final results. "I still think that both candidates are from the past. That's why I think that today, regardless of what happens, marks the end of a cycle." If history is any indicator, the soon-to-be-governing Alianza is likely to have its own cohesion problems. The RN and UDI may enjoy a brief honeymoon now that they have finally wrested control of the government. But, overshadowed by the conspicuous divisions within the Concertacion is a history of interparty rivalry between the Alianza members that brings to mind the old adage, "With friends like these, who needs enemies." For the moment, though, the nearly 3.6 million Chileans who voted for the conservative president-elect are savoring the historic win. In the upscale resort town of Pucon in southern Chile's Araucania Region, Pinera's jubilant backers crowded along the main boulevard on election evening shouting slogans and literally jumping for joy. "We're expecting a radical change after 18 years of the Concertacion thieves," said Maria Cristina Ramirez, an ecstatic supporter holding a champagne bottle in one hand and a Chilean flag in the other. "A change in the education system, in the health care system, in the way public administration is done. No more bribery, no more pocketing 10% of every project that's carried out."

-- End --