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President Michelle Bachelet has begun the year with a bang, chalking up a quick succession of policy victories and capping it all off with a bill—which she introduced just ahead of the government’s summer recess—to ease Chile’s blanket ban on abortions.

After struggling last year to implement a tax overhaul that drew complaints from all sides—first from the right, which said the president’s plans would stifle the economy, and then from the left, which accused her of making unnecessary compromises (NotiCen, Aug. 8, 2014)—Bachelet went into something of a lull. Critics accused the returning president, who first held office from 2006-2010, of aiming too high, of promising too many things to too many interest groups. Others faulted her for failing to keep her broad Nueva Mayoría coalition in line. Falling copper prices, which slowed economic growth to just 1.9% in 2014, did not help matters. By the end of the year, Bachelet’s approval rating stood at 40%, down from 54% when she began her second term last March, according to the polling firm Adimark.

Observers would be hard-pressed to say she is slumping now. In recent weeks—in the narrow window between the year-end holidays and the start of February, when the president, Congress, and just about everyone else in Chile take their summer vacations—Bachelet oversaw the approval in Congress of three major legislative initiatives, including one that amends the much-maligned but long-entrenched binomial majoritarian system that Chile alone uses for electing parliamentary representatives.

The unusual system was implemented by the outgoing dictatorship of Gen. Augusto Pinochet (1973-1990) just before Chile’s transition to democracy. It artificially ensures political balance by making it extremely difficult for a single political coalition to control both seats in a given voting district (NotiSur, Feb. 10, 2012). Instead the seats tend to be split, with one going to the top voter-getter overall and the second going to the top vote-getter from the opposing coalition, even if he or she finished third in actual number of votes. A coalition can only win both seats in the rare instance that its two candidates double the vote total of the rival group’s two contenders.

Through the years the system has mostly favored the conservative Alianza coalition, which ties together the far-right Unión Demócrata Independiente (UDI) and center-right Renovación Nacional (RN). The overrepresented Alianza, consequently, has fought tooth and nail to keep the dictatorship-era voting rules in place. The political left, in contrast, has long characterized the system as "undemocratic," saying it distorts the real desires of voters.

The decades-long debate came to a head early on the morning of Jan. 14, when the Senate—following an all-night discussion—finally voted to change the seemingly intractable voting rules. Two opposition lawmakers joined the Nueva Mayoría in supporting the Bachelet-backed bill, which promises to expand the Senate by 12 seats (from 38 to 50) and the Cámara de Diputados, the lower house, by 35 seats (from 120 to 155). The legislation also introduces a quota system designed to
ensure more female representation in the legislature. Under the new rules, no more than 60% of the candidates a political party runs in a given election can be the same gender.

A week later, the Cámara de Diputados, where Bachelet enjoys an even larger majority, voted to approve the bill as well. The president will sign the changes into law pending a review by the Tribunal Constitucional (TC), which is studying the initiative at the behest of the Alianza. "This is a huge day for Chile and for our democracy," Bachelet announced following the Jan. 20 lower-house vote. "After 25 years, our parliament, listening to the ample voice of the majority of our citizens, has approved a new electoral system."

Alianza opponents are furious about the changes, which are expected to take effect in 2017. "This month of January is going to be remembered as a month of abuse by the left," said UDI head Ernesto Silva. The party president and others on the right accuse the Nueva Mayoría of imposing "custom-made" measures for its exclusive benefit.

**Education reforms**

Alianza lawmakers had even more to grumble about six days later, when the Cámara de Diputados gave final approval to the Bachelet administration’s first set of education reforms. The legislation does away with selective entrance policies in state-subsidized schools and also makes it illegal for schools to be run as profit-generating businesses.

"What we’ve put an end to here is a set of illegitimate bases put in place during the dictatorship, behind the nation’s back," said Education Minister Nicolas Eyzaguirre. "Today we’ve recovered Chile’s historic tradition and the best practices in the world."

The administration promises to introduce a second round of reforms later in the president’s term. The next education bill will look to improve teacher salaries, reassert state control of pubic schools (which now are managed by individual municipalities), and eliminate university tuition costs. The government plans to pay for the program with increased tax dividends derived from last year’s tax overhaul, which is supposed to boost state coffers by more than US$8 billion per year.

Education reform is arguably the most significant element of Bachelet’s ambitious agenda, which was heavily influenced by a powerful student movement that rose to prominence in 2011 with a string of massive street demonstrations (NotiSur, Aug. 19, 2011, and Sept. 23, 2011). Several of the movement’s leaders, including Camila Vallejo and Carol Kariola, both members of the Partido Comunista de Chile (PCCh), are now members of Congress. Student leaders Giorgio Jackson and Gabriel Boric also won deputy seats in the 2013 parliamentary elections (NotiSur, Nov. 22, 2013).

**Same-sex partnerships**

The four "bancada estudiantil" (student bloc) deputies were among those who gave Bachelet yet another feather in her cap by voting Jan. 28—just two days after approving the education-reform bill—in favor of a bill legalizing civil unions. The Acuerdo de Unión Civil (AUC), as it is known, will benefit hundreds of thousands of non-married couples by extending them rights normally reserved for the legally married.

Although the majority of couples expected to benefit from the new statute are heterosexual, same-sex couples are also eligible. As such the AUC is being hailed as a huge victory for gay rights. "We
are thrilled that the state recognizes, for the first time, that same-sex couples also constitute a family and deserve protection," said Luis Larrain of Fundación Iguales, one of Chile’s leading LGBT (lesbian, gay, bisexual, and transgender) rights groups. "This is a step forward in the recognition of diversity."

Interestingly, the initiative also had the backing of Bachelet’s conservative predecessor President Sebastián Piñera (2010-2014), Chile’s first and only president from the Alianza (NotiSur, Jan. 25, 2013). The AUC is sharply opposed, nevertheless, by many of Piñera’s allies in the UDI. In statements given to Radio Cooperativa, UDI Sen. Iván Moreira called civil unions a "gateway to gay marriage" and accused the left of imposing "its own moral model."

Two days after the AUC went through, Bachelet gave her right-wing opponents one last thing to stew on during their summer recess: a bill to soften the country’s zero-tolerance abortion rules. Chile is one of just a handful of countries that outlaws abortion in all cases, even when the pregnancy results from rape or when the life of the mother or fetus is at risk (NotiSur, Jan. 9, 2015). The bill calls for the legalization of abortion when the aforementioned circumstances apply.

Members of the Catholic Church, the political right, and even some in the centrist Partido Demócrata Cristiano (PDC), which is included in the Nueva Mayoría, promise to oppose the initiative. "It astounds me that today we’re putting the right to liberty before the right to life," UDI Sen. Jacqueline Van Rysselberghe told reporters.

"Pentagate" fallout

Bachelet’s recent hot streak isn’t the only thing painting the UDI into a corner right now. The far-right party is also embroiled in an unfolding tax-evasion and influencing-peddling scandal involving the multibillion-dollar conglomerate Grupo Penta. The business group is accused of making illegal payments to a number of high-profile politicians, mostly from the UDI, whose president, Ernesto Silva, happens to be the nephew of one of Penta’s two main shareholders.

"Pentagate," as the scandal has come to be known, began as an internal Servicio de Impuestos Internos (SII) investigation. Thanks to an anonymous tip, investigators learned that SII official Iván Álvarez accepted money to make retroactive changes to the tax records of dozens of individuals and businesses. The changes resulted in larger tax refunds for the companies and individuals in question.

One of the companies linked to the scheme was Grupo Penta, whose then director, Hugo Bravo, later told investigators about illegal campaign donations the conglomerate allegedly made to certain politicians. The politicians are accused of disguising the contributions as payments for services that were never rendered. They allegedly used third parties, often family relatives, to invoice the transactions.

Two of the politicians named so far have close ties to the president: Andrés Velsaco, finance minister during her first term, and Public Works Minister Alberto Undurraga. The rest are members or close affiliates of the UDI. The list includes Pablo Zalaquett, a former Santiago mayor; Jovino Novoa, a former senator and one of the party’s founding members; Sen. Iván Moreria; and Sen. Ena von Baer. The latter served as President Piñera’s original administration spokesperson. Also implicated are Piñera-era Cabinet officials Laurence Golborne, an independent with close ties to the UDI, and Pablo Walker (UDI), the ex-president’s mining undersecretary.
Analysts describe the Pentagate fallout as the biggest crisis to hit the UDI since its founding in the early 1980s. "When it comes to governing without governing, [the UDI] has been the most important party in the [post-Pinochet] transition," sociologist Alberto Mayol said in a recent interview with Radio Bío Bío. "It’s been the party most able to set the agenda. From now on it’s not going to have that kind of relevance."

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