

The Bachelet Government

Conflict and Consensus in Post-Pinochet Chile

EDITED BY

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Introduction

GREGORY B. WEEKS AND SILVIA BORZUTZKY

The political trajectory of Chilean president Michele Bachelet's tenure in office has been nothing short of remarkable. When she was inaugurated, in March 2006, after a hard-fought runoff election against Sebastián Piñera of the conservative Alianza (Alliance) coalition, she brought with her considerable promise of change in a country where political and economic reform in the post-dictatorship era (i.e., the years after 1990) has often been contentious. Within months, however, her approval ratings had plummeted, members of her own Socialist Party were in the streets protesting, and her cabinet had undergone multiple changes. As the global recession set in, however, her popularity rose again. In order to get a better grasp of the changes taking place in Chile during this period, this book examines the Bachelet administration through the lens of "consensus," which has been a hallmark of Chilean politics after the end of the dictatorship, but which, ironically, has in many ways led to conflict. The prevailing emphasis on consensus at the elite political level has made transformational change problematic, and consequently social movements have emerged, led by those who feel their concerns are not being addressed. This has contributed to a slide in the Concertación's electoral fortunes.

Like the administration of Ricardo Lagos (2000–2006) before her, President Bachelet has chosen not to make any significant changes to the longstanding political consensus inherited from the dictatorship of Augusto Pinochet, which includes the continuation of the neoliberal economic model.¹ Since 1990, political consensus has hinged precisely on maintaining existing economic policies. The authors of each of the chapters published here will address the challenges inherent in protecting consensus and political stability while also seeking solutions to the political, social, and economic problems that have yet to be resolved in the post-authoritarian era.

This consensual emphasis has its roots in the breakdown of Chilean democracy, which culminated in the violent coup that overthrew Socialist president Salvador Allende in 1973. Polarization—rooted in extreme ideological differences—in the early 1970s had reached the point that even the Christian Democratic Party, led by future president Patricio Aylwin and long the political anchor of the center, actively supported the coup and asserted that Allende had violated the constitution. Since party leaders assumed, incorrectly, that the armed forces would soon hand power back to civilians and call for new elections, political moderation seemed unnecessary. Under that assumption, the military cut the Gordian knot and deposed the president. As Aylwin would later write about his party's support for the coup, "We felt liberated from the enormous weight we had been carrying."² The military, which viewed the Christian Democrats with a disdain nearly equal to its contempt for the leftist parties, suspended the constitution indefinitely, and democracy would not return for nearly seventeen years.

Given their ideological orientation and close association with President Allende, members of the Communist and Socialist Parties in particular were arrested, tortured, killed, and/or they fled into exile. For over ten years, these two parties would remain bitterly opposed to the Christian Democrats, even though its members had also suffered. The gulf was too deep even to be bridged by a common opposition to a brutal military regime that viewed itself as a savior—having destroyed what it considered to be a Communist-leaning government—and thereby violated human rights with impunity.

That state of affairs would change only in the 1980s as the prospect of voting Pinochet out became a viable option. Required by his own 1980 Constitution to call a referendum by 1988 on his continuation in power, Pinochet was confident he would win. Although the opposition faced harassment and had far fewer resources than the state, the Christian Democrats and Socialists finally managed to set aside their historical differences and work together on the "No" campaign (the Communist Party decided to reject the campaign altogether and instead seek the overthrow of the government). Together with fifteen other smaller parties, they formed the Concertación de Partidos por el NO (Coalition of Parties for NO). After Pinochet's defeat, the group's name was changed to Concertación de Partidos por la Democracia (Coalition of Parties for Democracy) and it became

a broad-based center-left electoral coalition, currently comprised of four parties.³

Given its historical background, the Concertación as a whole strongly emphasized the need to work together, compromise, and avoid serious conflict as much as possible, both internally and vis-à-vis other political actors. As Hernando Muñoz, the Chilean ambassador to the United Nations under Bachelet, put it, "A new social bloc had to be created based on mass struggle and political consensus."⁴ Since the military had left power in a position of political strength—with Pinochet remaining as Commander in Chief of the Army until 1998—and had close ties to the Right, its constitutional prerogatives remained largely untouched for another fifteen years and the government was consistently reluctant to pursue officers linked to human rights abuses. Under Pinochet's direction, the army in particular used both overt means (such as displays of force) and less public means to insist that the Concertación limit its intrusion into military affairs.

Even after Pinochet was arrested in Great Britain and then subsequently retired from the Senate (where he had been guaranteed a seat as a former president), human rights policy was characterized by caution. Although Pinochet was periodically compelled to submit to questioning (primarily for corruption charges) and at times was under house arrest, by the time he died, in 2006, he had been investigated but never convicted.

Economically, the market reforms first enacted in the mid-1970s enjoyed support both from the Right and also from within the Concertación. Reducing government spending, privatization, cutting tariffs, encouraging foreign investment, and similar measures became the backbone of the Chilean economic "miracle." Many members of the coalition viewed these measures as the engine of economic growth that brought macroeconomic stability and a continued flow of investment. Any substantive change to the model, the argument went, would discourage investors, spur inflation, and slow growth. As neoliberal policies entail a relatively small role for the state, any reforms putatively aimed at fighting poverty, such as social security, education, women's rights, and indigenous rights, were characterized by market solutions, and by definition did not involve any challenge to the economic status quo.

For example, the administration of Ricardo Lagos (2000–2006) touted its efforts to reduce poverty, but simultaneously income inequality in Chile ranked among the worst in the hemisphere. The percentage of the popula-

tion in poverty fell from approximately 40 percent in 1990 to a 2006 rate of 13.7 percent, no small feat. However, the Gini coefficient, which measures inequality, was .549 in 2003, and over time has remained among the highest in Latin America (Brazil has the greatest inequality in the region). The Special Commission on Inequality and Poverty in the Chamber of Deputies released a 2008 report noting that although economic growth and social policy "had contributed to improving the conditions of the most disadvantaged in society, they were still insufficient in reducing the unequal distribution of income in the country."⁵

The statistics are echoed by public opinion. In the 2007 Latinobarómetro poll, only 10 percent of Chileans believed the distribution of wealth was "fair" or "very fair," which was the second-lowest percentage in Latin America (only Paraguay was lower).⁶ Although Chile ranked fifth in terms of percentage of respondents who were satisfied with economic growth, the total was only 30 percent. In the 1999–2000 poll, 45 percent of Chileans expressed satisfaction with democracy.⁷ By 2008, that figure had dropped to 39 percent.⁸ Increasingly, the existing consensus regarding economic policy became a source of conflict.

Within the consensus, economic success has more often been viewed in terms of growth rather than equality, and job creation has been framed in terms of expanded international trade: thus, the government has signed free trade agreements that include the United States (along with Canada and Mexico), South Korea, China, the European Union, Japan, Central American countries, as well as a multilateral free trade agreement with Brunei, New Zealand, and Singapore. As of the end of 2008, Chile had signed fifty free trade agreements in all, and talks continue with countries around the world. As a result, Chile had had access to over 86 percent of global Gross Domestic Product.⁹ Far from challenging the central tenets of the model, post-authoritarian presidents have enthusiastically embraced it, pursuing new market-based opportunities globally and touting Chile's economic growth potential. This has helped to forge a link between the Concertación, the political Right, and business (both domestic and international) based on a shared vision of economic policy.

Consensus thus has meant a concerted effort to avoid returning to the conflictive past that had ripped Chilean democracy apart in 1973. From a comparative political perspective, it has proven very successful. The Concertación is by far the most stable and successful political coalition in contemporary Latin America. Its composition and leadership have evolved

over time, so that it has never been dominated by only one party or personality. Despite threats in the years immediately following the end of the dictatorship, the military has not intervened in politics. The focus on consensus has assured four free and fair presidential elections and, by the time Bachelet leaves office, the Concertación will have achieved twenty years in the presidency.

That strategy, however, has gradually chafed. As the exasperated main character of the Chilean Ariel Dorfman's play *Death and the Maiden* lamented with regard to human rights, "There's freedom to say anything you want as long as you don't say everything you want."¹⁰ Or, as the political scientist Alexander Wilde put it, Chile's public life "has had a certain muffled quality of what might be called a 'conspiracy of consensus' originating among political elites but permeating the whole society."¹¹ Just below the consensual surface, unmet economic and political demands continue to simmer, and after Bachelet's election, protests challenged that "muffling." The protests came from diverse sectors including labor unions, indigenous groups, and students, among others. What is interesting to note is that those protesting were an integral part of the coalition.

This does not mean that there has been political paralysis, but rather that change, when it happens, has most often been gradual. In the post-authoritarian era, Chilean administrations have set up the cabinet-level Servicio Nacional de la Mujer (SERNAM) to address women's issues, enacted judicial reform, pursued a greater (though still limited) number of human rights cases (particularly after Pinochet's 1998 arrest in Great Britain), and in 2005 even amended the constitution to remove many military prerogatives and authoritarian enclaves. Labor and tax reform, infrastructure development, and health-care reform have also been implemented. All these achievements represented steps in an overall process of economic development and democratization, and should be recognized as such, but nonetheless they did not constitute any fundamental change to the prevailing consensus and market model. As Lagos celebrated the 2005 reforms and noted other reforms—particularly electoral—that remained pending, he did not bring up the marginalized groups who still remain outside or on the periphery of the consensus.

Even as it celebrates its achievements, the Concertación has experienced increased competition from the Right, as well as internal stresses. The former was evident in the results of the 1999 presidential election, in which Lagos virtually tied with the Alianza candidate, Joaquín Lavín (47.96

percent to 47.51 percent). Lagos then won the runoff election (according to Chilean law, if no candidate receives a majority, then the top two face each other in a runoff election). By contrast, the previous two Concertación presidents (Patricio Aylwin and Eduardo Frei) had won solid majorities in the first round, so clearly support for Concertación presidential candidates was fading.

The parties within the governing coalition have also squabbled, especially in terms of the Christian Democrats' dominance of the coalition. However, the nomination of Ricardo Lagos, a former leader of the Socialist Party who was also a founding member of the center-left Party for Democracy (PPD), alleviated concerns about Christian Democrats controlling the coalition. Nonetheless, in 2009, a young Socialist deputy, Marco Enríquez-Ominami, resigned his membership in the party and announced an independent candidacy, which highlighted the divisions that continue to exist within the coalition. The many predictions of the Concertación's demise have not yet proven correct, as for the time being the members parties see more benefit in presenting candidates together than in doing so alone. The emphasis on consensus has therefore also held within the coalition itself, albeit tenuously.

By the late 1990s, members of the Concertación were moving in their own political directions, and its once broad appeal has gradually been shrinking. Its original *raison d'être*—creating a united front against the dictatorship and its allies among the political Right—no longer existed, and one of Lagos's primary challenges was to rejuvenate the coalition and prevent it from becoming simply a political marriage of convenience. Bachelet's background appeared to offer a fresh chance for the coalition to rebound and regroup.

Michelle Bachelet was an unknown political quantity when Ricardo Lagos appointed her as his minister of health in 2000. Certainly, her background was quite different from that of other high-profile members of the Concertación. In a country well known for its cultural conservatism, a female presidential candidate was a new phenomenon. Moreover, she was a divorced/single mother of three, a member of the Socialist Party, and an agnostic. She had also suffered deeply as a result of the dictatorship. Her father, Alberto Bachelet, an Air Force general, had been arrested after the 1973 coup, tortured, and had died in prison. Michelle Bachelet was herself detained in 1975, and tortured, together with her mother, at the infamous Villa Grimaldi political prison, before being exiled for four years. Upon her

return to Chile, she completed studies for a medical degree, later working at a children's hospital, and ultimately working for the Ministry of Health.¹²

As minister, her political stature rose as she was associated with Plan AUGE, a reform of the health-care system that expanded coverage but remained limited after stiff legislative resistance from the Right. In 2002, Lagos named her minister of defense, the first female to serve in that capacity in Latin America. She was, in fact, more qualified for the position than many others who have served in it, since she had taken courses at the Inter-American Defense College in the United States, and later received a Master's degree from the Chilean Army War College. She worked well with the armed forces and received the respect of the military leadership.

From there, her star rose quickly, and in 2005 she won the Concertación's presidential nomination after her main rival, the Christian Democrat Soledad Alvear, left the race. In the December 2005 election, the Alianza was split, with both UDI leader Joaquín Lavín and Renovación Nacional candidate Sebastián Piñera, a wealthy businessman, running against her. She received 45.96 percent of the vote, and in the runoff (against Piñera, the unified Alianza candidate) she won with 53.49 percent to Piñera's 46.50 percent. In concurrent elections, in the Chamber of Deputies the Concertación won 65 of 120 seats, and 20 of 38 seats in the Senate.

Regardless, the new "*presidenta*" appeared to have considerable personal appeal. She had overcome substantial odds and appeared to symbolize a revitalization of the Concertación. Despite receiving only a plurality of votes in the first round, and just over 50 percent in the runoff election, one month into her tenure she enjoyed an approval rating of 62 percent.

Bachelet's campaign emphasized socioeconomic change. She immediately appointed a cabinet split evenly between men and women, fulfilling a campaign promise of achieving gender parity. She exhorted her cabinet to spend the first 100 days enacting the "Thirty-six Measures," a list of goals addressing a wide variety of issues. Some were accomplished quickly, such as a presidential decree granting free health care to the needy elderly. Others, like pension reform and changing the electoral system (discussed below) proved far thornier. Bachelet established a precedent by forming commissions to study key problems, including both pension and electoral reform. As her presidency progressed, because of her need to create consensus, she would commonly create new commissions to study issues as they became conflictive. However, the commissions' results are also at the core of conflicts because although they have all generated dialogue, some

(though not all) have simply failed to provide concrete solutions for policy disputes, thus either perpetuating or fueling more conflict. The role of these commissions is analyzed in the chapters that follow.

Her administration's goals, however, were clearly set in the economic programs of past administrations. Her 2005 Government Program noted that the country needed to continue on the "path of economic development" that included "seriousness" (*seriedad*) and "budgetary equilibrium" (*equilibrio presupuestario*) while not ignoring the needy.¹³ Attempting to simultaneously maintain sound fiscal policies and fulfill her campaign promises has only created more conflicts.

Bachelet faced important institutional constraints as she worked to implement her policies. A 2005 constitutional amendment shortened the presidential term from six years to four. The term of President Aylwin (elected in 1989) was also four years, but his was a special transitional term. Both Presidents Eduardo Frei and Lagos had six-year terms. As Peter Siavelis argues in chapter 1, since presidents are barred from serving consecutive terms (though they can serve a second, non-consecutive, four-year term), Bachelet and all future presidents become lame ducks very quickly, making it much more difficult to pass legislation.

Other constraints have been present since the return of civilian rule. The binomial electoral system entails two-member congressional districts, and a party must win over two-thirds of the total vote to gain both seats. Otherwise, the candidate of the party with the second-highest number of votes gains the second seat. In practice, this has benefited the Alianza, because the Concertación has more popular support but often not as much as the two-thirds necessary in any given district. Thus, in the binomial system the Right tends to be over-represented, which allows them to obtain the second seat in districts where the Concertación receives less than two-thirds of the vote.

For example, in the 2005 legislative elections, the Alianza won 38 percent of the vote but 45 percent of the seats in the Chamber of Deputies, while the Concertación gained the same percentage for each (55.7 percent and 55 percent). In the Senate, both coalitions gained more seats than votes, at the expense of smaller parties, but the Alianza did better (38.7 of percent of votes and 45 percent of seats versus 51.8 percent of votes and 54 percent of seats).¹⁴ Passing legislation is thus more challenging than in political systems which utilize first-past-the-post or proportional representation vot-

ing, either of which would give the Concertación more seats vis-à-vis the Alianza. As more voters begin to question the Concertación, an electoral system tilted in favor of the Right makes Bachelet's efforts at reform all the more difficult.

The binomial system has the additional effect of making candidate selection even more an elite affair. The leaders of the two main political coalitions make complex strategic choices about which candidates should be nominated in given districts in order to optimize the number of seats. Those decisions are made by only a handful of party leaders without public debate, which widens the gulf between the parties and the electorate while sustaining the existing coalitions. As with a number of other policy areas, Bachelet appointed a commission to study electoral reform, and in 2009 her party did successfully pass a bill which includes a number of electoral reforms, such as voluntary voting and automatic voting registration, as well as campaign and political party financing regulations and limits on the ability of members of the administration to intervene in political campaigns. Also at the end of 2008, former president and current senator (and once again presidential candidate) Eduardo Frei introduced a bill containing thirty-seven constitutional reforms. Among the reforms proposed by Frei are the establishment of open and simultaneous primaries, the establishment of a semi-presidential system which would include a Prime Minister, and more regional autonomy.¹⁵ Another set of similar reforms was introduced by the administration in May 2009. While the binomial system has yet to be changed, it is interesting to note that Congress approved a new electoral law in March 2009. This law includes a system of automatic registration which would effectively increase the voting population by about four million new voters while at the same time removing the penalties associated with not voting, effectively ending compulsory voting in Chile. The effects of this new law will be seen in the next presidential election.¹⁶

Bachelet also inherited substantive problems that originated in past administrations. The first serious crisis in her presidency came in April 2006, a mere three months after her inauguration, when secondary students went to the streets and took over schools to protest education costs and the structure of the educational system. Although Bachelet did not create the problem, her reaction was widely deemed as slow and insufficient. The protests contributed to the first drop in the president's approval rating and prompted her first cabinet reshuffling, in July, which in turn undid the

gender balance Bachelet had constructed only four months prior. These changes signaled the abandonment of Bachelet's policy of "*gobierno ciudadano*."

Those protests highlight the general failure to bring youth into the political consensus, a strategy developed by politicians from older generations, many of whom remain politically active. Chilean youths are more disaffected, less likely to register and to vote than their elders, and by virtue of their age have little or no personal connection to the history that produced the emphasis on consensus in the first place. They are less interested in the reasons for the earlier democratic breakdown and the later re-democratization, and consequently operate outside the parameters of current Chilean political discourse. For them, consensus means ignoring the issues they believe are most important.¹⁷

Bachelet enjoyed only a brief respite from protest. In September 2006, copper miners went on strike for better wages. Given the high price and global demand for copper, which remains largely under state control, the Bachelet administration enjoyed at that time considerable state resources, but it was committed to maintaining a budget surplus, to avoid future deficits and reductions in the value of the peso should copper prices fall in the future. Chile is the world's largest supplier of copper, and the price reached an all-time high of \$4.07 per pound in July 2008, leading to an increase in export earnings of over 70 percent from 2005 earnings.¹⁸ This strategy came under fire from many supporters who felt that they were not benefiting from the copper windfall. From their perspective, the state should commit to greater social spending when copper revenues increase. Fiscal prudence, therefore, forged in compromises within the Concertación and supported by the Right, embodies consensus, but within it are also contained the seeds of dissent.

Such economic decisions were made more problematic by the fact that economic growth slowed in 2006 to just over 4 percent, after two consecutive years of growth at approximately 6 percent. While economic growth in 2007 increased to 5.1 percent, this was still lower than the final years of the Lagos administration, and at the same time, inflation increased to 7.8 percent, a 5 percent increase from the rate in 2006.¹⁹ The slower growth also brought criticism from the Right, which argued that, especially given the demand for copper, the Chilean economy should be growing much more quickly. Bachelet's approval rating fell below 50 percent for the first time in January 2007, and it continued to slide. By the end of 2007, only 38.8 per-

cent of the Chilean people approved of Bachelet's performance, and only 31.1 percent approved of the administration's management of the economy. It is interesting to note, however, that according to the same poll, only 19.9 percent of Chileans approved of the opposition's performance.²⁰

Then, in February 2007, the new integrated public transportation system in the capital, called Transantiago, was unveiled and immediately broke down. Unable to find scarce buses, Santiago residents were stranded or forced to walk. The metro was overloaded and taxis became difficult to locate, even for those who could afford them. The resulting protests prompted Bachelet's second cabinet change—after only a year in office—as she fired and replaced four ministers. The fiasco also prompted the formation of another commission—this time in the Chamber of Deputies—that has laid blame for the breakdown at the feet of both the Lagos and Bachelet administrations (in addition to the private firms responsible for providing sufficient bus service). That Transantiago had failed was perhaps one of the rare issues about which Chileans of all political stripes could agree. It also placed particular strain on the Concertación, since the system has continuously required new infusions of money to keep it functioning. As Bachelet acknowledged in an interview, "I would like to erase February 10 [the day Transantiago was launched] from the calendar."²¹

In September 2007, Santiago was rocked by protests once again, when Chile's largest union, the United Organization of Workers (known by its Spanish acronym CUT), led tens of thousands into the streets to condemn inequality and the government's failure to address it. Some members of Bachelet's own Socialist Party participated, which highlighted her inability to appease even her own supporters. In addition, one senator was attacked and bloodied during the protest, which also led to charges that she was not sufficiently attentive to police violence, which has been a topic of debate in recent years in Santiago. Further, in November 2008, public workers in the capital went on strike for four days, demanding a wage increase. This affected many key services such as hospitals, the courts, and the schools. The strike ended when the legislature approved a 10 percent wage increase. Finally, quick government action had resolved a crisis.

Thus, President Bachelet took office promising change, but found it difficult to enact. By late 2007, her approval ratings had fallen precipitously, into the mid- to high 30s, among the lowest in the region, with just a slight increase from then until September 2008, when the global economic crisis began. Interestingly, her approval ratings then rose again, in large part be-

cause Chile did not suffer as much economically as the rest of the region. However, the Concertación showed more signs of wear, as the candidacy of Eduardo Frei was criticized for its lack of energy, and the high-profile rise of Enríquez-Ominami embarrassed the coalition.

Thus, Bachelet had inherited a consensus that was starting to show wear. At the same time, however, there are no signs that Chilean politics are moving in the direction of populism and/or delegative democracy, as has been the case to varying degrees in a number of other South American countries, most notably Argentina, Bolivia, Ecuador, and Venezuela. The 2008 Latinobarómetro poll found that 59 percent of Chileans approved of the government—in other words, of the political system itself—even if they did not always have much confidence in Bachelet. An essential question for the future is whether consensus can be spread out more widely, which in turn would reduce the pressures that have led to protests. Further, the president faces the challenge of including hitherto marginalized groups through assertive policies and targeted programs, rather than through large, unwieldy commissions.

The chapters that follow will examine the dilemmas Bachelet faces, while also acknowledging the progress she has made. In many ways, given the country's political and economic stability, the Chilean model—even during Bachelet's tenure—has been very successful. Nonetheless, important challenges continue to bedevil the Concertación in a number of different policy areas, though in fact as Bachelet's term comes to a close, her personal popularity has once again risen. The work on this book was completed in mid-2009, six months before the end of Bachelet's term, and it is interesting to note that while the Chilean economy has clearly been affected by the financial crisis and the ensuing recession, Chileans seem to be very supportive of their president, but not of the governing coalition. In a poll released in June 2009 by the Centro de Estudios Públicos, 66 percent of Chileans approved of the way Bachelet was running the government, but only 36 percent approved of the Concertación.²²

The Structure of This Volume

This volume was born out of a panel organized by the editors at the September 2007 Latin American Studies Association meeting in Montreal, where some of the authors gathered to discuss the Bachelet administration. At the conference, as we began to present our papers, we realized that we were all

analyzing a very similar phenomenon: how this very remarkable woman who had managed to become Chile's first female president—and the only female president in Latin America not following a male relative in power—was struggling to manage and control her administration. We also realized that at the core of Bachelet's problems were two critical issues: a desire to forge policy consensus, and a large amount of social conflict. It appeared to us that President Bachelet seemed to have fallen into an unfortunate "Catch 22," because the harder she tried to create consensus the more conflict she encountered. Thus, we see the issues of conflict and consensus as the two most dynamic elements in her administration, in her policymaking style, and in determining the historical legacy left by her government.

The different chapters in this book provide an assessment of the administration's performance and focus on two interrelated sets of issues: the limits of the political system and the nature of socioeconomic policies. The first four chapters discuss Chile's political system, emphasizing how the realities of an aging government coalition have constrained the Bachelet administration's political space. These chapters argue that the Bachelet administration has been limited by a number of factors, including the nature of the political system that was designed at the end of the Pinochet regime and its subsequent reforms; the nature of the governing coalition; the conflicts affecting the Concertación coalition; and the effects of a prolonged transition. This set of chapters also focuses on Bachelet's decision-making style and the effects of being the first female president of the country. The succeeding four chapters discuss the socioeconomic issues, policies, and social movements that have been at the intersection of the consensus/conflict dynamic. These chapters contain a discussion of the general nature of economic, educational, gender, health, labor, and pension policies, as well as that of critical social movements such as the student, labor, environmental, and indigenous movements. The chapters in this section also address the question of equity.

Siavelis's chapter, "What It Takes to Win and What It Takes to Govern: Michelle Bachelet and the Concertación," argues that much of what made Bachelet a very appealing candidate has contributed to making her an ineffective president. Siavelis argues that by the end of the Lagos administration the Concertación was suffering from political decay and as such needed a fresh face to lead the coalition in the 2005 elections. Bachelet was undoubtedly the fresh face that the Concertación needed, but what was an asset during the campaign—her lack of traditional party ties, her consen-

sual, inclusive style, and even the fact that she was a female in a male-dominated political system—has become the source of many of the problems faced by her administration. Bachelet promised that her presidency would differ from the politics-as-usual of the past; she pledged to form a government of the people, a *gobierno ciudadano*, and she stressed that she was a political outsider. However, soon after she was elected her government began to suffer from three basic problems: inefficient government management, problems in the composition and working of the cabinet, and her decision-making style. Siavelis gives examples of inefficient government management, such as the government's response to the massive student protests in early 2006—nicknamed the Revolution of the Penguins—and the Transantiago crisis. Regarding cabinet changes, between July 2006 and January 2008 there were three major moves. In turn, problems with the first cabinet forced her to abandon two key pieces of her approach to government: the gender-parity policy and the policy of “no second helpings” that prevented former cabinet members or high government officials from holding positions in her administration. Most importantly, for Siavelis, she has failed to find a formula for successfully managing her cabinet, which in turn has created internal conflict and an image of inefficiency. Finally, the chapter discusses Bachelet's decision-making style. Bachelet's *gobierno ciudadano* promised that the president would listen to the people and solve their problems according to their wishes, while at the same time it promised a policy of consensus. As several of the authors in this volume point out, the *gobierno ciudadano* ended very quickly, as result of the massive student demonstration in May 2006. Nevertheless, the president was determined to create consensus, and this determination was reflected in the numerous *Comisiones Asesoras*, or Presidential Advisory Commissions, created by the president and charged with providing policies in a number of critical areas such as pensions, education, the electoral system, equity, and others. While the president sees these commissions as an effort to unify the society, the reality is that they are seen by Chileans as reflecting indecisiveness and a lack of determination.

Robert Funk's chapter, “Parties, Personalities, and the President: The Institutional Challenges of the Bachelet Government's Political Narrative,” provides a follow-up to the themes outlined by Siavelis and takes the reader deeper into the analysis of the Bachelet administration's unfulfilled political promises, such as gender parity, the *gobierno ciudadano*, and the “no second helpings” policy which excluded from her government those who had

held positions of power in previous Concertación administrations. Funk argues that Bachelet's difficulties are the result of a confluence of factors, including the nature of the political system, the nature of the institutions within the system, and the president's approach to politics. For Funk, each of the previous Concertación administrations had been able to develop a narrative that sustained the coalition and the regime. It seems that the problem here is that what constituted the campaign's narrative had to be quickly abandoned, thus depriving the administration of a foundational logic.

According to Funk, Bachelet's first problem was the Lagos legacy, of a popular, paternalistic president who at the end of his administration was presiding over Chile's economic “success.” Success was understood as a budget surplus, inclusion in the international economic system, and a close relationship with Chile's business class. To move away from the legacy of the man who had promoted her to the forefront of Chilean politics, Bachelet emphasized the *gobierno ciudadano*, consensual policies, and the importance of achieving a more equitable society. But operating under the shadow of a strong president was not Bachelet's only problem. Funk discusses these issues, as well as the effects of the constitutional reform that eliminated some of the authoritarian aspects of the constitution and weakened the office of the president by reducing its term to four years and not allowing for a consecutive reelection. He also discusses the impact of leaving in place the binomial electoral system that forces parties to form coalitions and enhances the power of the opposition coalition in Congress. As a result, the coalitions have stayed together but the parties within the Concertación coalition have begun to splinter. What emerges from Funk's analysis is a very interesting conclusion which argues that while the narrative has not been able to sustain a large degree of popular support for the government coalition, it has been able to sustain a large degree of support for President Bachelet.

Gregory Weeks's “The Transition is Dead, Long Live the Transition: Policy Paralysis and Civil-Military Relations under Bachelet” focuses on three main points associated with the very prolonged transition to democracy: the 1989–90 period that ended with the inauguration of President Patricio Aylwin; the fate of General Pinochet; and the constitutional reforms of 2005. The chapter raises a number of critical issues, among them: what politicians and analysts mean by transition; why every single president has declared the transition to be over; the nature of the existing consensus

about civil-military relations; and how this notion that the transition is 'over has paralyzed the Bachelet administration's human rights policy.

The chapter begins with an exhaustive analysis of the transition literature as well as the views that Chilean analysts and politicians have of the process of transition to democracy. After concluding that there is not even agreement on when the transition began, the chapter discusses the Aylwin administration's policies, as well as the effects of General Pinochet's retirement from the Army and his subsequent arrest in London for human rights violations. Weeks also analyzes the effects of Pinochet's death and the effects of the 2005 constitutional reform in what has been called "transitology." It is important to note here that, by 2005, not even Pinochet's most ardent supporters were interested in defending the General, who at the time was accused of both corruption and human rights abuses. As a result, part of the political edifice built so carefully by Pinochet was dismantled. What have been the effects of these reforms in the transition process? Did these reforms produce democratic normalcy? If this is the case, then is Bachelet the first post-transitional president? Is Chile a normal democracy? In early 2006 Michelle Bachelet argued that the transition was complete yet imperfect, adding a new twist to the definition of transition, since transitions have not only to be complete but also perfect. However, perfect or not, the message sent to the president from within the Concertación was that, since the transition was over, she could concentrate on implementing her policies, assuming, of course, that she maintained the policies within the "consensus," and this meant maintaining the market economic model. However, things changed once more in 2006, as the military that had once argued that the transition was over began to argue that in fact it would conclude only when all the trials against the military were completed. Thus, the kind of consensus that existed about the end of the transition once again disappeared. The chapter concludes with an analysis of the connections between this endless transition and the future of the Concertación, and the policy implications of these connections.

Silvia Borzutzky's chapter, "Socioeconomic Policies: Taming the Market in a Globalized Economy," covers a number of critical socioeconomic policies, including foreign economic, budgetary, and tax policies as well as pension reform and health policies. The central issue here is the administration's capacity to reduce inequality and improve pensions and health, while simultaneously pursuing macroeconomic policies that favor fiscal savings, free trade agreements, and low taxes. The chapter also discusses

the role of Presidential Advisory Commissions in two specific cases: the problem of inequality, and the pension reform enacted in March 2008. The health-care policies of the administration, including the expansion of the AUGE program, the problems encountered in the implementation of the program, as well as budgetary increases and general problems affecting the public health sector, are also included in the analysis.

The critical issue here is that while the model has successfully integrated Chile into the world economy and reduced poverty, it has produced only small reductions in inequality. Thus, the chapter focuses on the question of inequality, and it looks at fiscal, tax, pension, and health policies and their potential impact on inequality. Here one sees the consensual policymaking style in action, since the president has relied on advisory commissions to deal with the need to both reform pensions and to solve the problem of inequality. In fact, pension reform might be the only area where the administration's policy of consensus has produced a reform that has the potential of improving pensions for the lower income groups and women. What the reform does not do, because it is the product of not one, but a series of consensual agreements and compromises, is to control or reduce the earnings of the Pension Fund Administrators, or AFPs. The chapter also shows that in the health area there has been a dramatic expansion of both funding and benefits provided by the AUGE program, and that health remains unequal and unfunded.

While Borzutzky's chapter looks at the role that a globalized economy and social policies play in the question of inequality, Kirsten Schnbruch's "Unresolved Conflict within the Consensus: Bachelet's Labor and Employment Issues and Policies" analyzes labor and employment issues, emphasizing the constraints and opportunities that the administration has experienced in this area given the globalized nature of the economy. Undoubtedly, Michelle Bachelet has faced increased labor mobilization, due to widespread concerns with job insecurity, low wages, and unemployment. As in other areas, Bachelet's campaign promise here, of *más y mejores empleos*, more and better jobs, has remained unfulfilled, and as result workers have taken to the streets.

The central questions here are why labor issues have become very prominent under the Bachelet administration, and what has the administration done to solve them. Schnbruch finds the answers to the problems in the nature of Chile's labor market; the labor policy consensus formed in 1990 that exists today; and the factors that have made this consensus more frag-

lie during the Bachelet administration. Her discussion of the labor market emphasizes the large proportion of the work force that is working without a contract and is not protected by labor laws, as well as the short duration of labor contracts. Both factors contributed, at least until 2005, to creating a situation of insecurity and growing inequality. Labor feels that strong rates of economic growth have not resulted in an improvement of employment conditions, and that no matter how hard the poor work, they become poorer in relative terms.

Sehnbruch then discusses why the consensus around labor issues broke down under Bachelet. For years, proponents of the market model argued that the solution to the labor problems in Chile was the “flexibilization of labor,” meaning the elimination of even more contracts, internal outsourcing, and other policies geared to eliminate the few protections that workers have. Bachelet’s campaign promises led to the belief that she was going to propose pro-labor policies; but in fact, as Sehnbruch argues, her labor platform was not different from the policies of previous Concertación governments. Widespread discontent with both the government and private-sector actions began to quickly develop, resulting in strikes that affected critical economic sectors, including copper, forestry, fisheries, and now the fruit-exporting sector.

At the core of the labor movement platform is the question of inequality, support for which, by mid-2007, began to swell to major proportions as politicians of all colors and religious leaders began to argue that inequality was Chile’s most important social problem. Once again, Bachelet decided that the solution to the problem should come from an advisory commission. Sehnbruch concludes with a discussion about the Presidential Advisory Commission on Equity. Once again, one sees how the president’s desire to create a policy consensus through a commission falls short of the expectations of social groups whose position is that either they get what they have been waiting for right now or they will take to the streets and disrupt the economy.

Other groups also wish to challenge the existing consensus and partake in the wealth generated by the market and the opportunities provided by the promise of a *gobierno ciudadano*. Among those groups are students, women, environmentalists, and indigenous peoples. The last three chapters of the book look at those movements and their repercussions.

Mary Rose Kubal’s “Challenging the Consensus: The Political Implications of Chile’s 2006 Strike” takes the reader into this seminal event in the

history of the Bachelet administration. Why did the students take to the streets? What was the government response? Finally, what has been done since the strike? In education, much as in the pension and labor areas, the Concertación consensus was organized around the maintenance of the market policies designed by the Pinochet administration. As Kubal argues, the broad outlines of Chile’s educational system were established in the market-oriented educational reform of the 1980s that emphasized a subsidiary role for the state; the establishment of privately subsidized schools; municipal administration; and the notion of school choice. The government role was limited to controlling the curriculum and overseeing and evaluating the system. Pinochet ensured the permanence of the system by institutionalizing it in a Constitutional Organic Law, which requires a supermajority in Congress to be modified.

The chapter traces the educational policies of the Aylwin, Frei, and Lagos administrations, each of which succeeded in increasing funds, expanding school hours, improving teacher’s salaries, and increasing the years of mandatory schooling without touching the structure of the system. By 2005, the central educational issue in Chile was not one of access but of the large differences in the quality of the education provided by the three different segments that form the system: fully private, private-subsidized, and municipal schools. The inequalities in the system have been widely demonstrated by a number of measurements and tests, and they all point to a class-based educational structure.

Kubal discusses the nature of the student demonstrations of 2006, emphasizing the unprecedented and massive nature of the demonstrations, the lack of ties with political parties, and the leaders’ ability to mobilize almost a million students. She also traces the nature of the students’ demands and the very inadequate response on the part of the administration. In the final analysis, the belated responses addressed the students’ demands and promised an educational reform that would ensure quality education to all. However, at the end of the day, the question of reform was thrown into the hands of a Presidential Advisory Commission, and its recommendations were further eroded and compromised as the administration had to get the opposition’s congressional approval. The chapter concludes with an analysis of the new educational legislation, which fell far short of introducing equality into the system. In the process, the students nonetheless forced Bachelet to replace important members of her cabinet, including the ministers of Interior, Economy, and Education; and she also abandoned the

"second helpings" policy, as some of the new ministers she appointed had served in previous administrations. Most importantly, the administration suddenly stopped talking about encouraging a citizens' government. Students threatened new strikes to force the government to look at the many unresolved educational issues.

As Susan Franceschet argues in "Continuity or Change: Gender Policy in the Bachelet Administration," the election of Michelle Bachelet gave feminists the hope that many of the outstanding gender-equality issues that have concerned them would finally be addressed. The chapter outlines the trajectory of three campaign promises: electoral reform and gender quotas, violence against women, and reproductive rights. The central tenet of this chapter is that Bachelet has been ineffective in areas where the administration needs congressional approval, such as electoral reform and gender quotas, because the need to seek consensus acts as a constraint which results in policy paralysis. On the other hand, the administration has been effective in areas where the executive has the capacity to act independently, such as regulating access to contraceptives, or in areas where there is not much of a political controversy, such as in the case of violence against women.

In regard to political reform, the chapter highlights the underrepresentation of women, which is due not only to long-standing political traditions, but also to the nature of the binomial electoral system. The ill-fated president's gender quota bill has not received political support, and is not likely to be approved by Congress. The issue of domestic violence, on the other hand, has captured a great deal of attention, due to the prevalence of violence against women in Chilean society. Since existing legislation failed to offer sufficient protection to victims, the executive has been able to increase funding for victims' shelters and services, and has dedicated funds to public awareness campaigns. Women's organizations have also played an important role here by forging a consensus about the need to protect women from domestic violence.

In the area of reproductive rights, the administration's actions have been greatly constrained by a Pinochet law that criminalized abortion, and by the stiff opposition to abortion on the part of the Catholic Church. The chapter discusses the feminists' groups' failure to influence policies, and the administration's power to facilitate access to contraceptives, particularly emergency contraception, which has generated an intense conflict with political parties on the right and with the church.

As Franceschet concludes, the consensus that has sustained the Concertación governments has interfered with the passage of pro-women legislation. Since this consensus is part of Chile's political reality, women will only achieve gains in areas where an activist executive branch can implement a gender-based agenda that does not need the approval of Congress.

Just as in other areas, the issues affecting both indigenous peoples and environmentalists need to be traced back to the Pinochet years, the market economic policies of the regime, and the continuation and deepening of these policies by the Concertación governments. "Contesting Property Rights: The Environment and Indigenous Peoples," by Eduardo Silva and Patricio Rodrigo, analyzes the questions of consensus and conflict around property questions, state institutional development, and issues affecting indigenous peoples and the environment. The chapter discusses the responses of the Bachelet administration to these issues, and the horizontal connections between the indigenous and the environmental movements.

As Silva and Rodrigo argue, the success of Chile's export-oriented economic model has produced a great deal of environmental damage, ranging from depletion of fisheries and destruction of natural forests, to soil erosion and air pollution, among others. The environment was not a priority for the military regime, and it has received a very low priority since the transition to democracy. Thus, neither Congress nor the executive branch have taken an active role in dealing with environmental problems, and progressive environmentalists have been left out of the policy process.

The chapter analyzes the most conflictive environmental issues, including dam-building to generate hydroelectric power and clear-cutting of native forests to favor the planting of exotic species of pine by paper companies. Both involve conflicts over property rights and environmental issues. The authors trace the history and reactions to both policies, including demonstrations, marches, and a media campaign designed to mobilize the population against the dams. Here, candidate Bachelet promised economic growth with social equity, environmental integrity, and citizen participation. However, her government's actions soon disappointed environmentalists because they were a continuation of the pro-business policies of previous Concertación governments. The chapter analyzes Bachelet's policies, as well as the responses of the environmentalist movement.

The chapter also summarizes the Concertación policies toward the indigenous peoples, and traces the history under the Lagos and the Bachelet administrations of a growing and ever more violent conflict between the

indigenous movement and government authorities. The reasons for the conflict are based on the contradiction that exists between the consensus around the market economic model and the promise of respecting the rights of the indigenous peoples. The chapter concludes with an analysis of the nature of the indigenous movement, its connection with other social groups, the construction of horizontal linkages with environmentalist groups, and a discussion of the violent movements of early 2008 that led to Bachelet's third cabinet reshuffle.

Notes

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3. In addition to Christian Democrats and Socialists, the coalition includes the Party for Democracy (PPD) and the Social Democrat Radical Party (PRSD).
4. Hernando Muñoz, *The Dictator's Shadow: Life under Augusto Pinochet* (New York: Basic Books, 2008), 125.
5. Cámara de Diputados de Chile, *Informe de la Comisión Especial de la Desigualdad y Pobreza*, 2008.
6. *Informe Anual 2007* (Latinobarómetro, 2007), 37, <http://www.latinobarometro.org/>.
7. *Informe Anual 1999–2000* (Latinobarómetro, 2000), <http://www.latinobarometro.org/>.
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11. Alexander Wilde, "Interruptions of Memory: Expressive Politics in Chile's Transition to Democracy," *Journal of Latin American Studies* 31 (May 1999): 473–500.
12. Andrea Insunza and Javier Ortega, *Bachelet: La historia no oficial* (Santiago: Random House, 2005).
13. Michelle Bachelet, *Programa de gobierno, 2006–2010*, 4, <http://www.presidencia.cl/documentos/programa-gobierno-bachelet.pdf>.
14. The Juntos Podemos Más coalition, for example, which includes the Communist Party, won 75 percent of the total vote in the Chamber of Deputies and 6 percent in the Senate, but won no seats.

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