

## CHILE: Prospects of the future Piñera administration

### Facts :

- On 17 January Sebastian Piñera, the right-wing candidate heading the “Coalition for Change”, won the presidential election with 51.61% votes.

### Commentaires :

- 1/ Although it came as no surprise, this result constitutes a significant transformation of the Chilean political landscape: a part of the Chilean right-wing now finds itself free from the dictatorship of Augusto Pinochet and rediscovers a “respectable image”; it is thus the “beginning of a new era”.
- 2/ The future president can look forward to the advantage of a favourable context:
  - The serene and stable political scenario of the country seems reassuring, while his media style and charismatic personality is all the more “captivating”.
  - Sebastian Piñera, a major industrialist attracts the confidence of the business circles and enjoys a favourable economic balance sheet left behind by his predecessor. He is thus equipped with the necessary means (stability of the national structures) to guarantee permanence of the virtuous dynamic put in place by the Bachelet administration, and in line with the tradition that he has already promised to be a part of.
- 3/ For all that, the future Piñera administration does run the risk of facing numerous challenges.

### Perspectives :

- Without being the bearer of instabilities, the “after-Bachelet” could nevertheless cause a certain level of gloom.
- Michelle Bachelet, charismatic personality (more than 76% favourable opinions in January 2010), is an icon that the Chileans seem to be breaking away from reluctantly (unconstitutionality of the renewal of the presidential term of office) and under obligation.
- Conversely the figure of Sebastian Piñera is ambiguous and debatable:
  - He is suspected of possible collusions between his economic activities and his responsibilities as Head of state. His opponents never fail to point out the financial scandals he was involved in<sup>1</sup>.
  - In spite of being fascinating, his “loud” and populist style does not have unanimous backing.
  - His political position remains ambiguous. If he shows himself to be the leader of the right renovation, he remains an ally of the extremely conservative “Independent Democratic Union” (UDI), that supported the Pinochet regime and which groups together the admirers of the latter; moreover, he has not ruled out calling upon former government officials of the dictatorship.
- Without majority within the legislative power, the new president wants to form a government of “openness”. This is a risky position and its success will depend on his ability to reconcile the adversary spheres of influence as regards projects and taking a stand on issues that are miscellaneous, not to say contradictory. By taking up issues that were formerly the monopoly of the Left (Human Rights, Gay marriage, etc.), Sebastian Piñera has incurred the wrath of his traditional allies (the UDI and the Catholic church), without really convincing all his progressive adversaries. If his operation of seduction and bringing together fails:
  - His numerous electoral promises (war against insecurity, creation of a million jobs, construction of 10 hospitals and 600,000 living accommodations, etc.) run the risk of not receiving enough support and may go unheeded, which would sow the seeds of popular disappointment and frustration.
  - The Chilean centre-left, that still has substantial popular support, might also take advantage of this to start rebuilding itself and lead a vigorous opposition.

From this perspective, some political and social groups (syndicates of the public sectors and mining that feel threatened by the announced reforms, or the Mapuche minority that fears further deterioration of its living conditions), may favour the destabilization of power.

<sup>1</sup> He was fined for having purchased LAN stocks, under dubious conditions, in 2007, while in July 2009, a former minister confessed to having put pressure on the judges to avoid being pursued for financial irregularities committed in the 80’s.