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The Boric Administration in Chile: Mounting Challenges for its First Year

By Renato Vélez Castro

In December 2021, Gabriel Boric became the youngest and most voted president in the history of Chile. His second-round campaign, centered on the ideas of “guaranteeing social rights” and “protecting democracy” against the threat of authoritarian populism, proved to be successful: he achieved 55,87% of the vote, defeating far-right candidate José Antonio Kast.

The triumph of Boric, a former student leader born in a family of Croatian descent, can be seen as the closing act of a short but eventful chapter of radical politics in the country, which started suddenly in October 2019 with riots over a

transport fare hike, ending in one of the most important and massive protests since the end of the Pinochet regime in 1990, transforming the government of center-right Sebastian Piñera in a lame duck administration and ushering a constitutional process aimed to replace the Pinochet-imposed 1980 Constitution.

Underlying the protests there was a widespread critique of the neoliberal economics imposed by the Chicago Boys in the 1980s, and whose general lines were preserved in 1990s by the Concertación, the center-left coalition led by the Socialist and Christian-Democratic parties.

In the 1990s and 2000s, as general poverty was reduced, Chile's economy boomed and successfully inserted itself in the global market. However, the seeds of growth were unequally enjoyed by its population and the promises of social mobility began to crumble. In recent years, stagnating wages, increasing indebtedness and a deficient social safety net generated uncertainty and resentment in middle and working classes, slowly eroding the legitimacy of the post-Pinochet political and economic order. Confidence in state and political institutions also crumbled as corruption scandals involving political parties and several heads of the police and armed forces were uncovered.

With no doubt, Boric has the enormous task to overcome the most difficult time in the country's history since the end of the Pinochet regime. His government will have to navigate in murky waters both internally and externally, all in the middle of a pandemic. We will now characterize the new Chilean government, its main challenges and proposals, both in domestic and foreign policy.

Boric's coalition and its program: great expectations, great limitations

Apruebo Dignidad (AD, Approve Dignity) was established as a left-wing coalition to dispute

the constitutional elections of May 2021 out of the union the Communist Party of Chile (PCCh), the Green-Social Regional Federation (FREVS), and the Frente Amplio (FA, Broad Front) coalition, comprised of Democratic Revolution (RD), Commons (COM) and Boric's Social Convergence party (CS), as well as smaller left and center-left political movements.

"If Chile was the cradle of neoliberalism, it will also be its grave", Boric declared.

In July 2021, AD organized presidential primaries between Communist Daniel Jadue, the frontrunner, and FA candidate Gabriel Boric, who barely managed to get enough signatures to run as a candidate. Boric managed to score an upset victory, defeating Jadue with 60% of the votes, and AD received more votes than any other coalition since primaries are held in Chile.

The center-left "New Social Pact" (NPS) coalition, made up of the Socialist, Christian-Democratic and minor liberal-progressive parties was not able to organize a proper primary and its candidate performed poorly at the first round of the presidential election in November 2021, and so did the center-right, Piñera-backed candidate, Sebastián Sichel. José Antonio Kast, leader of the far-right Republican Party (PLR) surpassed Sichel, made it into the second round

and put 15 MPs and one senator in Congress. Franco Parisi, a center-right populist outsider came in third place.

Boric's AD offers a program of structural reforms. "If Chile was the cradle of neoliberalism, it will also be its grave", Boric declared several times while campaigning. If such a statement may sound radical, Nicolás Grau, the new Minister of Economy, has clarified that "move away from neoliberalism" means enshrining social rights by establishing a welfare state while at the same time improving a market economy suffering from lack of innovation and labor productivity in the last decades. So, in simple words, the AD program is a classic social-democratic one, but in Chile, it means breaking a 30-year consensus. Among the main economic proposals there is tax reform, the creation of a national development bank, raising the minimum wage and a reduction of working hours. Major social proposals are replacing the private pension system with a public one, establishing a national healthcare system, a massive social housing construction program and forgiving student debt.

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Boric's ability to deliver his promises and fulfill his program is severely limited by the weakness of AD

in Congress. The November 2021 parliamentary election resulted in a fragmented legislature in which AD does not even have a simple majority, despite having the best result for left and radical left forces in more than 30 years.

Balance of power within Congress and cabinet formation

In the Chamber of Deputies, the AD coalition will only have 37 of 155 seats, unable to hold even a third of the legislature. In the Senate, the scenario is even worse: just 6 of the 50 senators belong to AD. Thus, to secure a legislative majority in both chambers, Boric will need the votes of the center-left NPS, plus some minor leftist formations. Support for the government could then reach up to 80 MPs and 25 senators. Even if we assume that the entirety of the center to radical-left spectrum is going to side with Boric in pushing his reforms, it will not be enough to secure their success as in many cases some center-right votes will be needed.

As a way to solidify a first line of support, Boric decided to invite figures from the center-left into his first cabinet, including five from the Socialist Party (both militants and supporters) and three from other NPS parties. Among the main center-left appointees are the Minister of Finance Mario Marcel, until recently the

central bank chief; and Minister of Defense Maya Fernández, granddaughter of former President Salvador Allende. The choice of Marcel for the post of Minister of Finance has been seen by markets and analysts as a signal of commitment with macroeconomic stability and was defended by Boric from radical critics as necessary to secure structural reform in a gradual and responsible way.

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Nevertheless, left-wing AD parties also hold important positions. The Communist Party, the main coalition member, will control the ministries of Labor, Science, and Government's Spokesperson; the latter, at the hands of Camila Vallejo. Giorgio Jackson (RD) was appointed Chief of Staff and will manage executive-legislative relations. Both are former student leaders and legislators. Left-leaning independents are the third component of the new cabinet. Among them, the most important is Izkia Siches, the former president of the Chilean Medical College who became a key figure with the outbreak of the Covid-19 pandemic, earning big favorability ratings and a reputation for seeking dialogue and consensus. She will be in charge of the Ministry of Interior and Security.

Only time will tell if this old-new, moderate-radical mixture will succeed in accomplishing Boric's progressive program. It's very rare that key cabinet figures remain till the end of the presidential term. A crisis of expectations is anything but certain as the legislative opposition will block or force to soften many of the government proposals. A failure in delivering would play in favor of an emboldened far-right led by Kast, as center-right parties are seriously weakened after their poor electoral performance.

The Constitutional Convention as a game-changer

The main outcome of the 2019 protests was the establishment of an elected 155-member Constitutional Convention, a first in Chile's political history. The constitutional body was the result of cross party-negotiations to reach an institutional exit from the crisis. Gabriel Boric was a central figure in those negotiations. Among its features are a 1:1 ratio between men and women in the convention composition and ethnic representation for indigenous peoples. The process began with the October 2020 referendum, in which support for drafting a new constitution through an all-elected body was close to 80%.

Then, the results of the May 2021 constitutional elections generated a convention dominated by a left to radical-left majority. Left-wing AD obtained 28 seats; the radical-left independents from *Lista del Pueblo* (People's List), 26 seats; the center-left NPS, 25 seats; other independents, 22 seats; and center-right to right wing parties, only 37 seats. This put the right-wing below the third of the seats needed to block any constitutional norm they may oppose. 17 seats were allocated for representatives from different indigenous groups; one of them, Mapuche academic Elisa Loncón, became the convention's first president.

Implementation of the new constitution will allow Boric to advance his progressive agenda.

Emboldened by its majority at the convention, forces from the center to the radical left are setting a framework for a Spain-like “regionalist” and “plurinational” state (recognizing the existence and self-determination of indigenous peoples within Chilean territory), with a presidential regime and a unicameral legislature, and guaranteeing education, healthcare, pensions and housing as constitutional rights. It is also expected that the 1:1 male/female ratio will be imposed on all public representation bodies. The drafting process began in mid-February and

the constitutional proposal will be presented in July 2022.

Public confidence in the convention work has been gradually declining as the deadline for presenting the draft is approaching, due to a series of scandals involving some members of the body, communication deficits and above all, a systematic and vicious effort - especially in social media - by detractors of the constitutional process to undermine its legitimacy and frustrate its final approval. Rejection of the new constitution will be a dramatic defeat for Boric and the political system in its entirety, since there is no “Plan B” for such a scenario.

Thus, Boric's main political task in the first year will be to safeguard the constitutional process, which is expected to end with the ratification of the new text via referendum in the second half of 2022. Implementation of the new constitution will allow Boric to advance his progressive agenda beyond its current limitations, but it remains to be seen if that ratification also means early general elections, which may shorten presidential and legislative terms.

Immigration and crime: two emerging problems

Besides the political challenges, mass immigration and increasing violent crime are

two of the main issues the Boric administration will face in the short term as the situation severely deteriorates in some parts of the country; more specifically in the north. Colchane, a small indigenous border town has been affected by the arrival of massive waves of Venezuelans, while the city of Iquique is flooded with undocumented immigrants as it experiences a sharp rise in violent crime, most notably homicides. Criminal organizations which are using the mass exodus of Venezuelans to expand their networks across South America are already operating in Chile. There are also recent reports of Mexican drug cartels having an interest in setting foot in Chile.

The Piñera administration's inability to address this situation led to an outburst of popular anger. In September 2021, thousands marched in Iquique against growing criminality, with some of the protesters setting fire to immigrant tents and belongings. In late January, an attack on policemen by a group of immigrants sparked a new round of protests and blockades. Boric has declared that the country "must reestablish control over the borders", but no concrete ideas have been presented to tackle the crisis.

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"Law and order" issues have always been a weak point of left-wing political programs as they tend to focus on the "structural causes" of crime and violence, such as inequality and poverty, but offer few concrete short-term measures. In addition to that, the urgent need to reinforce security and fight violence and organized crime coexists with the need of a structural police reform, in the light of a series of corruption scandals within the higher command and massive human rights violations by policemen during the 2019 protests and its aftermath.

The Boric government: what to expect in foreign policy

The second Piñera administration (2008-2022) has been described by most accounts as a disaster for Chile's foreign policy as it departed from the multilateralist tradition of the last 30 years and engaged in ideological confrontations within Latin America. After being one of the main backers of the 2018 Escazú Agreement, a regional environmental accord, Piñera decided that Chile would not sign it. Same decision was made for not adhering to the 2018 UN Global Compact for Migration. Both decisions were sharply criticized within Chile as a betrayal of multilateralism. Boric is committed to join both agreements and try to retake Chile's leadership in regional and international agreements and bodies.

Human rights and gender equality will be at the forefront of the Boric's international policy.

The AD program has also introduced a new concept for Chile's foreign policy: "turquoise diplomacy", defined as an eco-friendly approach which puts emphasis on protecting the environment, the seas and other water sources (thus, turquoise as the mixture of "green" and "blue" concerns). Human rights and gender equality will also be at the forefront of the Boric's international policy.

The Venezuelan crisis has been at the top of the regional agenda. During Piñera's second term, Chile took the path of confronting Nicolás Maduro by recognizing Juan Guaidó as president of Venezuela, creating Prosur and participating in the failed "Cúcuta operation" in February 2019. Piñera's efforts have been labeled as unsuccessful attempts to gain regional leadership. Plus, his ill-conceived call to Venezuelans to immigrate to Chile had the unexpected consequences described previously. In mid-January, Piñera invited Boric to join him in attendance at the Prosur summit in Colombia, but the president-elect declined and labeled Prosur as an "ideological club" of right-wing governments. Instead, he defended Chile's membership in the trade-oriented Pacific Alliance and further engagement with

Latin America through multilateral, non-ideological regional bodies like CELAC or even a relaunched UNASUR.

It is expected that Boric's closer partners in the region will be Fernandez's Argentina, AMLO's Mexico and Arce's Bolivia. A new progressive wave in 2022 may install Lula da Silva back into power in Brazil and left-wing Gustavo Petro in Colombia, expanding his list of allies. At the same time, Chile's relations with Venezuela, Nicaragua and Cuba are not expected to improve. Boric appointed Antonia Urrejola, former head of the OAS Inter-American Commission on Human Rights (IACHR) as foreign minister. During her tenure in the IACHR, Urrejola was deeply critical of the Venezuelan and Nicaraguan governments, criticisms shared by Boric too.

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It remains to be seen how Boric will manage to mitigate the effects of US-China rivalry. China is already Chile's number one trade partner and in recent years, Chinese capital (both private and state-owned) is increasing its investments in strategic sectors such as minerals and energy. Within the Chilean political and business elite, there is a consensus in closer relations with China while maintaining warmer ties with the

US: under Piñera, Chile joined the Belt and Road Initiative (BRI). With Argentina now joining BRI, the prospect of closer cooperation between the three countries is higher. Meanwhile, during Trump's years, Washington unsuccessfully tried to put pressure on China-Chile relations. Now, US President Joe Biden was one of the first leaders to congratulate Boric and stressed the prospects for cooperation in environmental and human rights issues.

In this context, there is a growing discussion within the Chilean foreign policy community about adopting a policy of "active non-alignment" *vis-a-vis* the US and China. In that same assessment, closer relations with the European Union are also desirable. Indeed, Boric has confirmed his will to sign the upgrade of the Chile-EU Association Agreement.

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