State *Continuismo* and *Pinochetismo*: The Keys to the Chilean Transition

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There have been two parallel processes in Chilean political economy during the 1990s. A high profile has been accorded to the transition from authoritarianism to democracy and its related debates. A relatively low profile has been accorded to the continuity in the state model of capitalism that was implemented under authoritarianism. This paper argues that transition can be best understood in terms of the role of Augusto Pinochet and his strategies for maintaining power – Pinochetismo. As such, his forced retirement from political life marks the end of transition. The second point is perhaps of more importance however. The democratic political regime has intensified the model of capitalist accumulation of the 1970s and 1980s and socio-economic polarisation has been perpetuated. While the focus on the nature of transition during the 1990s was necessary, there has been a failure to question the social relations established by capitalism. With the end of transition in July 2001, the greatest challenge for Chilean democracy now lies in creating a state based on social relations that serves the needs of the majority rather than the desires of the few.

Keywords: Chile; transition; state; Pinochet; democracy; modernisation

Continuismo, *Pinochetismo* and the end of transition

The literature on the Chilean transition from the late 1980s to the end of the 1990s has covered a diverse range of elements that define and explain the shift from authoritarianism to democracy.[1] What binds most of these elements together is a discussion about the role of the state, however there has been a persistent failure to consider the (un)changing nature of the state, beyond its institutional apparatus, through the period of transition.[2]

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1   A useful overview of this literature is provided by Drake and Jaksic (1999).
2   Tomás Moulian (1997), and James Petras and Fernando Leiva (1994) are the most widely cited of the few authors who do so.

This article is built around two principal arguments. The first is that the Chilean state has changed very little through the 1980–2000 period. Clearly the shift in regime type is dramatic – a bureaucratic authoritarian one replaced by a democratic one. However, this political form does not define the state that it manages. The Chilean state retained and deepened its capitalist features during the 1990s through further liberalisation and privatisation strategies, continuing the capitalist accumulation model imposed by the Chicago Boys economic team from 1975. This can be described as continuity in the form and orientation of the state, thus *continuismo* has transcended the transition in the regime type.

The second argument relates to the transition literature. Most work in this vein makes the case that democracy has become more consolidated or deepened with time as the 'pact' that was established between the military and incoming civilian leaders between 1988–90 loses its strength. The argument put forward here is that the pact is one of a series of events, dating back to the 1980 constitution and its ratification by plebiscite and ending in Pinochet's exemption from trial for human rights abuses. These events can only be contextualised through an understanding of the key defining feature of political transition, the figure of Augusto Pinochet. *Pinochetismo* characterised and personalised the authoritarian period, making it a recognised dictatorship rather than a junta or oligarchic arrangement. Gregory Weeks (2000) makes this case when he refers to Pinochet as Chile's Cincinnatus (a self-reference used by Pinochet), the man who would return to save Chile from itself.[3] Transition was encapsulated in the figure of Pinochet. His continuing presence within the institutions of the state determined that the word transition remained key to the political lexicon. One might have posed the question: How can this be democracy if the embodiment of authoritarianism figures so prominently within the state apparatus? Transition would only end when he (and the authoritarian regime type that he embodied) no longer figured in political affairs. That day came in July 2001 when he was labeled as mentally unfit by the Supreme Court.

The Chilean transition was a regime shift. The political structure and means of the authoritarian capitalist state were replaced by those of a democratic capitalist state. Consequently there was no *ruptura* between the authoritarian past and the democratic present, or between models of accumulation. The transition may have been transformative in terms of political definition and it did lead to electoral redemocratisation, but this was not won by the forces of democracy; it was conceded as part of a strategy of continuity. The form of the state was *continuous* in terms of socio-economic organisation thus social

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3   The 1980 constitution enhanced *his* presidential powers and provided a space for *his* acolytes in the Senate, the 1988 plebiscite was about *his* continuing role (and one should not forget that 44 per cent of the population supported him), and the 1990 election related to *his* selected candidate – the reluctant Hernán Büchi. Under electoral democracy, *he* remained as Commander-in-Chief of the Armed Forces until 1998 at which point *he* briefly entered the Senate (as stipulated in his 1980 constitution). *His* arrest in London and the subsequent political and judicial processes that dominated the 1998–2001 period led to the end of transition.

relations. The following discussion supports these two arguments. It presents a picture of state *continuismo* during the 1990s and the role of *Pinochetismo*, a form of personalised power relations which dominated the political landscape of transition.

A decade of transition

Despite the co-existence of democratic presidential and parliamentary elections, a multiparty system and the relative freedom of operation of state agencies since 1990 when President Aylwin took office, the nature of the transition from authoritarianism to democracy continued to dominate the political agenda during the 1990s. The transition debate can be reduced to a discussion over the civil-military balance of power in terms of control over the state and discussions of sanctions for the armed forces relating to human rights abuses. In this regard, the Chilean experience bears similarities with post-bureaucratic authoritarian states elsewhere in the region (see Schmitter, O'Donnell and Whitehead, 1986). More than anything, the Chilean transition reflected the desire of democratic political parties to take control from the military and move the state away from its association with repression.

The capitalist economic model which the authoritarian state had implemented from 1975, which clearly favoured large domestic economic groups and international business interests (see Hojman 1990, 1995) over organised labour and the Chilean poor, was not a source of antagonism. To cater for the social impacts of market failures, the democratic administration would busy itself with a national agenda of inclusion, tolerance and equity. This was part and parcel of the new democratic centre-left Concertación belief that the state should concern itself with conflict avoidance and arbitration between interests in order to maintain law and order and avert crises. The spectre of the 1970–73 period of Popular Unity rule and the coup – which had divided the Concertación's constituent parties at the time – remained uppermost in politicians' minds. Beyond the rhetoric of democracy, it was 'continuity' that would become the watchword of transition. In 1989, Patricio Aylwin made this quite clear: 'The institutions of state have a mission to guarantee the historical continuity of the nation.' (*La Epoca*, 16 December 1989).

Undoubtedly the trauma of the authoritarian years and fears on the right about the left, and vice versa, gave justified importance to the transition and the ability of the democratic administrations to deliver a programme of change which did not provoke further military-civil conflict. To move beyond the authoritarian years and the ways in which the state apparatus became subject to the outright control of a rogue branch within itself rather than a legitimate, elected government, the transitional state has sought to reconstruct itself along more democratic lines. This reconstruction has not really involved a reconceptualisation of what the state is and what functions it should be performing. Instead there has been a process of redemocratising the institutions

of the state in the face of the 1980 constitution, the political legacy of authoritarian Pinochetismo. The state continues to be a capitalist one and social relations and the roles of institutions are predicated upon this fact.

Redefining the role of the state?

The state can be defined according to its functions, such as the executive, legislature, judiciary, security, bureaucracy, public services, and public companies, in which case one can pose questions about efficient management, the modernisation of structures and administrative good governance in general. In discussions of state reform and restructuring, this definition was uppermost in the minds of technocrats and others charged with state modernisation during the 1990s, hence the centrality of the state modernisation programme of the Frei administration. However, a different, less functional approach to state theory focuses on the state as represented by social relations. It is these social relations that are then supported or transformed through the state apparatus. Theories of social contract, of hegemony and of class struggle all refer to these changing social relations and how the state is then co-opted by different social groups for different ends. Central to these theories is whether the state is intrinsically a form of domination through which one social group or class subordinates another, which prompted Marx's assertion that the state was merely a vehicle for elite interests.

What these theories reveal is that the state is more than its functions. While it is significant that there has been a reassertion of democratic control over the state apparatus in Chile, such as the president's ability to promote and demote high-ranking military officers, also a 'democratisation' of the judiciary, the state is best understood as the social relations which define the nature of socio-economic change within a country. These relations may be exploitative and repressive, democratic and participatory, or otherwise, but they are key to understanding the shifts and turns in national politics and socio-economic development. The sociologist Aldo Meneses and the political scientist Oscar Godoy both emphasise these social aspects of the nature of the state:

> We cannot keep thinking of the modernisation of this [the state] as an autonomous entity unrelated to the rest of society … We must visualise clearly an identification between defined values for society with the character of priorities and the real provision of the state for such values. (Meneses 1993, A2)

> The state is the ultimate support for all expressions of life and organised collective cooperation in a society (Godoy 1993, 46)

It is these social relations, as defined by values and their realisation, that define the state and through its institutions shape national development. They are critical to understanding the decade of transition and the *continuismo* that has underlined the process. Based on these interpretations, the functions of the state

cannot be considered independently from social change, rather they are an outcome of changing social structures and social relations.

Antonio Gramsci's ideas of hegemony and its features of cultural, moral and ideological leadership, consent, direction, dynamism and subordination provide an interesting insight into the dialectic between social relations and state institutions (see Jessop, 1990). He revealed the ways in which social relations are perpetuated by the dominant interest groups – principally large business interests, the leading media organisations and the political class in the case of contemporary Chile. It is not only the mode of production that achieves this. It is the consent of the subordinated groups in society that enables these interest groups to continue the capitalist model of accumulation with the support of the state apparatus. This consent is generated through political and economic discourses around continuity, growth, wealth, individualism and consumption.

In the Chilean context, one can observe the ways in which alliances have formed around the authoritarian capitalist state and the democratic capitalist state. In the process these elite interest groupings have sought to establish a system of social relations, constructed around neoliberalised production and consumption patterns (a hegemonic project rooted in the export-oriented mode of production), that have led to private sector successes and strong national macroeconomic indicators. This has done little to promote greater equality or sustainability of the Chilean economy however. The media support for the hegemonic project, e.g. the El Mercurio group and leading television channels, has been of particular importance in terms of generating consent for the project in contrast to active opposition. The ways in which the new consensus (established under authoritarianism) advanced its position (in the shift from authoritarianism to democracy) via the media are important in terms of recognising the role of communication and media control for furthering a political and economic project. This is where Gramsci's position differs most from the more economistic and reductionist argument of Marx with its almost exclusive focus on control over the means of production.

During the Popular Unity administration of Salvador Allende (1970–73), the authoritarian period of General Pinochet (1973–90), and the democratic administrations of Presidents Aylwin (1990–94) and Frei (1994–2000), social relations have undergone radical changes. For example, the socialist state acted as a vehicle for 'popular', socialist interventions such as land redistribution, food security and social justice while the authoritarian state can perhaps best be defined according to Article 1 of the 1980 Constitution: 'It is the duty of the State to maintain national security.' Pinochet himself stressed the need 'to consolidate authority as a shield for liberty.' This authority (the armed forces acting as guarantors of national security) believed itself to be a 'a Constitution of freedom', 'that protected Chileans and allowed them to defend themselves from Marxism' (*El Mercurio*, 11 August 1980). The challenge for the Aylwin and Frei administrations was to redefine the democratic state in the face of these core challenges of Pinochetismo. The key difference was that the repression of authoritarianism would be replaced with consent through electoral

redemocratisation. The essence of social relations, the relationship between capital and labour and the communication of values to perpetuate the existing relationship would remain unchanged.

Under Allende, the socialist state highlighted the interests of labour (controlling capital) whereas the bureaucratic authoritarian state did the reverse, subordinating labour within its neoliberal economic project. The challenge for the democratic administrations of the 1990s was to engage with this issue and create a post-bureaucratic authoritarian state that was neither repressive nor command-oriented since histories of both revealed the social conflicts that could arise. They did so through *continuismo*. The capitalist accumulation strategy of the bureaucratic authoritarian state would be pursued in its existing form. What *continuismo* provided for the democratic administrations was stability. It led to business support for democracy, it brought renovated socialists and Christian Democrats together around an economic strategy, and it provided a set of macroeconomic indicators that were perceived as desirable for further liberalisation. The ways in which this continuity was achieved throughout transition is discussed below with reference to the administrations of Presidents Aylwin and Frei, and the 1999–2000 presidential elections.

The Chilean State under Aylwin and Frei

The post-authoritarian, liberal democratic state of the 1990s has failed to define itself in terms of capital and labour. Consequently there is an ongoing status quo ex ante as the values of liberal democracy have converged with economic neoliberalism and the institutions of the state have failed to reflect broader social relations (in favour of reflecting elite social and political interests).[4] The focus of the democratic capitalist state institutions has been on two issues: resolving the civil-military conflict; and modernising and democratising the state apparatus. At the same time, the framework of the capitalist state created under bureaucratic authoritarianism remains largely intact. Although the 1975 model was restructured following the 1982–83 economic crisis, it has provided the backbone for stability through the transition process and reveals the influence of the pragmatic coalition of business sectors and landowners with the military during the 1983–89 period in particular (Fontaine, 1993; Silva, 1992). Its focus on market concentration by the *grupos económicos* and latterly by multinational capital (particularly spanish investment in the banking and utility sectors) and increased liberalisation and greater flexibility of labour, has led to increased underemployment, and subsequent social and cultural polarisation during the 1990s (see Green, 1995; Fazio, 2000). However one looks at the economic liberalisation of the 1975–2000 period and the macroeconomic indicators, the

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4   I am grateful to Laura Tedesco and Alfredo Saad Filho for ideas raised during discussions on the emergence of post-transition political regimes in the Southern Cone.

social repercussions of the process and the adjustments that maintained it should not be underestimated (see also Meller, 1992; Ffrench-Davis, 2000).

Effectively there has been a failure to resolve the economic conflict between capital and labour. The democratic administrations have exchanged repression for co-optation of social actors; the government stresses that these actors should not undermine democracy and risk an authoritarian return, and that they should be patient for 'trickle-down' (see Petras and Leiva, 1994). The outcome has been a perpetuation of social polarisation in terms of income and sharper differentiations in access to, and quality of welfare and services. A measure of income polarisation, the Gini co-efficient of income distribution, reveals the failure to achieve greater equity: *1987*: 0.487; *1990*: 0.480; *1992*:0.475; *1994*: 0.484; *1996*: 0.480 (Meller, 1999). It is clear that state *continuismo* along the lines of the capitalist accumulation strategy implemented from the mid-1970s has perpetuated existing inequalities in Chilean society, and will continue to do so.

The lack of apparent change in opportunities and distribution of the benefits from liberalisation and privatisation have led to increased delinquency and despondency during the 1990s. It is true to say that the gloss of democracy has worn off for many sectors of the Chilean population as concrete changes to the quality of their lives have failed to materialise. This is particularly the case among younger people and there are increasing social concerns around the issues of the consumerist-materialist culture, crime, drugs and social differentiation. Due to the predominance of the civil-military transition in political circles, these issues remained 'hidden' within national politics for much of the decade of the 1990s but they have become more central to the political agenda at the end of the decade. They now provide the greatest challenges for the Lagos administration.

Resolving the civil-military conflict

Much of the continuity of the capitalist state has been overlooked due to the other key to transition: the role of Pinochet and the balance between civil and military authority within the state apparatus. The approach of the democratic liberal consensus to resolving the legacy of state repression during the bureaucratic authoritarianism period was piecemeal and strewn with obstacles during the 1990s. The key themes for changing the balance of civil-military power that had characterised the 1973–90 period were constitutional change and the reassertion of executive powers. By 2000, inroads had been made with both, but the key restrictive elements for civil authority embedded within the 1980 constitution remained.

Aylwin trod very carefully during his term of office, heavily conditioned by the 'pacted' nature of the transition orchestrated by the military (Godoy, 1999), while Frei was more direct in his desire to institute constitutional change and reassert presidential powers over the military (see Angell and Pollack 1990, 1995). Pinochet's presence had slowed the process however. The two military shows of strength during the 1990s – the military state of alert in December 1990 and the *boinazo* (combat readiness in Santiago) of May 1993 – acted as brakes and

reminders to the civil authorities and society more widely of the military's management of the democratisation process and its power to influence society in the most dramatic way, by seizing power and repressing other branches of the state and opposition within society.

At the level of popular politics – that of the Pinochet Affair (1998–2001) and the human rights cases against those involved in the 1973 'Caravan of Death' (a military operation which had systematically eradicated political opposition in the north of the country during the early months of the dictatorship) – there were surprising developments which were more than most Chileans and other observers would have expected. There can be few doubts that the most dramatic and influential impact on the civil-military balance of power, thus the transition, during the 1990s was the arrest of Senator Pinochet in London in October 1998 (see Garreton, 1999). His shift in status from Commander-in-Chief of the Armed Forces to Lifelong Senator in early 1998 meant that he retained a great deal of political influence and acted within the political system in a suit rather than from within the military in a uniform. His influence in terms of the military, the political right and the 44 per cent of the Chilean electorate who had supported him in the plebiscite remained high and he, as an individual, could mobilise anti-democratic sentiment and action that threatened democratic consolidation (Godoy, 1990). For these reasons, he remained the key to transition.

At the level of constitutional politics however, there have been fewer successes. In key areas such as the role and legitimacy of the designated Senators, and the make-up and roles of the National Security Council and the Constitutional Tribunal the process has been slow and problematised by the power lying within those very institutions. More than anything, this situation reflects the careful strategisation of the military in the handing over of power. It is only in the arena of human rights abuses that there have been any real challenges to the military since 1990. Although it is these pressures that have led to Pinochet's retirement from political life, the authoritarian enclaves persist. With Pinochetismo no longer a powerful force in the land and transition at an end, these enclaves should be easier to dismantle but the pace of change is likely to be slow due to the slim electoral margins in favour of the Concertación and the importance of the military for the two right-wing parties' support base.

It is clear that the civil-military balance of power has dominated the ways in which politics has been conducted during the 1990s and the areas in which change has taken place. If one accepts that there has been continuity in the Chilean capitalist state, the transition can be defined in terms of the authoritarian to democratic shift in state management. If one also accepts the argument that Pinochetismo lay at the heart of the authoritarian regime and that he, as an individual, came to represent the events of that period and the socio-economic changes that ensued, the transition could not have ended while he still retained power within the state apparatus, either in charge of the armed forces or as a figurehead of the right wing-military axis within the Senate. In July 2001 this was no longer the case. The era of Pinochetismo had ended, thus the transition had ended.

Patricio Aylwin, in his 1989 election campaign, said the following about the role of the dictator and his power within the state apparatus: 'Pinochet is a politician who divides Chileans and it is not good for the army to be headed by such a politician. The Armed Forces must be a symbol of national unity' (*La Epoca*, 30 July 1989). In discussions with the armed forces, Aylwin had said that the retirement of Pinochet was 'unavoidable'; this was reiterated by Frei in 1993 when he stated that it was 'democratic' that the president recover the responsibility to name and change the Commanders-in-Chief of the armed forces: 'This is basic to the principle of authority within a democracy' (*El Mercurio*, 11 December 1993). Although the Christian Democrat Concertación leaders had clearly defined aims in the realm of constitutional change, the position of Pinochet as Commander-in-Chief of the armed forces and the balance of power in favour of the right within the Senate (due to the designated Senators) revealed where power really lay within the state – it was not with the President and the Chamber of Deputies.

Until Pinochet's arrest, the civil-military shift in power had been slow. The notable successes for the democratic authorities involved the March 1991 Rettig Commission report on human rights abuses, the imprisonment of Contreras and Espinoza (both of the secret intelligence service – the DINA) for their role in the assassination of Orlando Letelier in Washington in 1974; and the resignation of Chief of Police Rodolfo Stange for his activities during the dictatorship. Pinochet's arrest triggered further activities. For example, the Mesa de Diálogo which brought together different actors in the human rights process (government, military, disappeared group representatives and lawyers) and led to the first public declarations of military disappearances and assassinations in January 2001. Also, the growing numbers of legal cases being brought against Pinochet and other military officers, despite the 1978 Amnesty Law which had provided the military with freedom from prosecution for acts committed in the early years of the dictatorship.

Following eight years of slow progress, the rapidity and extent of the events of the 1998–2001 period were remarkable and defined the end of transition. The Lagos presidency is the first post-authoritarian state administration that can escape the label 'tutelary democracy' although authors that have used the term would probably argue that the authoritarian enclaves in the constitution remain therefore the label is still valid (see Rabkin, 1992; Portales, 2000). Based on the personalisation of the regime, the argument presented here is different. If one accepts that the military was tutored by Pinochet, through internal coups against the Air Force and Navy, repression of moderate elements and later neopatrimonialism (see Remmer 1989; Weeks, 2000; Verdugo, 2000), it is his role that defines the tutelary nature of the democratisation period. Pinochet was the tutor and Pinochetismo was the discipline. From July 2001 the label no longer fitted.

Democracy

While it is possible to explain the civil-military power balance in terms of the constitution, and the transition in terms of Pinochetismo, the continuity of the

Chilean capitalist state has also to be explained since it is such a strong feature of contemporary Chile and reveals the social relations that have persisted from authoritarianism through to electoral democracy. The nature of democracy and discussions of the democratic state are the closest that politicians and most observers got to engaging with the changing nature of social relations within Chile during the 1990s. Tomás Moulian is a notable exception and his *Chile Actual: Anatomía de un Mito* (1997) took a critical view of the social and cultural changes that had taken place during transition and linked these to the state that had been constructed and perpetuated by both authoritarians and democrats.

For the Concertación, the state was conceptualised in two ways. Firstly it was seen as a structure that should be democratised. This referred principally to the authoritarian enclaves and it centred on constitutional reform. Secondly, the state was seen as an antiquated bureaucratic system that required a significant overhaul. This overhaul was called state modernisation and its focus was the rationalisation of state institutions and agencies with a view to improving efficiency and productivity. In both cases, the state was conceptualised in terms of its apparatus – the institutions, and in terms of good governance: democracy and efficiency. What was absent from the agenda was an engagement with what the state's role should be under democracy. The outcome of state modernisation was a weak regulatory state that served the dominant economic groups in the country as well as the (re)democratised political class. It was clearly a neoliberal, elitist perspective on the form and purpose of the state, as Gonzalo Martner (1999, 200) observes: 'The liberal vision of an economically and socially minimised state is derived from a minority but continues to be a strong political force through its ability to overcome majority rule and through supression of open debate about public issues.'

Despite its inadequacies, the emphasis on democratising the capitalist state was incredibly strong. One cannot underestimate the importance of the concept of democracy in Chile during the 1990s. The Concertación united quite distinct political groups to achieve it, and a 'pact' with a dictator and respect for authoritarian enclaves kept it in place until 2001. However, the content of the concept is unclear for the most part. One is left with a term that signifies little more than electoral democracy. References to democracy were used just as freely by Pinochet as by his opponents and the Concertación leaders. An example is Pinochet's use of the term 'democratic' with reference to the 1980 Constitution, another is his declaration of December 1989: 'We have accomplished the Mission assumed by the Armed Forces in 1973 ... Democracy has been restored ... the democracy contained in the Constitution is authentic, modern and solid.' (*El Mercurio*, 16 December 1989).

Essentially, democratisation was part of the rhetoric of transition and was thus 'captured' by Pinochetismo from as early as 1980 when the possibility of a transfer to electoral democracy was activated through the new constitution. It was merely continued by the Concertación presidents. President Aylwin (1989) for example noted that: 'Our challenge is to reconcile political democracy with economic progress and social justice.' Frei repeated a similar mantra in 1993,

noting that the importance of his six year term was, 'to demonstrate clearly the way in which we are working towards a new democracy' (*El Mercurio,* 11 December 1993). For both administrations, particularly that of Aylwin (see Oppenheim, 1993), the consolidation of democracy was a priority. However, despite the electoral stability and continuity of the 1990s – what might be considered as strong features of an electoral democracy – the decreasing rates of electoral participation, increasing rates of 'blank' voting, disaffection of young people towards politics (see Riquelme, 1999), and low ranking of politicians in public opinion polls all point to a separation of the rhetoric and reality of the political democracy of the transition period. For example, presidential election abstention rates have risen during transition: *1989 – 5.3%; 1993 – 8.7%; 2000 –* 9.6%. The structures are in place for electoral democracy yet participation, probably the central component of a wider definition of democracy, is on the wane.[5]

This disaffection has more to do with the social relations that lie at the heart of Chilean society. The social inequalities and market failures of the liberalisation process were not remedied under the Aylwin and Frei governments. One can argue that piecemeal changes took place, as Kurt Weyland (1997) does, but it is apparent that despite significant leeway in social policy (unconstrained by the military and the right), few inroads were made in terms of equitable development. Rather than seeking an alternative model of state economic development, the Chicago Boys model was deepened under a weak, under-resourced set of regulatory and support institutions, e.g. CONAMA (the National Environment Commission), FOSIS (the Social Solidarity and Investment Fund) and the National Council for Poverty Alleviation, and considerable emphasis was placed on state modernisation.

Modernisation

The modernisation of the Chilean state during the mid-1990s is well-defined in President Frei's 1993 eight point manifesto: an economy to serve all Chileans; an improvement in quality of life; a national programme to overcome poverty; a foreign policy for the 1990s; and attention to 'the keys of the future' – education, science and culture, but most importantly for this article it also specified: more and better democracy; more society, more participation; and the modernisation of the management of the state. These manifesto pledges were difficult to realise. It was the first attempt to construct a post-authoritarian state, but its focus was

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5   In its opinion surveys on public attitudes towards democracy during the early 1990s, Corporación Participa noted the following objectives that people assigned to democracy: equality of opportunity; a climate of peace; tranquility and fraternity; economic growth and development; full participation in national life; freedom for everyone; personal protection and security; respect for human rights; elimination of extreme poverty; liberty to express ideas and opinions; improvement in living conditions (in López and Martínez, 1999).

on facilitating the existing economic model rather than instituting any deeper change in social relations or in the values promoted by the fifteen years of economic liberalisation: consumption, materialism and individualism.

Frei's technocratic, managerial approach to modernisation appears to be far removed from many contemporary assessments of what modernity (this modernisation) meant to late twentieth century society. In this vein, Joaquin Brunner (1994) and Tomás Moulian (1997) point out the ambiguities of the Chilean experience and the deeper significance of the economic liberalisation process, while Eduardo Ottone (1992, 176) argues in favour of institutional reform and state decentralisation to confront the risks of disintegration and inequalities and to promote knowledge, education and participation within a democratic system. To a certain extent this links up with Frei's notion of 'more society, more participation' but Ottone's vision of the state was focused on what he called, 'a modernity without exclusion.' Edwards (1993) writes in a similar vein, referring to the social exclusion of the 1985–91 period, and what he termed a 'partial modernisation' or 'incomplete modernisation' since it was only achieved in the productive sector, without equality or democracy.

Frei's technocratic vision of modernity was less progressive than that attempted by President Aylwin. Aylwin's twin objectives during the 1990–93 period were those of 'patrimonio moral' – confronting human rights, and 'paying the social debt' as he described it. Both of these were considered to be paramount in reconstructing and consolidating democracy. Essentially the focus here was on Pinochetismo rather than misgivings about the capitalist state. The Rettig report was established to deal with the former (human rights issues), and FOSIS for the latter (the social debt). In the President's speech to the nation in 1990 (*Informe al País*, 21 May 1990), Aylwin stated that: 'Chile needs positive state action to move towards equity … A moral imperative demands that Chile moves increasingly towards social justice …' However it was also clear that this would take place within the constraints of the existing economic model: '[growth] is the central objective of our action as government … The state will regulate activity of markets without intervening in an erratic or frequent way.'

By 1993 (*Informe al País*, 21 May 1993), he was reiterating that poverty remained the pressing problem in Chilean society and that 'paying the social debt' remained on the government's agenda, as well as the need to 'consolidate and perfect democracy'. However, there was also greater concern about the ability of the economic model to deliver greater social justice which had been the hope in the 1990 speech, returning to a political ideal that has been almost omnipresent in government objectives since the 1920s (Silva, 1993). The presidential language had become more circumspect:

> While the achievements in some economic aspects and the privatisation of certain state entities create an image of prosperity and wealth in certain groups, it does not reach out to benefit the great majority of people that, on the contrary, suffer unemployment and increasing impoverishment and insecurity

The political, democratic and economically liberal consensus of the Concertación vis-à-vis the state during the 1990–99 period was characterised less by social justice than by the status quo. Government programmes aimed at reducing the negative social impacts of the export-oriented economy were lacking in resources and enthusiasm. The state was defined by its commitment to the neoliberal development process rather than its commitment to restructuring the social relations that had led to increasing social polarisation and the persistence of poverty within the context of a growing economy (regarded by many international economists as a model for other Latin American countries). Consequently, the 1999 presidential elections revolved around the neoliberal model, with the Concertación arguing around efficiency while the right wing argued for deepening the model.

The 1999–2000 presidential elections

The 1999–2000 elections provided an interesting point of reflection on the 1990s decade of transition (see Angell and Pollack, 2000). If the Aylwin administration could be defined as the one that negotiated the transition, and Frei's that which defined modernisation, it was revealing to see how the new administration would cast itself, particularly that of the Concertación and its candidate Ricardo Lagos. The elections were fought between the candidate of the right wing parties – RN and UDI , Joaquín Lavín, and Ricardo Lagos as the 'socialist' candidate of the Concertación. In terms of policy, there was not a great deal of difference between the two leading electoral alliances: right and centre-left. In many ways, this reveals the degree of consolidation that had taken place around the priorities for the capitalist state since 1990.

Economic policy would remain similar under both, with the right actually committing itself to more public spending than the Concertación. On social and cultural issues, the gap was considerably wider due to the stronger religious affiliations of Lavín versus Lagos' atheism but the election was not fought on these grounds. It is also worth noting that the election was not fought on the issue of Senator Pinochet either, who was in London throughout the campaign, returning in March 2000. The transition was effectively over since the Pinochetismo that had overseen 26 years of Chilean development had been snuffed out by the judicial process surrounding the human rights accusations. After almost thirty decades of Pinochet's centrality in Chilean politics, he was neither on Chilean soil or a feature of the political process. Although the spectre of the past (dictatorship and the trauma of repression) remains embedded in Chilean society, it was not central to these elections. As such, Chile was no longer in transition, in the sense that it is was primarily defined in terms of the impact of Pinochetismo on the political process and over civil society.

The 1999 presidential elections were fought on social issues, for example housing, education and delinquency, however the continuity of the neoliberal model and the processes of economic liberalisation and privatisation were not

questioned since the neoliberal capitalist state was taken for granted. In terms of the role of the state, neither political alliance was suggesting radical differences to the status quo; additionally, the democratic transition had been partially resolved by the absence of Senator Pinochet. With both candidates supporting neoliberalism, it was the adjustments vis-à-vis its 'human face' (the social policies that should accompany it) which became most seriously debated. In terms of transition, the extensification and intensification of neoliberalism (apart from the early 1980s crisis) over a quarter of a century reveals that the nature of economic development has not been transitional and that this is no longer contested by politicians, excepting the few who represent humanist, communist and traditional socialist groups (see Petras and Leiva, 1994). The other issue of significance that influenced the electioneering was the social and cultural shifts in Chilean society that have accompanied neoliberalism. Rather than the civil-military and constitutional issues that dominated political discussion in the early and mid-1990s, the emphasis is now on the ethics, ideals and values associated with contemporary Chilean development; these are issues that engage with the capitalist state model currently pursued.

The predominantly shared pair, political view of the private sector and the privatisation of public assets characterised the overall pattern of political development through the transition and democratisation of the 1990s. Both candidates represented a consensus around the existing model of development through privatisation and consumerism (the 'aspirational' society and the current thin line between *la neoderecha* and *la neoizquierda* according to Ascanio Cavallo, 1998), with a weak social net (the regulatory state) to respond to market failure. This consensus around a neoliberal agenda of economic development is a clear outcome of the ten years of democracy that is firmly rooted in the authoritarian period.

Rather than expand on their differences, both candidates sought to capture opposition votes in a closely fought campaign. The result was a battle for the centre-ground. The elections of December 1999 revealed that this was the right place to wage a political battle for popular votes. Ten years of transition had given rise to a society split in two, replacing the three way split (right-centre-left) which had dominated Chilean politics during the middle decades of the twentieth century. Rather than the pro-Pinochet/anti-Pinochet split which defined the plebiscite vote of 1988 and the beginning of the political transition, the 1999 vote divided the country between those who supported the neoliberal project of market liberalisation accompanied with a more right-wing social agenda, and those who supported the neoliberal project of market liberalisation with a more social democratic agenda. More than anything, this revealed a society fixated by the neoliberal model. In Gramscian terms, the process of consent promotion (co-optation through democracy) rather than coercion (the repressive tool of authoritarianism) was apparent and a hegemony of pro-liberalisation forces could be seen to be functioning very successfully through democratisation.

Beyond transition: returning to the state

The politics of the 1990s have been cloaked in the debates around transition and the stability of the civil-military relationship. The popular currency of these debates has led to a distinct lack of focus around the nature and role of the state, principally the issue of whether the growing economy has led to increased social polarisation and marginalisation in the country and whether more equitable development policies should be pursued by the elected administrations in the interests of the majority. It is evident that the decade of the 1990s has consolidated a new hegemonic bloc that has its roots in the bureaucratic authoritarian period, and which seeks to deepen neoliberalism within a framework of electoral democracy.

This has taken place to the detriment of the poorer sectors of Chilean society. It may therefore explain why so many young Chileans *no están ni ahí* (are not remotely engaged with politics) and have turned to drugs or student demonstrations rather than formal participation, why the Mapuches have become so resilient in their land rights campaign, why so many people no longer cast their vote in favour of a candidate, why many do not register to vote, and why so many public sector employees and other groups (such as fishers, traditional farmers, miners and public sector employees) manifested their grievances on the streets and *carreteras* of the country during the 1990s.

There can be little doubt that there is a need to depolarise Chilean society, if not for reasons of social justice then at the very least to reduce levels of crime and violence. Not only can this be done through redemocratising institutions (e.g. the judiciary and military) which has been such a focal point of the Concertación administrations. It can more easily be undertaken by increasing the social responsiveness from the political class, by improving confidence and participation in, and accountability and responsibility of, formal political and civil society organisations. Social inclusion and equitable development can only have a positive effect on reducing marginalisation, crime, violence and addiction (the drugs of the rich as well as the poor).

The same challenges that were noted by Aylwin in his presidential address of 1990 remain at the end of the 1990s. The presidential campaigns for the 1999–2000 elections made similar claims to those of the previous Concertación candidates, especially those relating to modernisation, democratisation and consolidation. It is clear that little has changed during the post-authoritarian period in terms of the dominant model of socio-economic development implanted in the late 1970s: the economic model of export-led orientation and a 'trickle down' approach to social development. A consensus that was in place across the military ranks, the political right and the business sector prior to 1990 has been extended under democracy to encompass new interest groups who perceive opportunities within the neoliberalised economy. This consensus is driven by a small elite but is supported by numerous other social institutions that give it legitimacy and power through their consent.

As Manuel Garretón (1995, 253) has rightly pointed out, the transition from an authoritarian to a democratic political regime does not necessarily signify a

shift to democratisation of society, yet the latter may ultimately be 'a prerequisite for the future consolidation of political democracy.' This statement notes the differentiation between the political transition and the perpetuation of the capitalist state formation. The Chilean transition has been a perpetuation of social polarisation through capitalism as much as a civil-military renegotiation, but it was not until the transition ended (with the end of Pinochetismo in July 2001) that the strength of the democratic capitalist hegemony and the state as defined by *continuismo* became fully exposed. Effectively the debate around political transition, Pinochetismo in particular, had masked the wholly untransitional nature of the capitalist state as it shifted from its authoritarian roots to democratic management.

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