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A fork in the road? Chilean foreign policy under Piñera, one year on

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By Guy Burton

Ideology or pragmatism? A break with the past, or its continuation? This was the fork in the road that Chilean foreign policy faced in March 2010 when Sebastián Piñera, the country's first right-wing president since the end of the military regime under Augusto Pinochet, took office. A year on and following Piñera's first anniversary in power which coincided with US President Barack Obama's recent visit to Chile, the jury still appears to be out regarding which direction the Chilean government is taking.

On the one hand, it would seem that Chile under Piñera is following a new path that may be emerging for the 'new right' in Latin America – especially after nearly a decade when much of the region has been governed by the left. On the other hand, there is much in Piñera's foreign policy to date that suggests the new Latin American right may not be all that different from the

An ideological turn

As expected, Piñera has cultivated good relations with ideological bedfellows, including with the right-wing governments of Mexico and Colombia. The connection with Colombia is especially strong as a result of the good personal relationship that he built up with presidents Alvaro Uribe (2002-10) and Juan Manuel Santos (since 2010) in the years before his own election victory. Soon after taking office he also extended recognition to the government of Porfirio Lobos in Honduras, who was elected in late 2009 after a rightwing coup that had ousted the leftwing president, Manuel Zelaya. Piñera's position was in contrast to that of several other Latin American governments, including Brazil and Argentina.

Piñera's shift to the right heralded a change from his predecessor, Michelle Bachelet (2006-10). This was reflected in the growing distance between Chilean foreign policy and the most prominent leftwing regimes in the region, Cuba and Venezuela. For example, the rhetoric in relation to the state-oriented and 'fair trade' vision of the Bolivarian Alliance for the Americas (ALBA) has become less warm than in the past. However, against this it may be argued that, of the four Concertación presidencies between 1990 and 2010, Bachelet's was perhaps the most leftist in ideological orientation and the most sympathetic to Cuba and Venezuela.

Piñera's colder stance regarding Cuba and Venezuela may also be associated with ideological commitments that go beyond political labelling. Early in his presidency he claimed that he would speak out on behalf of democracy and human rights. This stance contributed towards a more critical position, including condemnation of political prisoners held in Cuba and Chile's vote against Cuba in the UN human rights commission.

Meanwhile, on democracy, he has stated an interest in revising the democratic charter of the Organisation of American States (OAS), a goal shared by Washington. However, according to Chilean journalist Ernesto Carmona, this could result in a much looser definition of democracy and could be used against elected governments, especially those of the left, like that of Venezuela's Hugo Chavez. Against this claim, though, is the fact that following an attempted coup against Ecuador's leftwing president, Rafael Correa, in September, Piñera was guick to condemn the action and declare his support for Correa.

Business as usual

At the same time that Piñera has been building closer relations with the Latin American right and claiming to support democracy and human rights, he has not forgotten Chile's economic priorities. In particular he has not overlooked the fact that much of the business of Chile is business. It is one of the most market-oriented and business-friendly of Latin American states and has been since the Pinochet regime undertook one of the earliest structural adjustment programmes in the hemisphere, during the early 1980s.

Chile is a close ally of the US on economic affairs and free trade. This reflects the nature of the Chilean economy, which is highly dependent on exports of commodities, especially copper, timber and salmon. In 2004 the Concertación government signed a free trade agreement with the US, although since then China has increased in importance. In 2005 China became Chile's second largest trading partner and then in early 2009 the first.

As a result of growing Chilean-Chinese economic ties, Piñera prioritised good relations with Beijing during his first year in office with reciprocal visits between the two countries' leaderships. Because of Chile's deep reliance on exports to China, Piñera's

public commitment for human rights has appeared muted. Despite pressure from both the left and right to raise the issue when he visited China in November, the statement on human rights in the resulting Chilean-Chinese accord was limited to support for a dialogue – and was sandwiched in between references to other issues, including reform of the UN and global financial systems.

To a large extent, Piñera's subdued approach to human rights in China may reflect Chile's structural limitations as a regionally based middle power. Its inability to project itself globally means that it must pursue a pragmatic approach where necessary. This has been evident in Piñera's relationship with Brazil, the only Latin American country with sufficient extra-regional economic and political power. Although not sharing the leftwing ideology of Brazil's presidents, Lula da Silva (2003-10) and Dilma Rousseff (since 2011), Piñera has declared his support for Brazil's long held aspiration for a permanent seat on the Security Council.

Within Chile's immediate neighbourhood, Piñera's foreign policy has been similarly pragmatic. First, with Peru, Piñera has adopted a two-track approach. On the one hand he has expressed his commitment to internal arbitration regarding the two countries' maritime frontier. This reflects a policy inherited by the Piñera government, following Peru's decision to refer the matter to The Hague in 2008 after a shipping and fishing dispute. On the other hand, he has delinked the conflict over the border through the use of confidence-building measures with Peru. This has included more dialogue and greater transparency regarding arms purchases and promoting more Peruvian and Chilean trade in the Pacific region.

Second, with Bolivia, Piñera similarly inherited a policy from the previous government. Bachelet signed an accord with her Bolivian counterpart, Evo Morales, in 2006. The most contentious point of the document concerned Bolivia's access to the sea, which it lost in the late nineteenth century, following its defeat to Chile in the War of the Pacific. Piñera has presumably been able to accommodate Bolivian demands because of his nationalist credentials. This stance has been sustained even as the context has changed. In late March 2011 Morales claimed that Chile had failed to respond effectively and Bolivia would take the issue to the international courts. In reply, the Chilean government threatened to end discussion on the matter if this happened.

Third, with Argentina, Piñera has minimised the potential deterioration in relations, especially given the political differences between his government and that of the Argentine president Cristina Kirchner. At one level, Piñera moved promptly to recognise Kirchner's husband and former Argentine president, Nestor Kirchner, as secretary general of the Union of South American Nations (UNASUR) – despite the fact that the Chilean right generally prefers hemispheric organisations like the OAS (where the US is a member) to regional bodies like UNASUR (where the US is not a member). At another level, relations Piñera maintained dialogue with the Kirchner government on extraditing Sergio Galvarino Apablaza, a former Marxist guerrilla accused of assassinating a rightwing senator in 1991 – even though no agreement was reached and despite Galvarino subsequently receiving political asylum at the end of September.

Future developments

Chile's foreign policy under Piñera has been a combination of the ideological and the pragmatic. The choice between each demonstrates the extent to which it has also been responsive, adjusting to the contemporary context. For example, Piñera's commitment to democracy and human rights is in marked contrast to the right's position on these issues during the 1970s and 1980s, when rightwing military regimes and their civilian supporters turned a blind eye to both through their support for coups and torture. At the same time, bargains have been struck between these political objectives and economic concerns. This is especially apparent in relation to China, where Piñera has had to accommodate support for human rights with Chile's dependence on Chinese markets.

The tensions between the ideological and pragmatic may well become more challenging rather than less. This will be especially so should the right's ambitions for Chile to become a more global player occur. For the rightwing think tank, Libertad y Desarrollo, Chile's membership of the Organisation for Economic Cooperation and Development (OECD) during 2010 was significant. It was seen as giving Chile entry into the so-called 'rich man's club' and raising its status from that of a developing to a developed country. For Libertad y Desarrollo, Chile's membership gives it a global platform through which it can advocate for more free trade and a greater role for the private sector in global institutions, like the G20. However, this position is complicated by the existence of wide inequalities within Chile; despite its developed country status in the OECD, Chile is a country where, after more than 20 years of democracy and free market-led development, around 40% of the wealth is concentrated in the hands of 10% of the population and where around a fifth of the population lives below the poverty line.

In such circumstances, a more global role for Chile may arguably achieve little. Given successive Chilean governments' advocacy for market-led economic policies that have not reduced the difference between the rich and the poor, it is not evident that their advocacy at the international level will achieve anymore between rich and poor countries. At the same time, it is not evident that there is much domestic opposition to Piñera to promote a foreign policy that would counter this. Robert Funk at the University of Chile has observed the Concertación since its election defeat and notes both its ideological fragmentation and organisational decline over the past year. It would therefore seem that the approach Piñera has set since March 2010 will continue: on the one hand a declared commitment to free trade, democracy and (political) human rights; and on the other, a pragmatic emphasis on economic concerns like greater trade liberalisation, which will trump all other considerations.

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