



## Secretos de la Concertación: Recuerdos para el futuro

Carlos Ominami

La Tercera Ediciones, 2011, Softcover, 355 pages

REVIEWED BY MARÍA DE LOS ANGELES FERNÁNDEZ  
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Commentary on Chilean democracy has evolved from praise to concern since conservative President Sebastián Piñera moved into *La Moneda* Palace in 2010, bringing the Right to power for the first time in over 50 years. The praise was well-earned. Piñera's victory not only showed the Right's vote-getting ability; the peaceful alternation of power in Chile offered conclusive demonstration of one of the continent's most successful democratic transitions.

Nevertheless, the Right's victory, which ended 20 years of government by the center-left *Concertación*, also coincided with a challenge to perceptions about Chile as a paragon of fiscal discipline and political stability. Contemporary Chile is convulsed by social mobilization, and by demands for redistribution and deep reforms to the economic and social model that was once heralded across the region.

In the period leading up to the election, groups across society challenged a market model that privileged growth over equity, as well as a political system that was perceived as unrepresentative and lacking in competition. Increasingly, in the eyes of the public, academics and the press, Chile is no longer a political "model" to boast about; rather, it is seen as a democracy weakened by the rotation of elites who are out of touch with the needs of ordinary Chileans.

In this context, Piñera's 3 percent margin of victory represents more of a defeat for the *Concertación* than a definitive triumph of the Right. That, at least, is the conclusion drawn by Carlos Ominami in his analysis of Chile's perplexing political trajectory in *Secretos de la Concertación: Recuerdos para el futuro* (Secrets of the *Concertación*: Memories for the Future).

Ominami, a former cabinet minister and longtime political insider associated with the *Partido Socialista* (Socialist Party—PS), contends that the *Concertación* was "a pact of elites formed towards the end of the 1980s that failed to consolidate democratic governability." This runs counter to most descriptions. But Ominami proves his point with a trenchant analysis of the deep political and social transformations that Chile experienced during the democratic transition, as well as of the complex process whereby the Left regained its political credibility and constructed a new political majority. In an artful and enjoyable read, he shows how each of these processes fell short and then looks forward to the challenges facing both the *Concertación* and the country.

Ominami is well positioned for such an analysis. He was both a witness and protagonist in Chile's democratic demise and rebirth, and remains an astute observer of its

current growing pains. A veteran PS strategist, he was a front-line actor in the democratic transition, serving as minister of economy in the Patricio Aylwin government, as a close advisor to former President Ricardo Lagos, and as senator for 14 years. His intensely personal account provides readers with an intimate take not only on crucial events in Chile's political evolution, but also on the emotional significance and consequences of those events. Ominami seamlessly weaves into his account the hopes and fears—and the simmering guilt—of the generation that lived through the traumatic 1973 coup and those who were lucky enough to survive and witness the return to democracy.

His book fills an important gap. Until now, there have been no instructive accounts of the renovation and renewal of Chilean socialism over the political trajectory of four *Concertación* governments, and Ominami provides some illuminating insights. For example, he contends that while it was crucial for Socialists “to dramatically break with past notions of democracy as purely instrumental and formal,” they failed to “establish an adequate equilibrium between the

State and the market and an organic set of political ideas that could lead to coherent and consistent policy.”

Ominami's experience as a cabinet minister gives his analysis of the governments of Patricio Aylwin (1990–1994), Eduardo Frei (1994–2000), Ricardo Lagos (2000–2006), and Michelle Bachelet (2006–2010) special weight. Noting the three central roles Chilean presidents have had to play—head of state, head of government and leader of the *Concertación*—Ominami argues that each brought a distinct style of leadership to *La Moneda* but none of the presidents was “capable of challenging the reigning accepted wisdom to open up innovative paths to national development.”

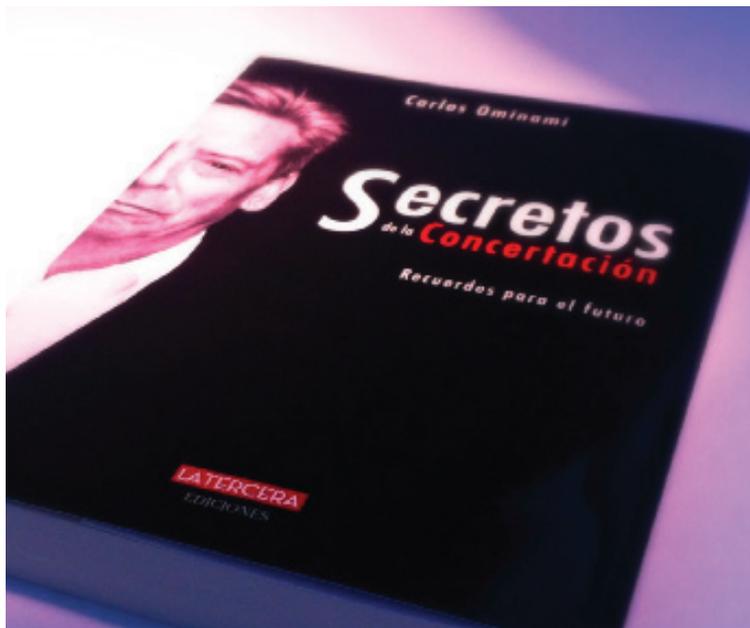
Conventional wisdom traces the *Concertación's* success to the convergence of secular and Christian humanism that created a transformational, yet stabilizing, combination of continuity and change. Ominami disagrees, contending that the coalition, and not just its presidents, erred by focusing on administration instead of transformational change.

Ominami believes that evaluations of the *Concertación's* legacy should not simply be framed by the defeat

of Augusto Pinochet. He argues instead that the bar should be set much higher. The coalition represented an opportunity to defeat Pinochet and to transform the deep societal imprint that the military regime left. He contends that with the *Concertación's* mandate and support it could have acted much more aggressively to reform Pinochet-era policies. However, he observes (in an argument that many in the *Concertación* will see as overly critical) that “this center-left coalition ended up consolidating the dearest and most fundamental values of the Right in Chilean society.” If the *Concertación* had confronted this reality head-on and made an effort to address the erosion of public confidence in political institutions, it could have avoided electoral defeat.

To demonstrate his point, Ominami explores the neoliberal and conservative elements of Chile's political landscape that the *Concertación* lacked the will to reform. At the core, he contends that despite reform, the essential outlines of the Pinochet constitution remain in the form of the legislative electoral system, high quorums for reform and the series of difficult-to-reform organic laws. What is more, none of the reforms altered the constitution's very traditional stress on political rights as opposed to economic rights that appear in many of the recently amended or more progressive constitutions in the region. By concentrating economic, social and media power within the small set of elites, the constitution acted as a barrier to significant reforms in social welfare, education and health. This is the source of the protests today.

This book will appeal to at least two sets of readers. For those who would like to know more about the realpolitik that undergirded the durability of a coalition, this book provides the answers. It is also a road map for those who seek to reconnect Latin American and European debates on the future of social democracy, some of which the victory of French President François Hollande may reignite.



In this vein, Ominami's chapter on Chile's declining economic dynamism and the challenges of diversification and social integration is particularly interesting. Ominami outlines his social democratic vision based on a rethinking of the European welfare state, and on the experiences and successes of progressive governments in Latin America.

Fundamentally, Ominami traces social democracy's crisis not to deficiencies in its core principles or ideas—which he asserts are more relevant today. Rather, the problem is social democrats' eroding credibility as a result of having lost touch with their

fundamental values. He calls on social democrats to promote broadened democracy, new freedoms and access to state assistance, and to renew their commitment to equality and sustainable development. This book provides food for thought for anyone who wants to make that happen.

**María de los Angeles Fernández** is executive director of *Fundación Chile 21* and served as president of the *Chilean Political Science Association* from 2000–2002. **Peter M. Siavelis** is director of the *Latin American and Latino Studies Program* at *Wake Forest University*.

huela and Maritza Paredes of Brown University's Watson Institute for International Studies—consider six country cases, three from Africa (Botswana, Nigeria and Niger) and three from South America (Bolivia, Chile and Peru).

Unfortunately, the authors employ a rather busy analytical framework in writing their case studies. Each seeks to explain the interplay between resource abundance and development through the lens of “historical institutionalism.” This term is expanded, perhaps too flexibly, to encompass everything from colonial legacies to political and economic institutions, leadership, state–society relations, and the influence of external actors and multinational corporations. The result is that so much old ground is covered in these chapters that more recent trends of the current commodity bonanza are barely addressed. Inexplicably, the chapter on Bolivia does not go beyond the 1950s.

Moreover, the justification for choosing the country cases is not clear. Within each region, the authors designate one “successful” case. For Africa this is Botswana; for South America, Chile is portrayed as the winner. The four other cases, each in its own way, are deemed “failures.” However, the criteria for success or failure are not well spelled out, leaving the various references to these terms somewhat vague and uneven.

In the cases of Botswana, authored by Battistelli and Guichaoua, and Chile, authored by Orihuela, “success” is defined as a more accountable distribution of the rents from diamonds and copper and cohesive state–society collaboration in upholding property rights and the rule of law. In a chapter on developmental outcomes, the book's five authors write that in Botswana and Chile “...the centralization of revenue from extractives in central government hands allowed its relatively unobtrusive use to sustain the political system without provoking the regional tensions so vivid and disrupting elsewhere.”



## The Developmental Challenges of Mining and Oil: Lessons from Africa and Latin America

Rosemary Thorp, Stefania Battistelli, Yvan Guichaoua, José Carlos Orihuela and Maritza Paredes

Palgrave Macmillan, 2012, Hardcover, 228 pages

REVIEWED BY CAROL WISE

The first decade of the twenty-first century has witnessed some remarkable developments: the 9/11 terrorist attacks, the rise of China, the 2008–2009 financial crisis, and the Arab Spring, just to name a few. South America's commodity and natural resource boom should be added to that list. The buoyant market for soy beans from Argentina, oil and natural gas from Bolivia, iron ore from Brazil, copper from Chile, and fishmeal from Peru, among other examples, has not occurred in the region for nearly a century. Prices and demand

have held steady as emerging market countries like China and India have voraciously consumed these exports in their pursuit of economic growth.

*The Developmental Challenges of Mining and Oil: Lessons from Africa and Latin America* comes at the right time to understand the implications of this boom. The five authors—Rosemary Thorp of St Antony's College at University of Oxford; Stefania Battistelli of the UN Food and Agriculture Organization; Yvan Guichaoua of the United Kingdom's University of East Anglia; and José Carlos Ori-