

SGI Sustainable
Governance
Indicators

2014 Chile Report

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Executive Summary

In evaluating the quality of democracy and governance in Chile, one needs to take into account the fact that the country returned to a democratic regime only 23 years ago. Historic experiences under the government of Salvador Allende and during the military dictatorship of Augusto Pinochet have led to a political culture which favors consensus and avoids conflict. Key actors and citizens tend to favor the status quo and harmony. The student protests of recent years can be understood as the expression of new attitudes among younger generations.

Although the country has considerably improved its quality of democracy since the end of the military regime, Chilean democracy still shows certain limitations, for the following main reasons:

- There are still certain forms of political discrimination inherited from the military dictatorship, such as restrictions on participation in elections while living abroad. Furthermore, convicts and individuals imprisoned on remand are not allowed to vote.
- Chile has an oligopolistic media system that shows strong biases in the representation of different political, social and economic opinions, thus constraining pluralistic public opinion and public debate on certain topics.
- The country still faces severe unresolved ethnic conflicts that often cause state actions, which in turn sometimes disrespect the civil and political rights of ethnic minorities. These conflicts have been exacerbated during recent years, but they were presented in a biased way or not even covered by national and international media.
- The political elite is still dominated by individuals and groups that unite economic and political power. High level politicians and civil servants still mainly originate from the same narrow circle of families, so officeholders do not represent Chilean society as a whole. Given the importance of private campaign financing, it is no surprise that one of the country's richest people is president of the current government.

- Though corruption does not influence politics as much as in other Latin American countries, there is a phenomenon that goes hand in hand with the oligopoly: officials tend to abuse their public positions by only interchanging high level political or administrative jobs among one another. It is rare that officials or politicians with bad job performances are replaced by someone from outside this limited elite circle.
- Although Chile's economy grew constantly and its gross income per capita increased, poverty has not decreased during the period under review and the distribution of wealth has worsened. Chile is characterized by being – next to Brazil – the country with the worst income distribution in Latin America according to the Gini index. A high level of income and wealth concentration handicaps Chile's democracy.

Chile shows a slightly inconsistent image in its executive's capacity for sustainable and coherent policymaking. Strategic planning and coherent policy implementation are difficult processes in some areas as Chile has privatized almost all branches of economic activity and infrastructure formerly owned by the state.

When it comes to policy implementation, a gap between national, regional and local levels can be observed. Chile is a highly centralized country where economic and political power is mainly concentrated in the capital, Santiago. Hence regional and local interests are often not considered when it comes to national politics. The process of decision-making and policy implementation is highly centralized.

Chile lacks mechanisms of direct democracy that could foster citizens' policy control and influence. Even the media cannot fulfill its task as a fourth estate. Neither the press nor public television provide citizens with a pluralistic view of government performance. 23 years of democracy have not changed this situation. However, congressional control over the government and the audit office do work quite well.

In general terms, the center-right coalition of President Sebastián Piñera did not use the good economic cycle to plan and act strategically in different sectors with a more sustainable perspective. Regarding ethnic conflict, there has been no clear conflict handling or political positioning. Therefore this conflict will remain critical. Foreign policy was managed quite well, a situation which is positively reflected in public surveys.

Key Challenges

Little has changed since the last report, written when a new government coalition had just assumed power. Although Chile has undergone a considerable and successful modernization process, it still faces serious challenges in closing the gap with more developed countries. Even its OECD membership did not significantly change this situation. Since then, non-mainstream actors, organizations and issues have lost the support of international cooperation.

Despite many constitutional reforms during the last 23 years, the constitutional framework still contains problematic areas inherited from the military regime and former governments, which provide a rigid framework for the policymaking processes. There is a lack of capacities and instruments to ensure political and strategic planning that includes a mid- and long-term perspective and social, economic and ethnic differences are not taken into account. A stable economic performance, which mainly depends on the price for copper exports, allows the government to adapt policies and satisfy immediate demand without necessarily taking into consideration long-term challenges.

Some efforts were made to reduce poverty, but without significant effects. Meanwhile socioeconomic disparities are still increasing. This has consequences for the whole social system but in particular education, health care and pension policies. This is reinforced by the demographic change Chile is experiencing as its population ages. Relatively high divorce rates can be seen as one indicator of changing family structures. Weaker family bonds reduce the possibilities for older people to be taken care of by other family members. Low pensions for many Chileans imply new challenges for the social protection system.

The lower middle class is highly indebted and socially under pressure to participate in a consumer society. Many middle-income families struggle to maintain their living standards, because if one wage earner per household is unemployed or sick, families almost immediately have to lower their living standard significantly. In combination with the enormous gap between the quality of poorly funded public education and its expensive private counterpart, the elimination of structural poverty will be nearly impossible.

Considering the high level of competitiveness in modern economies that are increasingly based on knowledge and innovation capacity, educational policymaking has to overcome its long-lived ideological struggles. This is especially true in a growing economy where there is a constantly growing need for a skilled workforce. The social advancement of certain social sectors into the middle class during the last 20 years has made university degrees more accessible to young people with a lower educational family background, although most affordable universities lack (international) quality standards.

As the legal framework regarding the registration for elections has changed to automatic registration and voluntary voting, hope has risen that younger citizens will participate more actively in elections and political decision-making processes. If Chilean society aims to promote the participation of all citizens in its modernization process, the country has to overcome the lingering political marginalization of certain parts of society. Government policies still do not fully acknowledge the rights of ethnic minorities.

For the first time since the end of the military, the last presidential elections led to a change of the ruling coalition from the center-left Coalition of Parties for Democracy (Concertación de Partidos por la Democracia, popularly known as Concertación) to the center-right Alliance for Chile (known as the Alianza), bringing Sebastián Piñera of the moderate rightist National Renewal (Renovación Nacional, RN) party to the presidency. The Alianza coalition brings together RN and the Independent Democratic Union (Unión Demócrata Independiente, UDI). (eNB: Michelle Bachelet won the general elections that took place in November 2013, outside the period under review here). These peaceful transitions of power from one ideological camp to another demonstrate that Chilean democracy, political institutions and public authorities are stable. Contrary to their announcements, the outgoing Piñera government of December 2013 did in fact change a large part of the administrative and executive staff of the earlier Concertación administration. As a consequence not only was the experience and knowledge of the permanent upper civil service lost, but the state's institutional solidity was also weakened. At the same time, the Piñera government introduced pervasive reorientations in certain political domains, mainly in the field of education, family politics and minorities, in the light of its conservative values.

Nevertheless, independent of the ruling Alianza coalition, Chilean democracy historically suffers from the convergence of the political and economic elite, which is composed by quite a small number of families and thus creates oligopolistic power structures. The economic and political influence of this elite

is not only based on their property but also on their networks, established via family unions, school, university, etc. This influence often does not become visible in a direct way and there are no signs that this will change in the near future.

Policy Performance

I. Economic Policies

Economy

Economic Policy
Score: 8

Chile has an advanced macroeconomic and financial policy regime in place. This is rules-based and combines a floating exchange rate, inflation targeting, an overall government budget rule, and effective regulation and supervision of banks and capital markets. As a result, macroeconomic performance has generally been quite satisfactory. A dominant economic role is assigned to markets and the private sector, complemented by active government regulation and policies aimed at limiting noncompetitive market conditions, extending social protection, and reducing poverty and income concentration. Economic legislation and regulations provide a level playing field for domestic and foreign competitors. Barriers to international trade and capital flows are negligible, and international competitiveness, adjusted for labor productivity, is relatively high. These policies have enabled a relatively high level of growth, and poverty rates have fallen substantially in the last few decades. During the last two years, economic growth has again increased and unemployment slightly decreased.

On the other hand, major structural weaknesses can be observed. Low labor efficiency represents an increasing problem. This is especially the case in small- and middle-scale businesses which are the largest source of employment and labor in Chile. The highly bureaucratic public administration is another negative aspect that limits productivity. Moreover, economic stability and growth almost completely depend on the export of commodities such as copper and agri- and silvicultural products with relatively low added value. In the long run, deficiencies in the education system, and low investment rates in infrastructure and R&D will probably hinder economic growth and sustainable development.

Labor Markets

Labor Market Policy
Score: 6

By international comparison, Chile (like most of Latin America) has very wide-ranging and restrictive labor market laws and regulations, at least on paper. Excessive regulation of job content, firing restrictions, and flexible and part-time contracts create disincentives to formal-sector employment. Minimum wages are high relative to average wages in comparison with other OECD countries.

There has been a slight decrease in unemployment during the period under review. That said, between 70% and 80% of salary earners work in a low-wage sector or do not even earn minimum wage but are statistically registered as employed.

Issues that would increase the flexibility of the labor market, such as greater integration of groups like women or low-skilled workers, have largely been ignored. Trade unions are on average relatively weak, with a large variance in strength ranging from very high (in state enterprises and the central government) to very low (in informal enterprises and state-owned enterprises), with factors influencing this divide ranging from inadequate legislation or enforcement to the prevalence of informality. Given the pressure brought to bear on wage topics by the stronger labor unions such as Central Unitaria de Trabajadores (CUT) and Comisiones Obreras (CCOO), labor market policy has shown a limited focus on wage level but not on the quality of labor. There is a clear lack of offerings or possibilities for continuing education and skill enhancement. Despite diminishing productivity, comparatively high wages have been established, including wage increase beyond the rate of inflation.

Taxes

Tax Policy
Score: 6

Chile has a moderately complex tax system. The corporate income tax rate, at 17%, is less than half of the highest marginal personal income tax rate. This implies that high-income wage earners have a high tax burden compared to low-income earners in general, and to high-income non-wage earners in particular. Few exemptions are applied to corporate and income taxes, reflecting a relatively high level of horizontal equity within each income tax category. High-income non-wage earners can legally avoid high-income taxes through incorporation. The value-added tax (VAT) is high and flat, with few exemptions, which argues in favor of allocative efficiency and horizontal equity. There is certainly tax avoidance in Chile –probably at higher levels than

the OECD average, due to informality. Yet efforts to ensure tax compliance have been generally successful. Moreover, Chile has probably one of the most efficient computer-based tax payment systems in the world.

The government's tax and non-tax revenue is sufficient to pay for government expenditure, according to current spending. By and large, Chile has been successful in generating sufficient public revenue. There are flaws in the efficiency of tax spending but in general the national budget corresponds to the claims of different sectoral ministries. However, most of the tax income generated by corporate and personal taxpayers is based on VAT and therefore has a very regressive effect. Thus, the tax system does not promote vertical equity through redistribution. Expenditures for education and social security are far too low compared to other countries in the region and to the demands of the lower middle class and the poorer population. Tax policy is failing to produce a higher equity in tax burden as bigger companies and the economic elites do pay relatively low tax rates, which favors Chile's relatively good international competitiveness, especially for less sophisticated services and products. In general terms, Chile's tax system adds to the country's competitive position with respect to world trade and investment flows. On the other hand, taxation policy does not foster innovation and increase productivity.

The only reasonable way to assess whether Chile's tax system and actual revenue collection is sufficient to finance a welfare state equivalent to 50% of GDP is to ask whether Chile's ratio of government expenditure to GDP – at its current level of per capita income – is within the empirical cross-country range suggested by Wagner's law, which predicts that the development of an industrial economy will be accompanied by an increased share of public expenditure in GDP. This is the case.

Budgets

Budgetary Policy
Score: 10

Chilean budgetary policy has been very successful in terms of national debt reduction and reserve fund accumulation. The country's budgetary policy is based on a fiscal rule that explicitly – and relatively transparently – links overall government spending to an estimate of government revenue trends. This puts Chile at the international best-practice frontier regarding budget policies and fiscal regimes. Although temporarily suspended during the difficult 2009 – 2010 period, this rule's application since 2001 (and the adherence to fiscal orthodoxy even without comparative legislation since the mid-1980s) has allowed the government to reduce overall debt, accumulate sovereign wealth and reduce its overall financial liabilities to negative levels. This policy proved

absolutely adequate in dealing with the global financial crisis. In order to improve fiscal transparency and the validation of the public balance, the Fiscal Consulting Council (Consejo Fiscal Asesor) was created in 2013.

Citation:

Cf. DIPRES, Política de Balance Estructural: <http://www.dipres.gob.cl/594/w3-pro pertyvalue-16156.html>

Research and Innovation

R&I Policy
Score: 4

R&D expenditure as a share of GDP is very low in Chile compared to other OECD countries, and most of this expenditure is undertaken by the government rather than the private sector. But Chile has shown that it is aware of shortcomings regarding the necessities of technological innovations, especially for its future economic and thus social development. Significant reforms have been put in place to raise R&D funding, including earmarked taxation (a royalty tax on mining), higher government expenditure, and the improvement of tax incentives for private R&D. Although results have to date been disappointing – in large part because of bureaucratic hurdles to the approval of private and public projects – Chilean institutions show good results in basic research at least. But this good basic research almost never completes the steps required to pursue applied research. Universities are often not prepared to support research that operates at the interface between basic research and industrial development. Access to the few existing public funds tends to be quite difficult due to high bureaucratic barriers.

Global Financial System

Stabilizing Global
Financial Markets
Score: 6

Given its small size, Chile has quite limited power within international arrangements and, although it participates in regional institutions and regimes, the country has distanced itself from the recent tendencies of its Latin American neighbors to strengthen their respective independence from international-level political hegemony and financial sources. The government applied an austerity policy and responsible budgeting, so the financial crisis has not had any severe impacts yet (policy of the 1% structural surplus proceeds). Nevertheless, in the national as well as international context, the official political discourse privileges the virtue of a totally deregulated and free market, combating any forms of state regulation.

II. Social Policies

Education

Education Policy
Score: 3

Chile's school and education attainment levels are very mixed, and are generally much lower than the OECD average. Pre-primary education coverage is still low, but rising. Primary and secondary education coverage is high, reaching nearly 100% of current age cohorts. Tertiary education coverage is moderate but increasing. The government has not achieved its aim of closing the gap that exists between the private and public systems, which led to strong public protests, especially during 2011 and 2012. Apart from the general ideological gap between government and opposition regarding the role of education and a free market, reforms are also absent in this area because of the conflict between teachers' boards and the private education corporations or enterprises. Good, high quality education is only accessible to those who can afford it. There is a huge financial divergence between private and public education, with public spending per pupil per month of CLP 40,000 and private schooling fees of about CLP 300,000 (e.g., Deutsche Schule). Chile traditionally had a broad public education system, but as a result of the poor quality of the actual public schools, the number of scholars attending public institutions has declined to approximately 40%. There is a great gap in quality of education for less gifted scholars as there is a strong focus in the system on preparing students for careers that require higher education, but there are only few options for more applied, vocational training for students who do not obtain the grades necessary to enter university. Furthermore, standards between the respective universities or technical training centers vary greatly as the quality control standards applied are insufficient.

In general terms, Chile's education system – with the exception of a few top universities – fails in terms of educating and training people to acquire the knowledge and skills required for a quantum leap in development and growth. This hampers labor productivity growth and efforts to diminish poverty rates. This weak performance results from failures in past and current education policies, and a strong teachers' lobby that has effectively opposed necessary reforms to school curriculum, school management and attempts to link teacher pay to teaching productivity.

Social Inclusion

Social Inclusion
Policy
Score: 4

In terms of possibilities for upward mobility, Chile still fails to overcome a long lasting and broadening social gap. There still is, for example, much exclusion along ethnic lines and a considerable gap between poor parts of the population and the middle class. There is also little upward mobility within higher income groups. The middle class in general and especially the lower middle class can be considered to be highly vulnerable given the lack of support for those suffering unemployment or health problems. Middle class wealth tends to be based on a high level of long-term indebtedness and its share in the national income is low even by Latin American standards. Furthermore, poverty among elderly people constitutes a disspreading phenomenon. The public education system provides only low-quality education to those who do not have adequate financial backing and a patronizing approach in social policies maintains this very unequal social structure. Although some social programs have been established in order to improve the situation of the poorest part of society, the economic system (characterized by oligopolistic and concentrated structures in almost all domains) does not allow the integration of larger parts of society into the country's middle class.

Health

Health Policy
Score: 7

For more than three decades, Chile has maintained a dual health system, with one pillar represented by private insurance and private health care services chosen by self-financing participants (typically upper middle-income and high-income groups), and another pillar of public, highly subsidized insurance and public health care services for participants who pay only part of their health costs. This system provides broad coverage to most of the population, but with large differences in the quality of health care provision (including waiting times for non-emergency services). A significant reform has been implemented gradually since 2003, expanding the range of guaranteed coverage and entailing a corresponding extension of government subsidies to low- and middle-income population groups. In contrast to other policies, this reform has been pursued in a very consistent and solid way, although some failures can be detected regarding the budget provided for public health and administrative processes. Above all, primary health care within the public system has shown great advances in coverage and in quality. In the domain of the more complex systems of secondary and tertiary health care a more problematic situation can be observed. These levels show deficits in budget and in the number of well-

trained professionals available. There is still a huge gender gap in the contribution rate, since maternity costs are borne only by women.

Henceforth, the quality and efficiency of public health care provision (government clinics and hospitals) varies widely.

Families

Family Policy
Score: 5

In recent years there have been efforts to establish wide-ranging coverage of preschool education. These policies offer Chilean parents more possibilities to place their children in free or low-priced nurseries and kindergartens. But the system still does not fulfill the requirements of the actual labor market, given that opening times of nurseries often do not coincide with long working hours. Families' ability to find day care for their children depends highly on their economic background, as wealthier families normally pay private housekeepers and nannies. Apart from the possibilities for women to participate in the labor market, one has to mention that Chilean family policy does not fully respect the concerns of fathers as, for example, tuition for children is paid out to mothers. Chilean family policies still lack a holistic vision of modern families, including, for example, aspects such as single parents, adoption and same sex unions.

Pensions

Pension Policy
Score: 7

Chile's pension system combines a redistributive means-tested pillar financed by general taxation with a self-financed pillar based on individual contributions and individual pension accounts, which are managed by private pension fund managers and invested both domestically and abroad. The redistributive pillar was extended and broadened very substantially by a 2008 pension reform that implemented means-tested pension subsidies, guaranteeing a pension floor to all older citizens that is very high relative to the country's minimum and average wages. The reform also provided pension benefit entitlements to women based on the number of children they have had, with no ceiling on the number of children. It is a matter of some debate whether the Chilean pension system guarantees intergenerational equity or prevents poverty caused by old age. It can be argued that both public and private pension systems are fiscally sustainable (like those of Norway, the best-funded system among all OECD countries), and thus provide both intergenerational and intragenerational equity across income groups. Nevertheless, the system largely fails to guarantee poverty prevention among large parts of the socioeconomically weaker and older population who depend on the support of their families or have no pensions at all if they worked in unstable and/or informal employment. Thus,

the pension system has (because of the capitalization logic) virtually zero redistributive effect.

Integration

Integration Policy
Score: 4

Due to the financial crisis, the number of professionals who immigrate to Chile has increased significantly – especially from southern Europe. In general, there are low restrictions for well-skilled immigrants and professionals who tend to obtain working permits. The integration of immigrants from other Latin American countries, which represent the main group of foreigners in Chile, does not present significant difficulties as they share the same language and, up to a certain degree, a similar cultural background. About 1.5% of the population are immigrants, which represents, in comparison with its neighbor Argentina, quite a small percentage.

It is worth mentioning that the relationship between emigration and immigration in Chile is changing. While in the past Chile registered higher rates of emigration than immigration, this tendency is reversing nowadays due to economic development and political stability. Thus migration policy will be more important in the future, but no specific immigration policies have been implemented yet.

Safe Living

Safe Living
Conditions
Score: 8

Internal security policy is quite effective. While organized crime is not apparent to the average citizen, there are some disturbing trends: selective ethnic-based acts of terrorism, rising drug trafficking (and related crimes), and a very sharp and systematic increase in common crime trends ranging from petty crime to murder. Still, public perception of crime tends to overestimate the statistical reality. Private security services are widespread in the wealthier urban areas, especially in Santiago. Chile has an extremely high number of prisoners among the younger population in particular. Prevention measures are not well developed.

The last two governments each launched anti-crime programs focusing more on detection and repression than on prevention. These had very mixed results. Crime repression programs such as the Plan Cuadrante and the marked increase in the numbers of police officers have significantly reduced crime rates. However, penal code reform and its implementation over the last eight years have significantly raised the efficiency of crime detection and criminal prosecution.

Global Inequalities

Global Social Policy
Score: 6

Chile formally follows and promotes the United Nations' Millennium Development Goals and its post-2015 agenda in its foreign policies. However, in practice those criteria are not necessarily considered when it comes to decision-making regarding international cooperation with developing countries in the region (Chile cooperates nearly exclusively with Latin American developing and emerging countries). Regarding the promotion of fair trading access to global markets, Chile applies nearly no subsidies to domestic producers nor does it establish protectionist trade barriers for imports.

III. Environmental Policies

Environment

Environmental
Policy
Score: 4

Chile is a country with an efficient but scarcely restrictive environmental regulatory system, and from 2010 onwards, it has boasted a modern environmental institutional system. For example, the former National Commission for Environmental Issues (Comisión Nacional del Medio Ambiente) has been upgraded into the Ministry of Environment (Ministerio del Medio Ambiente). Nevertheless, the creation and implementation of complementary institutions, such as environmental tribunals (Tribunales Ambientales) and a chairperson of the environment (Superintendencia Ambiental), has come to a standstill. However, Chilean environmental policy is basically designed for compliance with standards required by international markets and thus does not necessarily focus on aspects like ecological sustainability. In addition, Chilean environmental policy is also exposed to major domestic political pressures from the industrial sector, especially in the field of water and forestry policies and regulation. This is often clashes with the protection, preservation and sustainability of natural resources and the quality of the environment. It is quite common for the judiciary to stop investments and projects due to the lack of adequate ecological sustainability.

Global Environmental Protection

Global
Environmental
Policy

The government demonstrates commitment to existing regimes and international efforts. There has been at least one specific initiative regarding the

Score: 4

protection of Antarctica, but in general terms, the government neither initiates appropriate reforms nor fosters significantly their advancement.

Quality of Democracy

Electoral Processes

Candidacy
Procedures
Score: 8

In general terms, candidates and parties are not discriminated against in the registration process. Electoral procedures are very reliable and there is no ideological bias. Nevertheless, there are quite high barriers to fulfill all conditions required to register new parties. Once registered, small parties have a slim chance of acquiring mandates if they compete on their own. The binominal electoral system has a majoritarian representation effect that favors parties belonging to the two main coalitions. Thus “useful votes” concentrate on them. Beginning with the 2013 presidential election, a primary election system (primarias) for the designation of presidential candidates has been established. The 2013 presidential and congressional elections will be more inclusive because one of the two main coalitions, the former Concertación coalition (now called Nueva Mayoría), has been broadened in order to integrate small leftist parties (such as the Communist Party or Partido Comunista de Chile, PCC). This can be seen as an improvement for Chilean democracy.

Media Access
Score: 4

Access of candidates and parties to public TV channels is regulated by law (Law No. 18,700, Ley Orgánica Constitucional sobre Votaciones Populares y Escrutinios, and Law No. 18,603, Ley Orgánica Constitucional de los Partidos Políticos). But given the high level of media concentration within a small group of companies with a specific political background, candidates and parties de facto lack equal opportunity of access to the media and other means of communication. La Nación, the daily paper owned and run by the state, has stopped publishing its print edition (although it is still accessible online). Chile’s largest free TV channel (TVN) is state-owned, and is required by law to provide balanced and equal access to all political views and parties – a regulation which is overseen by the National Television Directorate (Consejo Nacional de Televisión, CNTV). When the Concertación coalition was in power, this situation implied a certain counterbalance to the private media mainly owned and/or influenced by the elite associated with the Alianza coalition. In the current political scenario, with the Alianza coalition in power, the media landscape (state and private) is even more biased than before. Although La Nación and TVN are state-owned, they must operate according to market rules; they have to rely on advertising and high audience ratings.

Voting and
Registrations Rights
Score: 8

Law No. 20,568, published in January 2009, dealt with the automatic registration and voluntary vote of citizens by changing the registration procedure for voters and improving the former highly bureaucratic and complicated registration process. This promoted the participation of younger and especially first-time voters in the 2013 presidential elections (which took place outside this report's observation period). The new law also introduces assisted voting for citizens with disabilities. However, the electoral exclusion of Chileans living abroad still persists (although Chile does not have a big diaspora population). Furthermore, individuals who have been charged with a felony and sentenced to prison for more than three years and one day and people classified as terrorists lose their suffrage. Prisoners who have not been charged but remain on remand also lose their right to vote. Nevertheless, Law No. 20,568 eliminated penalties previously dealt to registered voters who did not vote and failed to have an explicit and officially approved excuse for not doing so. The fact that the act of voting is now completely voluntary is questioned by some politicians and intellectuals who argue that voting not only represents a civil right but also a civil duty. Fears were raised by academics that the transition to voluntary voting would be accompanied by a bias towards middle- and upper-class voters, since lower-class and marginalized voters would disproportionately stay home.

Party Financing
Score: 5

In general, party and campaign financing processes are not very transparent. Upper limits to campaign financing are set by law, but enforcement and oversight is not very effective. Electoral campaign expenditures are financed by public funds and private financing, but ineffective monitoring often enables the latter to be rather opaque. De facto, there are no real measures to apply penalties in the event of irregularities.

In October 2012, Law No. 20,640 was approved, making it possible to elect candidates of a political coalition on a participative basis. This process is voluntary and binding and the respective costs are limited by the current law of public transparency (Ley de Transparencia, Límite y Control del Gasto Electoral). This limit is set at 10% of the amount allocated for normal elections.

Popular Decision-
Making
Score: 3

The Chilean constitution is one of the most restrictive on the topic of direct democracy – understood as citizens' initiatives – in present day Latin America. The last nationwide plebiscite was initiated by the government in 1989, albeit during a military dictatorship and in the midst of the agreement process on the transition to democracy. At the moment, Chile does not contemplate nationwide citizen initiatives, although they are demanded by groups and movements in civil society. At municipal level however, the Organic Constitutional Law of Municipalities (2002) included popular consultations – plebiscites – whether by the initiative of either the mayor (with the agreement

of the council), the council itself (by two-thirds) or a minimum of 10% of the citizens. Thus the opportunity to initiate – for example – a referendum at municipal level officially exists, but these referenda are not necessarily legally binding and authorities may ignore them.

Access to Information

Media Freedom
Score: 9

In general, the rules and practice of supervision guarantee sufficient independence for public media. Privately owned media is subject to licensing and regulatory regimes that ensure independence from the government. The Freedom House index for freedom of the press in 2011 takes into account “the legal environment in which media operate, political influences on reporting and access to information, and economic pressures on content and the dissemination of news,” and dropped Chile from “free” to “partly free” following increased arrests and pressure on journalists – particularly photographers – covering the education protests across the country. Chile remained at this level in 2012. In contrast, another index released in January 2013 by the international organization Reporters Without Borders placed Chile 60th, a jump of 20 spots from the previous year.

Media Pluralism
Score: 5

The Chilean print media sector is characterized by high concentration. The El Mercurio group and Copesa together account for much of the country’s print sector, have the greatest share of readers and control of a considerable amount of the country’s advertising portfolio. The papers owned by these two dominant groups offer essentially uniform political–ideological projects, editorial positions, styles and news coverage. The influence of these newspapers, however, is mostly played out on Chile’s political elites rather than the broader public. The official (and more biased) government daily, La Nación, presents opposite views and biases to the dominant papers, but has a lower circulation.

A similar pattern can be found in the public television sector, but on the whole the electronic sector offers a more diversified scope of opinion (especially on local radio stations and in a few online publications). In general, there is a very narrow information mainstream, but the government-owned TVN is the most dominant free station. Whether it presents politically balanced views and provides access to all viewpoints is a point of debate.

Access to
Government
Information
Score: 7

According to freedominfo.org, Chile is the most recent Latin American country to enact legislature to guarantee the right to free information access, called Ley sobre Transparencia de la Función Pública y Acceso a la Información de los Órganos de la Administración del Estado (Law No. 20,285, August 2008). This law obliges all public institutions and authorities of the government to respond to any solicitation for information constituted as public information within a 20

days period (prolongable up to ten more days). This does not include information classified as state secrets. The judiciary and the National Congress only have the obligation to publish information on their websites (active transparency). It is important to underline that there are about 20 Chilean laws that are officially still classified as secret. These laws derive from the beginning of the 20th century and in some cases from the military regime. Most of them are actually common knowledge, but formally treated as secret. Although the Transparency Law (Ley de Transparencia) does not leave room for interpretation, there have been cases of negligence regarding the access to and publication of relevant information, as in the case of the company La Polar.

Civil Rights and Political Liberties

Civil Rights Score: 7

The state and the courts efficiently protect civil rights, but certain specific conflicts (e.g., those related to indigenous groups) have led to human rights violations. In conflicts where ethnic minorities are involved, anti-terror legislation which contradicts international conventions signed by Chile is implemented. Furthermore, some occasional conflicts between civilians and the military or the police are overseen by military courts, whose impartiality is questionable. In general, the enormous income gap between population groups tends to marginalize the poorest people, who receive less state protection.

Political Liberties Score: 7

In general, political rights are protected by the constitution and legislation, and are enforced by government policy and practice. Nevertheless, police interventions sometimes crossed the line between the guarantee of law and order and repression – especially during the more intense period of the student movement in 2011 – 2012. Furthermore, the biased media landscape limits equal access to information and the opportunity to communicate different political opinions and versions of conflict situations.

Non-discrimination Score: 5

In general terms, political rights are protected by legislature and government bodies. Major failings can be seen in the case of the Mapuche indigenous conflict in the southern regions of Chile, which has intensified significantly during the last two years, as the Mapuche are not constitutionally recognized as a distinctive identity or ethnic minority with collective rights. Despite official denials, some Mapuche captives claim to be political prisoners. There have been important endeavors to lessen discrimination, but there are still inequalities in different domains like labor rights, access to health care and family law (including the official acceptance of same sex unions and, to a certain degree, civil unions).

As far as gender is concerned, in Chile only 14.2% of deputies and 13.2% of senators are women. These averages are much lower than the continental (Americas: 24.44% and 22.6%) and Argentinian (37.4% and 38.9%) values. In the realm of social security, health care insurance is twice as expensive for women as for men because of maternity costs. A lot of social, political, economic and legal aspects lead (directly and indirectly) to gender and ethnic discrimination.

Rule of Law

Legal Certainty
Score: 8

Acts and decisions made by the government and official administrative bodies take place strictly in accordance with legislation. There are moderately effective autonomous institutions that play an oversight role relative to government activity, including the Office of the General Comptroller (Contraloría General de la República) and the monitoring functions of the Chamber of Deputies. Government actions are moderately predictable, and conform largely to limitations and restrictions imposed by law.

Judicial Review
Score: 8

Chile's judiciary is independent and performs its oversight functions appropriately. Mechanisms for judicial review of legislative and executive acts are in place. The 2005 reforms enhanced the Constitutional Tribunal's autonomy and jurisdiction concerning the constitutionality of laws and administrative acts. Arguably, the Tribunal is one of the most powerful such tribunals in the world, able to block and strike down government decrees and protect citizens' rights against powerful private entities. But while the courts' independence has been consolidated since the return of democracy in 1990, military courts are still involved in certain domains of the law and in court cases involving military personnel and terrorists.

Appointment of
Justices
Score: 9

Members of the Supreme and Constitutional Courts are appointed collaboratively by the executive and the Senate. In a broader sense, the National Congress does not have the absolute independence to appoint candidates, as Chile's binomial election system restricts congressional representation to the two main coalitions. During recent years there have been some cases of confrontation between the executive power and the judiciary regarding, for example, environmental issues, where the Supreme Court affirmed its autonomy and independence from political influences.

Corruption
Prevention
Score: 6

In general terms, the integrity of the public sector is a given, especially on the national level. The most notable problem consists in the strong ties between higher officials and the private sector. Political and economic elites converge, thus reinforcing privilege. This phenomenon has become more problematic in

recent years since many members of the ruling Alianza coalition are powerful businesspeople. This entanglement causes difficulties in the policymaking process – for example, when it comes to regulation.

Furthermore, there are no regulations to monitor conflicts of personal economic interest for high-ranked politicians (for example the president and ministers).

Governance

I. Executive Capacity

Strategic Capacity

Strategic Planning
Score: 7

The president has the power to ask for and ensure strategic planning, whether through formal or informal channels. Line ministries, most notably the Ministry of Finance, and the president's advisory ministry (the Secretaría General de la Presidencia, Segpres), have considerable influence in strategic planning processes. Meetings between strategic planning staff and the head of government are held frequently. However, no long-term view of policy challenges and viable solutions is necessarily presented – these are either limited in scope or depth of impact depending on the topic.

Strategic planning, planning of policy and regulatory reforms, budget planning, and ex ante evaluation of government policies and public investment programs are carried out by specialist units and departments inside the various ministries. While there is no explicit multi-year budget planning process in place in Chile, this takes place implicitly due to the fiscal rule that links (by law) overall government expenditure to forward-looking estimates of long-term government revenue, based on growth trends and copper price projections. These forecasts are provided in a transparent way by specialist budgetary commissions comprised of academic and private-sector experts (mostly professional economists).

Scholarly Advice
Score: 8

NGOs and academic experts play an important role in government decision-making. Experts from academia, NGOs, partisan think tanks and the private sector are very influential in the preparation of government (presidential) programs and the development of policy reform proposals by presidential or ministerial technical commissions. These technical commissions, which are charged with proposing policy reforms in specific reform areas (education, pension, social and wage policies, minimum wage policy, fiscal rule, etc.) have been very influential in shaping government legislation as submitted to and

voted on by Congress. Commissions are largely comprised of experts, and to a minor extent of representatives of interested parties, and cover a wide political spectrum. This kind of technical input into the policymaking process belongs to the technocratic tradition in Chilean politics. It has been followed by the Alianza coalition and the Concertación government before it. Under the current government, the main policies in the government program were elaborated and accompanied by expert commissions. Some reform initiatives in the education and environmental sectors have been accelerated or even blocked due to ideological differences within the respective expert commission. Experts (economists in particular) are very influential in drafting reform proposals submitted to the president or to ministers. As a profession, economists in particular are highly influential in the preparation of government programs and policy reform proposals, and in the execution of government policies.

Interministerial Coordination

GO Expertise
Score: 9

The president's advisory ministry (Ministerio Secretaría General de la Presidencia, Segpres) and the Government or Cabinet Office (Ministerio Secretaría General de Gobierno, Segegobhas) have at their disposal the necessary instruments and capacities to monitor and evaluate the policy content of line ministry proposals. Nevertheless, channels of evaluation and advice are not fully institutionalized, and may change with a new head of state.

GO Gatekeeping
Score: 10

The Government or Cabinet Office (Ministerio Secretaría General de Gobierno, Segegobhas) has the ability to return items. The president can overrule the advisory ministry if he or she holds a strong particular interest in a special item. But in the day-to-day course of operations, this rarely happens. During the last two years, however, some proposals have been stopped directly by President Piñera.

Line Ministries
Score: 9

The Government or Cabinet Office (Ministerio Secretaría General de Gobierno, Segegobhas) and line ministries have a strong tendency to coordinate activity, and in practice the president or government office and the Ministry of Finance are nearly always involved in the preparation of policy proposals. No serving minister would ignore the president's opinion in the preparation and elaboration of a policy proposal.

Cabinet Committees
Score: 7

Ministerial or Cabinet committees are not necessarily central when it comes to decision-making on policy matters. Depending on the topic, ministerial committees are more or less involved in preparing Cabinet proposals, especially those proposals of greater strategic or financial importance. These are normally coordinated effectively.

Ministerial
Bureaucracy
Score: 7

Ministry staff and civil servants do not always play a dominant role in the drafting of policy proposals with other ministries before those proposals reach ministerial committees. Depending on the ministry and the importance of the proposal, officials and civil servants are more or less effectively involved in the preparation and coordination process.

Informal
Coordination
Score: 8

Informal coordination plays an important role in settling issues so that the Cabinet can focus on strategic policy debates. Existing informal mechanisms could be characterized as “formal informality,” for in the daily political practice informal coordination mechanisms are as institutionalized as the formal ones. The functionality of this coordination mechanism has not significantly changed under the new government since 2011.

Evidence-based Instruments

RIA Application
Score: 8

All newly proposed laws must be accompanied by a report summarizing their predicted fiscal impact and the financial implications for the government budget. This report is always prepared by the fiscal department of the corresponding ministry. Chile also has a constitutional restriction on policy proposals that imply budget changes. Legally, there is no obligation to present a report concerning potential socioeconomic impacts that do not implicate the state budgets, but political practice shows that those implications are normally considered.

Furthermore, there are supervisory bodies (Superintendencias) that monitor enterprises of a specific sector and elaborate evaluations and reports, but in a legal sense those supervisory bodies do not have the specific objective of evaluating the impact of regulations and proposed modifications of the legal framework. However, the evaluation of possible impacts tends to be a result of their work in a certain way. Chile counts with the following supervisory bodies:

- Supervisory Board for Health (Superintendencia de Salud)
- Supervisory Board for Pensions (Superintendencia de Pensiones)
- Supervisory Board for Banks and Financial Institutions (Superintendencia de Bancos e Instituciones Financieras)
- Supervisory Board for Securities and Insurance (Superintendencia de Valores y Seguros)
- Supervisory Board for Education (Superintendencia de Educación)
- Supervisory Board for Health Services (Superintendencia de Servicios Sanitarios)
- Supervisory Board for Electricity and Fuels (Superintendencia de Electricidad)

y Combustibles)

Supervisory Board for Social Security (Superintendencia de Seguridad Social)

Supervisory Board for Casinos (Superintendencia de Casinos de Juegos)

Supervisory Board for Bankruptcy (Superintendencia de Quiebras)

In some areas, it is the line ministries themselves that assume the controlling mechanism.

Quality of RIA
Process
Score: 7

Given the more informal and non-institutionalized character of instruments used for regulatory impact assessments, reports tend not to specify the purpose of and the need for a regulation. Furthermore, they do not tend to analyze alternative options. Depending on the topic, stakeholders may play a certain role in the RIA process but their accessibility and communication do not necessarily foster their relevance to the political process in the mid- or long-term. Normally, there are no evaluations of RIA assessments by independent bodies.

Sustainability
Check
Score: 5

RIAs do not necessarily analyze a regulation's impact on sustainability regarding the three criteria. Especially the short-, mid-, and long-term analysis tends to focus exclusively on economic but not on ecological nor social aspects.

Societal Consultation

Negotiating Public
Support
Score: 7

Frequent consultations with civil society groups and stakeholder organizations take place. Online surveys have been implemented to consult the opinion of the non-institutionalized public. The president's advisory ministry (Secretaría General de la Presidencia, Segpres) is primarily responsible for initiating and monitoring consultations. Depending on the issue, sectoral institutions can also be involved. The ad hoc commissions represent another means of societal consultation as they include representatives of interest groups and other stakeholders.

Policy Communication

Coherent
Communication
Score: 6

Each new government designs its own communication policy. As a result, strategic communication often tends to be rather haphazard at the beginning of a presidential term, but improves as the administration gains experience. This was the case when the current government resumed power. There have been communication problems and conflicts followed by strong public criticism (and criticism from within the government's own coalition) regarding the work of the General Secretary of the Government (Ministerio Secretaría General de

Gobierno, MSGG) and, for example, regarding the appointment of members of the National Television Directorate (Consejo Nacional de Televisión, CNTV) which is governed by the MSGG. Furthermore, during recent years the reliability of governmental information has suffered due to manipulations that implied conflicts with external organizations, as in the case of the latest household poverty survey (Caracterización Socioeconómica Nacional, CASEN) organized by the UN Economic Commission for Latin America and the Caribbean. A similar scandal happened recently in the case of the National Institute for Statistics (Instituto Nacional de Estadísticas, INE).

Implementation

Government
Efficiency
Score: 6

Implementation performance varies widely, ranging from excellent in areas where benchmarks and oversight mechanisms are strictly enforced (i.e., the general government budget) to awful in less rigidly monitored areas (i.e., implementation of some sectoral reforms such as Transantiago, the Santiago transport system). The former government of Michelle Bachelet failed, for example, to implement the reform of the public education system and the current government of Sebastián Piñera did not follow through policies in the field of crime reduction and public safety.

Ministerial
Compliance
Score: 9

The president evaluates its ministers' policy performance annually. In a commission consisting of the president's advisory ministry (Secretaría General de la Presidencia, Segpres) and budgetary units of the government, ministers have to present their sectoral priorities and, if necessary, arrangements and modifications are made to ensure alignment with the government program.

Monitoring
Ministries
Score: 9

The president's advisory ministry (Secretaría General de la Presidencia, Segpres) and the respective budgetary units of the government monitor the line ministries (especially within the annual performance evaluation). If necessary, arrangements and modifications are made in order to ensure an effective alignment with the government program. Monitoring of effectiveness seems to have improved slightly since 2011.

Monitoring
Agencies,
Bureaucracies
Score: 7

To a certain extent, high positions in government agencies are filled not via political appointments but through the government's civil service department (Alta Dirección Pública, ADP), based on candidates' technical capacity and experience. Clear goals are identified by the directors of executive agencies and the corresponding ministries. Exhaustive evaluations of the system and of personnel choices are performed annually by the minister, the civil service and the president's advisory ministry (Secretaría General de la Presidencia, Segpres). In addition, the Ministry of Finance's budget office monitors decentralized agencies and public enterprises from a budgetary perspective

Task Funding
Score: 6

very tightly and effectively. Nevertheless, the change of government in 2011 showed that the assignment of candidates via ADP is in fact quite weakly established. Therefore monitoring of activities of bureaucracies and executive agencies, especially at subnational level, seems to have declined slightly.

Chile's central government exercises strong control over municipal budgets, accounting for a large proportion of local revenue. However, the assignment of new duties at municipal level does not necessarily imply the corresponding allocation of adequate funds. Municipal programs are monitored relatively closely by the central government, although spending overruns can be observed, resulting in local government debt. Less wealthy municipalities are sometimes unable to deliver a service that ensures adequate attention (for example, regarding the public health and educational system). Given this situation, some municipalities are still less able to guarantee the required contribution income by themselves. This problematic situation is characteristic of Chile's non-decentralized political system and has to be described as a structural problem.

Constitutional
Discretion
Score: 5

Chile is a centrally organized state. This represents a structural problem given the wide-range of differences between the respective regions regarding geography, productivity and density of population. Nevertheless, local governments legally enjoy a considerable degree of autonomy concerning mandates and tasks that do not touch on constitutional issues and can be executed within the allocated budget. Furthermore, the government has tended to devolve responsibilities to local governments (i.e., in the domain of urban regulation). In comparison to local or municipal level, regional governments enjoy a high degree of budget autonomy. At regional level, the governors' autonomy is limited by their simultaneous function as representatives of the national government and heads of the regional advisory councils.

National Standards
Score: 3

Due to the different financing structures at regional and municipal levels, the national government can only guarantee services at an adequate standard at regional level. The central government has clearly failed to establish national standards at municipal level. In addition, relatively poor municipalities and those in rural regions often lack the capacity to meet national standards for public services, especially in the fields of health care and education.

Adaptability

Domestic
Adaptability
Score: 5

The modernization of the state is still in progress, but national institutions have already become quite solid. In general terms, the reformation of domestic government structures tends to relate more to national fiscal policy aspects, which implies that any innovations that might imply financial changes (such as

a budget augmentation for a certain ministry or for a department within a ministry) are very difficult or even impossible to realize. Neither the former nor the current government showed specific concerns regarding the adaptation of domestic government structures in accordance with international and supranational developments. Changes concerning topics that might be of future interest and do not directly affect current political challenges – like, for example, the extension of a department's staff or the creation of a new unit dedicated to topics of possible future interest – do not respond to international and supranational developments but more to fiscal-political reasons and political cycles.

International
Coordination
Score: 7

The government is endowed with the institutional capacity to contribute actively to international efforts to foster the provision of global public goods. The government actively participates in the international coordination of joint reform initiatives. This is underlined by the fact that Chile represents one of the most active countries in Latin America in international policymaking initiatives. However, the impacts of national policies on these global challenges are not always systematically assessed and then incorporated into the formulation, coordination and monitoring of policies across government.

Organizational Reform

Self-monitoring
Score: 6

Ministries have to establish sectoral goals, which are then evaluated annually. Reports are presented quarterly but do not focus directly on the adequacy of institutional arrangements. For example, the accomplishment of ministerial goals is evaluated, but not the adequacy of the ministry in general. The Ministry of Finance assesses the adequacy of institutional arrangements in the case of new law proposals, but there is no specific institution assigned to monitor pre-existing institutional arrangements.

Institutional Reform
Score: 6

Some improvements in strategic capacity have been made by changing the institutional arrangements, such as, for example, the reform of the former Planning Ministry (Ministerio de Planificación, MIDEPLAN) which has been transformed into the Ministry of Social Development (Ministerio de Desarrollo Social, MDS) including some slight changes regarding its attributions and faculties in order to increase its strategic capacity (in part, this transition is still a work in progress). But in general terms, alterations to institutional arrangements encounter very substantial bureaucratic obstacles.

II. Executive Accountability

Citizens' Participatory Competence

Policy Knowledge
Score: 5

Print media discussion of policy reform proposals and government programs is relatively widespread, including discussion of reform proposals and options presented by the ad hoc policy reform commissions, as was seen with the issues of education and pension reform. Yet a large share of population is excluded from discussion due to its low level of education, limited understanding of in-depth analysis, and/or lack of exposure to media other than television. In addition, the oligopolistic structures of the media in Chile distort the political options offered to citizens. Disinformation and manipulations hinder public policy discussions.

In addition to these defects in news coverage, citizens in general show low interest in policymaking. The higher socioeconomic part of the population is also generally not that interested in policymaking discussions as long as public policies do not substantially affect their lifestyle in a nearly completely privatized environment (except discussions regarding fiscal redistribution). Those parts of the middle class that are interested in these debates tend to get only the low-quality information mentioned above and the socioeconomically lower-class population often only knows about the specific public subsidies system which they use but they do not know about public policies and public policymaking in general terms.

Legislative Actors' Resources

Parliamentary
Resources
Score: 5

The National Congress is endowed with a multidisciplinary staff of consultants in order to support deputies and senators in their representative, legislative and control functions as well as in the field of congressional diplomacy. Nevertheless, this support tends to be asymmetric in comparison with the ministerial capacities to analyze and investigate. The control function of the National Congress is based on the Chamber of Deputies (Cámara de Diputados). This function tends to operate as a reaction to journalistic complaints in combination with political conflicts rather than a real control of the government's accomplishment.

Obtaining
Documents
Score: 8

Congressional committees or individual deputies can request documents, which must be delivered by the government within legally defined time limits. Those deadlines are generally met by the government's office, but there are de facto limitations in the exercise of control, as the party or coalition with a majority in a certain topic can block the minority's request. Until recently, obtaining information from state-owned companies or the Ministry of Finance was difficult.

Summoning
Ministers
Score: 9

In August 2005, a constitutional reform (Ley No. 20,050) established the process of ministerial interpellation. Committees in the Chamber of Deputies and the Senate have the right to summon ministers for questioning about matters concerning their area. The ministers are obliged to attend. The effectiveness of this new instrument of congressional control depends on the quality and quantity of information otherwise accessible to the National Congress. During the period under review, the Minister of Education was accused of having ignored his constitutionally defined responsibility to answer to the legislature and was therefore removed.

Summoning Experts
Score: 9

Congressional committees may summon any civil servant to interview as a subject-area expert. Private experts can also be invited, but in fact the National Congress lacks the financial funds to pay for the assistance of prominent private experts. However, there is a group of 50 to 60 specialists from a variety of subject areas affiliated with the Library of the National Congress whose task it is to offer professional support to the members of congress in their law-making, representative, diplomatic and oversight tasks.

Task Area
Congruence
Score: 7

The oversight role of the Chilean legislature lies mainly with the Chamber of Deputies and its 26 committees. These coincide in part with the 22 line ministries, but there are various exceptions in which a single committee is responsible for the domain of various ministries, or one ministry's area of responsibility is distributed across multiple committees. It should be noted that Chile is not a congressional system, and thus ministers are not directly accountable to the Chilean congress. Therefore, the degree of control exercised by the congressional committees is naturally rather weak.

Citation:

Quantity and name of the permanent parliamentary committees: http://www.camara.cl/trabajamos/comisiones_tipo.aspx?prmT=P

Audit Office
Score: 8

Chile's General Comptroller (Contraloría General de la República) has far-reaching competences, and is invested with strong political and legal independence. The officeholder is nominated by the president, and must be approved by a three-fifths majority vote in the Senate. The comptroller has oversight power over all government acts and activities, and investigates

Ombuds Office
Score: 2

specific issues at the request of legislators serving in the Chamber of Deputies. The office presents an annual report simultaneously to the National Congress and the president. The National Congress has the right to challenge the constitutionality of the comptroller's work.

Parliament does not have a formal ombuds office. Efforts to establish such an office failed twice under former governments. However, the National Congress and its members listen informally (but not systematically) to concerns expressed by citizens and public advocacy groups, inviting them to congressional hearings. In general terms, direct democratic elements in Chile are quite weak.

Media

Media Reporting
Score: 4

Although locally produced news programs are generally of high quality and draw large audiences – particularly through radio – Chile's newspapers and the main public TV stations report tabloid news, and employ the bold headlines and techniques with strong popular and infotainment appeal. Furthermore, statistics released by the National TV Commission (Consejo Nacional de Televisión) show that on average, less than five hours a week per channel or radio station is spent discussing in-depth political information. Surveys indicate that the Chilean audience would prefer less sports news and more focus on national and international politics. Due to the biased media landscape, there is a strong ideological framing regarding political information and policy discussion.

Chile's largest free TV channel (TVN) is state-owned, and by law is required to provide balanced and equal access to all political views and parties – a regulation which is overseen by the National Television Directorate (Consejo Nacional de Televisión, CNTV). When the Concertación coalition was in power, this situation implied a certain counterbalance to the private media mainly owned and/or influenced by the elite attached to the Alianza coalition. In the current political scenario, with the Alianza coalition running the government, the media landscape (state and private owned) is even more biased than it was before. Although La Nación and TVN are state-owned, they must operate according to market rules; they have to self-finance by relying on advertising and high audience ratings.

Parties and Interest Associations

Intra-party
Democracy

Chile has a presidential government system and thus the president determines the policy guidelines, so the presidential elections are much more relevant than

Score: 5

the congressional ones. Therefore, in campaigns for the presidency, government programs are presented by the presidential candidates and not by their coalitions or by their parties. These global program proposals tend to be limited to descriptions of their effect on the public rather than technical details and profound discussion of content. The next presidential and the congressional elections will be held simultaneously in November 2013 and thus the decision-making process regarding the electoral program is still a work in progress.

Association
Competence
(Business)
Score: 4

Policy proposals by economic interest groups do address relevant topics and are not always short-sighted or untenable, but they tend to be partial and largely guided by their narrow interests. Exceptions to this rule of thumb do occur.

Association
Competence
(Others)
Score: 6

A substantial number of autonomous, self-organized groups, associations and organizations exist in Chile. Civil society's organizational landscape has become increasingly differentiated since redemocratization. Religious, environmental and social organizations, as well as NGOs, academic groups and professional associations often present substantive policy reform proposals that contribute positively to policy discussions and government reforms, also taking into consideration long-term perspectives. Various political foundations or think tanks play a decisive role as formulators of relevant policies.

On the other hand, there are great disparities in the durability and the organizational strength of associations, mostly due to social inequalities.

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