



Center for Inter-American Relations

Public Affairs

THE ARMED FORCES AND ECONOMIC CRISIS
IN THE TRANSITION TO DEMOCRACY IN CHILE

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October, 1980

A comment on

EL RETORNO A LA DEMOCRACIA EN CHILE:
FACTORES CONDICIONANTES

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August, 1980

Prepared for presentation at

DEMOCRACY IN CHILE
Bellagio, Italy
October 27-31, 1980

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This conference on Democracy in Chile" is occurring seven years after the 'golpe' that destroyed the democratic process. It is that fact of the permanence over time that must give us pause as we begin these discussions. A few years ago, many of us spoke at different conferences about the prospects for the 'short term' restoration of democracy. We can no longer talk about short-term; it has come and gone. And fundamental changes have taken place that have to be part of this discussion.

It is four years since the military took power in Argentina. It is nearly four months since the military took power in Bolivia and turned the return to democracy into a return to dictatorship. Yet, in those same seven years, a democratic political process has been restored in Peru, in Ecuador, and in the Dominican Republic. In Brazil, some significant steps have ^{been} taken in the same direction and in Nicaragua, the oldest

dictatorship came to an end.

The conditions that preceded those changes differed as much as the routes taken by the opposition in each of those countries. Yet, one might argue that, except for Nicaragua, in perhaps each of those cases, the conditions described by Dr. Boeninger for Chile may well have been present. He points to the need for internal conflict within the armed forces, of widespread social repudiation expressed through the range of political and social institutions which have managed to survive and the existence of an alternative generally perceived as viable to sufficient sectors of the general population.

These factors are undoubtedly critical to producing conditions which might press the Armed Forces in the direction of considering a return to the barracks. As Dr. Boeninger acknowledges, they are not sufficient in and of themselves to assure that transition. And even if they were, then the next step of defining the political strategies which might bring them about sooner rather than later still remains.

Two additional areas of inquiry seem worth exploring and may perhaps become conditions to be appended to those already enumerated by Dr. Boeninger. The first relates to the military as an institution which has fundamentally changed from its pre-1973 role, and the second relates to the economic conditions which may be necessary before a transition can be forced upon the military.

In Chile, as the military has turned from the traditional role of defenders of the territorial integrity of the nation-state to the final arbiters of public policy, its institutional interests also have changed. Those interests and the far more personal interests of the colonels and generals will be defended vigorously as the conditions set forth by Dr. Boeninger begin to focus public attention overwhelmingly not on whether but when a transition will occur.

From the perspective of the opposition, once a decision is reached that the path of violence and insurrection is not to be chosen--whether for reasons of principle or pragmatism--then those interests ^{of the armed forces} become crucial considerations in defining the conditions under which the military might abandon power.

Looking to recent historical examples, one finds at least a nod in the direction of those perceived interests by those seeking to bring about a democratic transition. In Brazil, a political amnesty for military and political opposition was a partial

protection of those interests--easing the concern about vengeance by those who had engaged in, authorized or condoned the brutal use of coercion. In Peru and Ecuador, there seemingly were agreements reached to avoid a post-transition attack on the military and , perhaps some informal steps to insure the military's understanding of economic decisions and planning. In Bolivia, the early congressional attempts to place the military on trial were seized upon by some in the military as heavy artillery in their campaign to obtain a unified opposition to the return to democracy.

Few would challenge the thesis that the Chilean Armed Forces--having violated their solemn obligations to defend the Constitution, having breached international human rights standards with a savage indifference, and having abused the basic values of their own history--deserve only harsh justice. Yet, if the goal is to end their hold on the reins of government, then it seems essential to ask what would be the minimum demands of the military that might be satisfied to achieve their acceptance of the transition on the one hand, or their support for a consolidation of democracy on the other.

It would seem that some semblance of incorporating those minimal demands of the military into the post-transition process also would increase the military's acceptance of a return to its more limited institutional role.

A contrary argument, however, could be made. Once having achieved a transition to democracy, consolidating that process will require confronting the military, sharply limiting its capacity to reverse the decision to abandon power.

Failing to do that, one might argue, leaves the military intact, never having accepted any limit on its role. They are cast instead into the category of a political party temporarily out of power. Any crisis provides a rationale for them to force their way back into power. Actions and evidence that there were strong institutional constraints on the military would be critical to the process of consolidating democracy.

At the very least, an effort should be made to identify the institutional interests of the military, the personal concerns of its leaders, and to define which of those could be accommodated, if to do so would hasten the transition to democracy. However, that accommodation must be designed so as not to sow the seeds for the destruction of the effort to consolidate democracy.

With the same purpose of identifying those factors which might be necessary to achieve a transition to democracy, some discussion of economic considerations seems desirable. Dr. Boeninger and Dr. Orrego have emphasized the interest of the military in stability and order. It would perhaps be useful to have had additional discussion of whether particular economic conditions also might be appended to the list of factors which are most likely to promote a transition to democracy.

In much of the general discussion concerning the initial intervention of the military, in Chile and elsewhere, the determination "to restore economic stability" is always high on the list of alleged justifications. Generally, the rhetoric of rationales for maintaining themselves in power includes assertions that the restoration of the economic^{order}/is not yet complete. It would be useful to examine the cases where nations recently have returned to democracy to determine the economic conditions at the time the decision by the military was made to yield power.

In looking briefly at this question, one finds that significant economic crises have occurred precisely at the time that the military in other countries have been making the decision to begin the process of transition. Most of those decisions were made when the impact of the OPEC price hikes was distorting sharply both balance of trade and balance of payments statistics. Austerity measures were being put into place and, in some instances, such as Peru, both inflation and unemployment were worsening.

It may be that the military's disinclination to be the target for public criticism, its concern that economic instability might be just around the corner and the absence of any clear answer to those conditions further persuaded them to yield power. If further research supports this view, then it may well be an additional consideration to add to the list of factors necessary to encourage the transition to democracy.

Once the essential conditions for a transition have been identified, then one can devise strategies and options for encouraging those conditions. But even then, one has to acknowledge the darkness into which these beams of light are being cast, a darkness made even more obscure by the continuing division among the Chilean opposition, the lack of a firm commitment to democracy itself, among at least some, the declining interest in Chile by the international community, and the possibility that U.S. policy could shift under a different Administration toward closer ties with Pinochet.