

The President Who Promised Too Much Sees Popularity Evaporate

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Chilean President Michele Bachele.

Photographer: Cristobal Olivares/Bloomberg

- ▶ Bachelet's approval rating fell to a record low in August
- ▶ Slump in popularity threatens ambitious reform package

Chilean President Michelle Bachelet must be wondering how it all went so wrong so quickly.

Less than two years after winning a second term by the biggest electoral margin since Chile returned to democracy in 1990, her approval rating has fallen to a record low of 24 percent. Allegations of cronyism and economic mismanagement have undermined her support among the poor, many of whom have turned on the woman they once championed, opinion polls show.

The former political prisoner and head of the UN's womens' unit came to office for a second term in March last year on pledges to reform the neo-liberal economic system put in place by former dictator Augusto Pinochet. She was going to overhaul the tax system, labor laws, education, health-care, pensions and the constitution. Now, amid the slowest economic growth in six years, her election manifesto looks hopelessly

ambitious.

“The government will have to give up on the idea of doing what it originally planned,” Cristobal Bellolio, a political analyst at the Universidad Adolfo Ibanez, said by phone from London. “Now, the priorities are the reactivation of the economy and tackling crime.”

The central bank and government have both cut their growth forecasts in the past two months as a 10-year mining boom comes to an end and concern over the reform program pushes business confidence to the lowest level since 2008. The government now expects growth of 2.5 percent, down from 3.6 percent in the 2015 budget drawn up last year.

No Surrender

Watering down or slowing the reform package won't be easy. Bachelet has pledged “realism, without yielding” on her election promises as opposition to the changes mounts. Many in Chile are asking where that leaves the reform package.

“The country will probably continue to be in a mess,” said Patricio Navia, a Chilean political scientist at New York University. “The government will remain incapable of pulling the economy out of the mire, either by backtracking and moderating the reforms or pushing ahead with the most radical changes.”

Bachelet's approval rating fell to 24 percent in August, according to a poll by [Adimark-GfK](#), the lowest of any president since the monthly survey began in 2006. The rating is down from 54 percent when she took office and from 84 percent when her first term ended four years earlier. Even among the poorest third of the population, Bachelet's approval rating is down at 24 percent.

The news gets worse. Support for the education reform has fallen to 39 percent from 58 percent in May 2014, while backing for changes to the labor law has fallen to 31 percent from 53 percent this year alone.

Major Blow

A major blow to Bachelet came from within her own family, when her son was accused of using his influence to obtain a loan for his wife for a property deal in February. He has denied any wrongdoing.

“People expected her to tackle inequality in a country that was growing and developing, but she didn't end with abuses of power and the economy has stagnated,” Navia said.

Still, there is only one group less popular than the government in Chile and that is the opposition coalition,

known as the New Alliance, which has also been weakened by a campaign financing scandal. Their approval rating has fallen to 15 percent, compared with 16 percent for the government, according to Adimark.

Neither is Bachelet alone in Latin America. As growth falters across the region, Brazilian President Dilma Rousseff has seen her rating slump to 8 percent, Peru's Ollanta Humala is down at 17 percent and Venezuela's Nicolas Maduro is at 22.7 percent.

Distrust in Chile has spread to all areas of society, including the congress and business community, which has blamed the government's reform program for undermining investment, according to the Adimark poll.

"We are in a triangle of distrust," Deputy Finance Minister Alejandro Micco said Thursday, referring to the business community, government and civil society, while calling on everyone to work together to boost growth. "It is going to be hard to boost confidence in the business community and the government if society doesn't believe a word that either of us says."