



**ANDRES OPPENHEIMER**

## Chile could become Latin America's first developed country by 2025 — or not

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March 09, 2018 12:59 PM

Updated March 09, 2018 02:23 PM

When Chile's President-elect Sebastian Piñera told me that Chile may become Latin America's first developed country by 2025, I was skeptical. But I found that, on second thought, his forecast might not be outlandish.

Piñera, who will be inaugurated on Sunday, is a right-of-center business tycoon who has already served as president from 2010 to 2014. In an interview he told me that his goal will be “to recover the leadership and dynamism we have lost in recent years” and “to transform Chile into a developed country by 2025.”

To its credit, Chile reduced poverty from almost 40 percent of the population at the end of Gen. Augusto Pinochet's dictatorship in 1990 to 11.7 percent in 2015, by most measures more than any other Latin American country.

While military-clad dictators in Cuba and Venezuela were banging on the table and making fiery revolutionary speeches — scaring away investors and making their countries poorer — a democratic Chile managed to grow steadily under both center-left and center-right governments.

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But the so-called “Chilean model” started to fizzle in recent years. While the country was growing at an average of 5.3 percent a year during Piñera's first term, the economy slowed to an average of 2 percent under his successor Michelle Bachelet. Chile's economy grew by only 1.7 percent last year.

In the interview, which will air in full this Sunday on CNN en Español, Piñera said that his goal to turn Chile into a First World country “is an eight-year project.”

The Chilean Constitution does not allow him to stay in power for more than four consecutive years, but the test of his success will be whether Chileans elect a like-minded candidate in 2021, he said. (No, he won't support a presidential bid by his wife, he assured me.)





Haiti lost 1 percent of its population, nearly 105,000 people, to Chile last year in search of a better life, but the unprecedented migration is not without consequences or controversy. **Jacqueline Charles, Edited by Matias J. Ocnor — Miami Herald Staff**

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Granted, there are many things that could prevent Chile from becoming a developed country by 2025. For starters, Piñera had forecast in 2012, during his previous presidency, that Chile could reach that status by 2020. That won't happen.

And some of Piñera's predecessors had made the similar claims before him, which didn't materialize, either.

But Chile is not too far behind Portugal, Greece and other countries at the bottom of the list of most developed nations. Chile's per capita GDP is \$25,000 a year, compared with Portugal's \$30,000 a year.

Among the things going against Piñera's target, Chile — a major copper exporter — may not benefit from the record world commodity prices it enjoyed during his first term.

Also, the new president may not have an easy time carrying out his pro-business agenda. Despite the fact that he won by a comfortable margin in the December elections, he will not have a majority in Congress.

In addition, Chileans are anxious. They have been hearing for decades that they are close to becoming a First World country, and they want to have First World lives. If Piñera doesn't deliver, he could face street protests that derail his economic plans.

But Piñera will also have several things going for him. Chile's center-left opposition coalition has shifted sharply to the left, which will allow him to build alliances with moderate center-left lawmakers.

"Chile's leftist alliance suffers from the syndrome of the 50-year-old guy who buys himself a motorcycle and wants to relive his juvenile rebellion," says Patricio Navia, a Chilean political analyst and professor at New York University. "But most Chileans want stability. That will help

Piñera.”

When I asked if Piñera’s vow to turn Chile into a developed country in seven years is realistic, International Monetary Fund’s Western Hemisphere director Alejandro Werner told me that, “It’s not an exaggerated comment.” He added that, based on IMF and other international organizations’ standards, “It is probable that Chile will be classified as a developed country by 2025.”

That would be an accomplishment of both center-left and center-right governments that have ruled Chile since the end of the country’s military dictatorship, and it would send a powerful signal abroad. It would be great for Chile, and it would be great for Latin America.

*WATCH THE FULL INTERVIEW WITH SEBASTIAN PIÑERA ON SUNDAY AT 8 P.M. ON “OPPENHEIMER PRESENTA” ON CNN EN ESPAÑOL. TWITTER: @OPPENHEIMERA*

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