

Politics

# Pinochet Family Ordered to Return Part of His Illicit Wealth

By [Daniela Guzman](#)

August 26, 2018, 3:00 PM EDT

Updated on August 27, 2018, 7:32 AM EDT

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  - ▶ Reputation of former military junta leader sinks further
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Augusto Pinochet listens to a military band playing before his residence in Santiago on Sept. 11, 1997. *Photographer: Cris Bouroncle/AFP via Getty Images*

A Chilean court ordered the family of late dictator Augusto Pinochet to return part of the fortune he stashed away in the Caribbean, the latest blow to the legacy of a man once revered by the right-wing as an anti-communist crusader and the savior of Chile's economy.

The Supreme Court told the family Friday to forfeit \$1.6 million of his \$13 million fortune, much of which was originally held at the Riggs Bank and which was revealed by a U.S. money-laundering investigation 14 years ago. Riggs was acquired by PNC Financial Services Group, a Pittsburgh-based banking company, in 2005.

The reputation of the man who ruled Chile with an iron fist from 1973 to 1990 after overthrowing the socialist government of President Salvador Allende has taken a battering since he left office. Hundreds of former military officials have been found guilty of human rights abuses, while the Riggs case has undermined the argument that he did it all purely to save the country from communism.

"Pinochet has lost much of his appeal, even among right-wingers in Chile," said Patricio Navia, political scientist and professor at New York University. For many Chileans his reputation "can't fall any lower."

Signs of the man who once said that "not a leaf moves in this country without my knowledge" have gradually disappeared. The name of the Santiago thoroughfare that once commemorated his Sept. 11 coup has been changed and the 10-peso coins marking the event have gone out of circulation.

There are no statues to him in Santiago. There is one by the presidential palace of Allende, who shot himself during the coup. Allende's rooms at the palace have also been rebuilt, with a large portrait of the former leader hanging on the wall at least until the end of the last government. Pinochet, who died in 2006, has no such commemoration.

## **Fading Legacy**

Pinochet remained as commander in chief of the armed forces until 1998, trying to impede any moves to investigate human-rights abuses by the first democratic governments. A truth commission in 1991 determined there were about 30,000 victims of rights violations under his regime.

It wasn't until his detention in London in 1998 that many Chileans lost their fear of the former dictator. He returned to Chile in 2000 on grounds of poor health. Even then, many Chileans remained loyal, greeting him at the airport like a returning hero.

Current President Sebastian Pinera had demanded that the U.K. release Pinochet, calling on Chileans to show solidarity with the former dictator and defend Chile's sovereignty.

A few years later though, with the discovery of secret bank accounts in the U.S. Virgin Islands, Pinochet's prestige crumbled. Pinera hasn't commented on the Supreme Court ruling.

Now, not even Chile's economic success, which many credit to economic reforms enacted during the military regime under the so-called Chicago Boys, is enough to save Pinochet's reputation. The country is the wealthiest in South America after more than 30 years of steady economic growth on the back of raw material exports such as copper, forestry, fishing and fruit.

## Like 'Selling Asbestos'

Even the Union of Democratic Independents, the political party formed by civilian members of Pinochet's military regime, is writing him out of their statement of principles.

Juan Antonio Coloma, a UDI senator and pioneer of the party in its early days, said last month that the new declaration is a "normal process all parties go through to adapt to new realities" rather than a deliberate effort to forget the military dictatorship.

Others view the decision less charitably.

"The only uniquely identifiable feature UDI has is the proximity of its founding members to Pinochet," said Navia. "In the business world, that would be the equivalent to selling asbestos. It's not a good thing to have associated with your name."

*(Updates with Pinera's response to Pinochet's detention in London.)*

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