In the "fourth wave" of democratic transitions sweeping the globe over the past twenty years, the Chilean case stands out as an exception. Although most instances of democratization following military rule have tended to yield rightist governments, Chile is the one country in which the ruling coalition that emerged was Center-Left in ideological orientation.

Elected on a platform that promised "growth with equity," this regime aroused much speculation at the time of the Chilean transition in late 1989 as to what kinds of policies this Center-Left coalition known as Concertación would pursue during its first term in office and whether it would "derail" the legacy of economic stability bequeathed by the military government. The election established a clear mandate for redistributive policies from the working and middle-class supporters of Concertación. Moreover, despite the seventeen-year hiatus in democratic politics, a historic precedent existed for populism in Chile. The economic policies pursued by Salvador Allende's Socialist government in the early 1970s had triggered one of the most expansionary cycles ever witnessed in South America, one that eventually culminated in a military coup.

Lending fuel to such speculation was the fact that the new government's policy agenda was topped by a tax reform intended to address the legacy of "social debt" inherited from the military regime. The reform's sponsors declared, "There can be no economic progress without social justice," and they presented this reform as the linchpin of their strategy for responding to the needs of the poorest groups in Chilean society. In addition, the reform was intended to showcase democratic "consensus building" in action because it entailed considerable negotiation between the government and leading interest groups and thus would reflect what Finance Minister Alejandro Foxley termed "the most national vision possible."

Without knowing anything about the nature of democratic transitions in general or the Chilean case in particular, one might have expected this tax reform to be dramatic in scope and format. Proponents of partisan theories of political economy have long argued that leftist governments tend to emphasize low unemployment at the expense of inflation, to intervene extensively in the economy to influence market outcomes, and to redistribute income in favor of groups of lower socioeconomic status. Moreover, after seventeen years of political repression, it was reasonable to expect that Chilean political parties and interest groups would seize the opportunity to play active roles in making public policy. In sum, good reasons existed for thinking that this government had strong incentives for making this tax reform--its first piece of legislation under democratic circumstances--one that would be both radical and participatory.
Yet on examining the final outcome of the tax reform ratified in the Chilean Congreso in early 1990, the results look somewhat surprising. The reform was quite moderate in a technical sense, entailing only a mild increase in income taxes for business and high-income groups and a small across-the-board increase in sales taxes. Moreover, the reform passed so quickly that it happened almost without notice.

The first of three sections will review central themes of the literature on transitions. The overarching uncertainty during transitions from authoritarian to democratic rule has lead analysts to expect moderation and caution on the part of elites. The remainder of this article will examine the moderate nature of the tax reform through the lens of transition theory. The second section will examine the reform's technical design. Despite the clear incentive to respond to popular demands for social justice, the reform was tailored far more to the interests of an economically powerful and politically visible business class. The third section will demonstrate how moderation also prevailed in the orchestration and implementation of the reform. While maintaining a public discourse about its broadly participatory nature, the government did not actually make much of an effort to consult a wide range of social actors. Rather, by strategically sequencing such negotiations so as to privilege the principal opposition party, the new government secured a quick and relatively uncontested passage for the reform in congress.

Overall, the moderate nature of the reform mirrored and reinforced various aspects of the transition itself. The Chilean tax reform thus serves as an excellent case for tracing government strategy during a democratic transition. Despite the fact that all the incentives pointed in another direction, the outcome yielded a rule-making procedure that in substance and tactical execution was completely consistent with democratization theory. The empirical details of this reform thus reveal the promise and the limitations of the economic and political model of growth, equity, and democratization that the architects of the Chilean transition sought to provide.

THE LOGIC OF TRANSITIONS: UNCERTAINTY, PROPERTY RIGHTS, AND POLITICAL PACTS

This section will examine some of the central tenets of the literature on transitions to democracy. Governments seek to establish guarantees in an atmosphere full of uncertainty. In the economic sphere, governments try to protect the property rights of the privileged classes. In the political sphere, they create political pacts. Both courses reflect strategies of moderation and caution that are crucial to the transition's success.

The overriding characteristic of democratic transitions is their high degree of uncertainty. Adam Przeworski has gone so far as to argue that uncertainty is the defining characteristic of democratic transitions (Przeworski 1986). In the broadest sense, such uncertainty stems from the fact that although transition in regime type implies movement from authoritarianism toward a more democratic form of rule, it is often unclear what the final outcome will be or how long it will take to get there. Another major source of indeterminacy lies in the fact that the factors that were necessary and sufficient for provoking the demise of the previous authoritarian regime may be neither necessary nor sufficient to ensure the installation of democracy. Finally, it is unclear exactly who will be the players in the transition game and how their interactions will affect and constrain political developments in the future (see O'Donnell and Schmitter 1986, 66).
According to Guillermo O'Donnell and Philippe Schmitter, the initial stages of a transition are characterized by this "multi-layered, tumultuous and hurried game" (1986, 66). But certain rules and rule-like norms emerge that imbue the process with some regularity. In the economic realm, perhaps the most important (although often tacit) rule dictating elite strategy is that "during the transition, the property rights of the bourgeoisie are inviolable" (1986, 69). The obvious logic behind this rule is the need to avoid an economic crisis. Should capitalists begin to fear that their basic interests will not be guaranteed or that leftist or Center-Left parties will embark on populist economic policies, the wealthy are likely to respond with disinvestment and capital flight (O'Donnell and Schmitter 1986, 64). Thus it becomes necessary to "purchase" the allegiance of the bourgeoisie lest its ability to provoke economic disequilibria jeopardize the prospects for stable democratization (Whitehead 1989).

In addition to this economic rationale for catering to the bourgeoisie, a more political logic is also at work behind the scenes. Because of the propertied classes' close and protective relationship with the armed forces, assuaging bourgeois interests becomes a central means of reducing political risk during the transition. While the bourgeoisie may be forced to give up certain privileges, as Laurence Whitehead has observed, "the king cannot be placed in direct jeopardy--this is the fundamental restriction that leftist parties must accept if they expect to be allowed to play in the central parts of the board" (Whitehead 1989). Thus it may be no accident that the Center-Right almost always wins the founding elections of democratic transitions, suggesting that the military will let the transitional game be played only if a moderate party keeps the stakes low (Bermeo 1990, 371). In the rare instances where the Right is not the dominant political force (as in Chile), transition theory suggests that the Right must have at least the illusion of some degree of significant control in order to minimize its perception of threat (O'Donnell and Schmitter 1986, 67).

If the transition is to succeed, uncertainty must also be reduced in the political realm. Przeworski has argued that the stability of any given regime is less a function of its inherent legitimacy than of the presence or absence of preferable alternatives. Pursuing this line of reasoning, Nancy Bermeo has concluded that the uncertainty in democratic transitions may be less a characteristic of the entire transformation process itself than of the projection of democracy as a preferable alternative. If so, she has argued, then elite tactics become extremely important as a means of providing the guarantees that will secure democracy as the preferable alternative (Bermeo 1990, 368).

Although such assurances can be achieved through various means, one of the most commonly found mechanisms is elite-brokered pacts. Guillermo O'Donnell and Philippe Schmitter define a pact as "an explicit, but not always publicly explicated or justified agreement among a select set of actors that seeks to define rules governing the exercise of power on the basis of mutual guarantees for the 'vital interests' of those entering into it" (O'Donnell and Schmitter 1986, 37). Terry Karl's discussion of pactismo distinguishes between two kinds of pacts: the more global and inclusionary "foundational pacts" in which military, economic, and party leaders mutually agree upon the fundamental rules of the game by removing certain politically explosive issues from the electoral arena; and second, the smaller, more partial "managerial accords" that involve a subset of actors hammering out the substantive details of a specific accord (Karl 1991, 11). In both types, the logic of political pacts is fundamentally antidemocratic. They are typically negotiated among a small number of participants
representing established (and often oligarchical) groups or institutions. They are noncompetitive, and they seek to limit accountability to wider publics and control the agenda of policy concerns.

But while pacts are a common strategy for reducing uncertainty, they are found more often in certain types of transitional settings than in others. Karl's work on democratic transitions argues that the "mode of transition" a country undergoes sets the context within which strategic interactions among actors unfolds (Karl 1991, 8). In such a typology, Chile falls on the cusp of what she has identified as "elite-ascendant transitions." The Chilean transition exhibits some characteristics of an "imposed transition," in which the military uses its dominant position to establish unilaterally the rules for civilian governance. Yet Chile also represents a "pacted transition" in which strong elite actors engage in strategies of compromise in order to dictate stable rules of the game Without ignoring its hybrid nature, my analysis will emphasize the pacted nature of the Chilean transition to underscore that it was largely characterized by an overarching search for elite consensus. The tax reform analyzed here must therefore be understood as an example of a specific managerial accord nested within the larger context of the broader consensus-building process.

Pacts are also likely to be associated with varying societal actors depending on the given moment of a transition. Schmitter has argued that whereas elite factions and social movements seem to play the key roles in bringing about the demise of authoritarian rule, political parties move to center stage during the transition itself, and then interest associations and state agencies become major determinants of the type of democracy that is eventually consolidated (Schmitter n.d.). Given that the tax reform in Chile occurred on the heels of the first democratic election in twenty years, parties would be expected to have been as the principal actors in brokering this pacted arrangement.

In sum, transitions to democracy are governed by moderation and control in both the economic or political realms. Transitional governments, ever fearful that the prospect of democracy might be jeopardized, can be expected to engage in risk-averse strategies to reassure and guarantee the interests of dominant groups and classes.

TECHNICAL DESIGN: THE CONTEXT AND CONTENT OF THE 1990 TAX REFORM

Despite the rhetoric of social justice surrounding this reform, careful examination of its specific components suggests that the government was much more attuned to the interests and needs of the business class. Aware of its fears regarding an uncertain economic future, the government sought to design a tax reform that would not alienate the support of this crucial actor in the transition. Thus while the primary burden of this modest reform fell on capitalists, it was a small price to pay for the socioeconomic peace and stable economic environment achieved in return.

The Reform Imperative: The Legacy of Social Debt

The central components and net effects of the tax reform rested on four pillars. First, it called for an increase in the corporate income-tax rate from 10 percent to 15 percent, along with a shift from a system that taxed the retained profits of enterprises to one that
taxed the profits distributed as shareholders' dividends. Second, the reform changed the categories for progressive personal income taxes in a way that increased the number of individuals in the highest marginal tax bracket. Third, in an effort to control tax evasion, the reform obliged the highest contributors in the agriculture, transportation, and mining sectors to shift from a system of estimated profits to one of actual profits. Finally, after negotiations with the opposition party, the consumption-based value-added tax (VAT) was raised by 2 percent from 16 to 18 percent. The overall goal of the tax reform was to raise fiscal revenue equaling about 580 million dollars annually between 1991 and 1993: 350 million dollars coming from the taxes on business, 50 million from upper-sector income taxes, and 200 million from the increase in the VAT. This revenue was earmarked for social spending purposes.

Throughout its negotiation and passage, the tax reform was always presented as a means of addressing popular demands for improving socioeconomic equity. As President Patricio Aylwin stated in an address to congress: "The economic program of the government posits as its primary objective reconciling economic growth with social justice. To achieve this goal, we consider an increase in tax revenue to be indispensable. This is the principal purpose of this reform." From its inception, the reform was imbued with an ethical tone, as an "expression of a sovereign act of solidarity befitting those countries that value stability, social peace, and the active incorporation of those marginalized from the benefits of growth." The reform was similarly hailed as a "great step forward for the country that . . . will permit us to advance in development together with equity."

At the moment of transition, the incoming government undoubtedly recognized strong incentives for addressing the issue of "social debt." Although the Chilean economic model has been widely praised for outstanding growth performance, "progress" did not come without costs. Considerable evidence has already demonstrated that most Chileans did not reap the rewards of economic success. More important, this "distributive illegitimacy" created by the military regime played a large role in causing the regime to lose the 1988 plebiscite on whether General Augusto Pinochet should continue to lead for another eight years. Analysis of the plebiscite vote shows that 72 percent of those who voted "no" did so primarily for economic reasons. Thirty-eight percent cited the poverty as issue the prime indicator of the need for a change, ahead of such concerns as human rights, general disapproval of the military government or Pinochet himself, and a return to democracy.

From a political standpoint, this finding showed that at the time of the transition, there existed not only an objective need to redress concerns about equity but a specific political incentive for doing so. Concertación, as a Center-Left alliance based on a constituency among the working and middle classes, had obvious reasons for making sure that the economic demands of its supporters would be met under democracy. In fact, the Concertación alliance ran and won the presidential elections on a political platform promising "growth with equity" and by exhorting Chileans to "generate the collective will to permit the mobilization of resources in the quantity required to attack poverty" (Alywin 1990, 24).

The taxation side of the reform was certainly designed to draw primarily on the most economically advantaged sectors: about two-thirds of the tax burden fell on the business sector and high-income earners. Ninety percent of the 125 million pesos raised in 1990
were funneled directly into social expenditures, 60 percent of it directed toward social spending to benefit the poorest 40 percent of the population in housing, education, and health.\textsuperscript{21} Moreover, the government initially sought to obtain somewhat more than it got, aiming for total revenue equaling 3 percent of the gross national product (GNP), no VAT increase, and corporate profits raised to 20 percent rather than 15 percent.\textsuperscript{22}

But the important question to ask is not how committed was this administration to equity issues, but how much was it willing to risk in promoting an extensive equity-oriented reform in the fact of countervailing pressures? My answer would be, not very much. Even at its most demanding, this reform was never very radical, as will be detailed. Its evident moderation suggests a few explanations. One is that the government simply did not want to do more, but this explanation seems unlikely given the newly elected officials' incentive to respond to the concerns of the alliance's support base. A second possibility is that the Chilean fiscal situation was balanced enough that the government did not need to undertake more reform. Although one could argue that the government did not need to engage in a radical overhaul of the Chilean tax system per se, the enfeebled state of social spending could have justified a much more aggressive stance, especially by a Center-Left government.\textsuperscript{23}

A third explanation makes more sense, in my view. Despite the Concertación government's obvious mandate for paying more attention to equity, the new regime was also attuned to the constraints it faced and acted accordingly. Thus although the tax reform represented a visible but moderate effort to increase social spending for the poor, its components were geared fundamentally toward assuaging powerful business interests in an environment of economic uncertainty.

\textit{The Reform Environment: Economic Uncertainty and the Power of Capital}

William Ascher has noted that in addition to multiple levels of uncertainty stemming from the indeterminate redistributive consequences of tax reform, uncertainty can also be generated by the broader state of the political economy at the juncture when the reform is undertaken (Ascher 1989, 422). With the Chilean tax reform, the driving force of such "environmental" uncertainty was the transition itself, and more specifically, the unknown implications of a Center-Left government for the future direction of the Chilean economy.

As noted, the Chilean transition was somewhat unorthodox in that the incoming government following military rule was Center-Left rather than a Center-Right coalition. But even though the Concertación government won 55 percent of the popular vote, this majority did not imply that the new regime had secured the confidence of most of the Chilean electorate. Although its campaign promise to promote "growth with equity" had evidently resonated among labor, the poor, and much of the middle class, that same pledge inspired fear among corporate interests seeking a stable and prosperous economic climate in which planning of production and investment would be possible.

Business elites and political parties on the Right shared a generalized concern that the victory of the "No" vote in the plebiscite and the subsequent Concertación government might cause the entire "economic miracle" engendered under Pinochet to collapse. The night before the 1988 plebiscite, the president of a leading business association
commented on the opposition's platform, "There is much ambiguity in the different programs and a great deal of doubt as to whether the various political groups can come to agreement in order to propel the country forward in the economic realm." Such concerns were also expressed in the discourse of rightist political parties. For example, after reading the Concertación government's economic program, one noted economist in the chief opposition party, Renovación Nacional, commented, "It isn't clear what will be the role of the market and what will be the role of central planning in the assignment of resources . . . , if the state will nationalize or privatize enterprises. . . . Will we relive past experiences? Will we return to 1970?" (Piñera 1989, 9). The overall atmosphere of uncertainty was well summarized by the finance minister, Alejandro Foxley, who commented, "They thought we were going back into the jungle."

Exacerbating the generalized uncertainty was an immediate and tangible economic threat—the existence of a fiscal deficit. The military government, seeking to garner favor among voters shortly before the plebiscite in classic "political business-cycle" fashion, had introduced a series of measures to expand expenditure and consumption (Marcel 1991, 56). The results were huge increases in the money supply and substantial tax reductions, which produced an unbalanced budget. For a business community that had grown accustomed to the iron fist of fiscal restraint under the Pinochet years, the existence of a fiscal deficit played on their greatest fear: resurgence of the populist economic policies pursued under the Allende Socialist government in 1973 that had led to economic collapse and authoritarian rule. Thus the deficit coupled with a Center-Left government predisposed toward increase social spending was yet another cause for alarm.

These multiple layers of economic uncertainty directly threatened the security of the business community and jeopardized its support for the transition process. As noted, the need to keep the trust of the propertied classes represents a key component of successful transitions. In the Chilean case, this imperative was intensified by the power commanded by the country's capitalist class. This leverage stemmed from a variety of factors. To begin with, as a result of the extensive privatization efforts undertaken under military rule, capitalists controlled a substantial proportion of the country's economic base. Moreover, maintenance of Chile's favorable balance-of-payments position and its ability to continue to attract foreign investment hinged on the willingness of business groups to refrain from capital flight. Finally, in the last years of military rule, the private sector had become a key political actor as well. It had been given greater voice and influence in the economic policy-making process and had played an active role in defending the neoliberal project in the plebiscite and the 1989 elections (Campero 1991, 152).

The power of vested business interests and their centrality to the political and economic success of the transition thus made it incumbent on the incoming administration to demonstrate its commitment to fiscal responsibility. Thus the "privileged position of business" greatly constrained the ability of the Concertación government to enact a radical tax reform that was genuinely equity-enhancing. Ascher has argued that "the effective political management of tax reform rests on the limitation of risk so that affected groups will be willing to bear some additional—but predictably contained—costs" (Ascher 1989, 417). If this line of reasoning is accepted, the success of the tax reform would hinge on the government's ability to recognize the environment of
uncertainty, design a reform to reduce it effectively, and induce powerful business interests to comply.

Reform Design: Reducing Uncertainty

Given the need to reduce uncertainty among economic agents, the first means to this end was the explicit format of the reform. It was the first item listed in the government's economic agenda, and the types of taxes to be affected were detailed. The document also indicated the parameters for such alterations, providing a range within which corporate taxes might be expected to fluctuate, and specified which aspects of personal income taxes would be changed (Aylwin 1990), 17). By delineating the likelihood, nature, and limitations of tax increases, architects of the reform minimized the anxiety that the tax reform might otherwise have generated had they not articulated clearly the rules of the game.28

An integral part of the reform format was targeting tax revenue for a clear and quantifiable purpose, namely, assigning absolute shares of government revenue for social spending. In addition to the political dividends already discussed, such earmarking was also strategic vis-à-vis the business class. First, earmarking enabled the government to reduce uncertainty by clearly identifying where benefits would be distributed. Moreover, linking increased spending to increased revenue served the secondary purpose of assuring the general public of the fiscal responsibility of the newly elected government. In contrast to its populist predecessors in the early 1970s, the Concertación government adamantly maintained that it would not undertake a permanent increase in public spending without first obtaining the appropriate financing (Ministerio de Finanzas 1990). Finally, given the high visibility of the "social debt" problem, a farsighted business class seeking economic security could recognize that if demands for increased social spending were not met, this failure would threaten the long-term political and economic stability of the entire system.

TABLE 1  Tax Revenues as a Percentage of Gross Domestic Product in Latin America, 1991

<table>
<thead>
<tr>
<th>Country</th>
<th>Total GDP</th>
<th>Total Revenue</th>
<th>% of GDP</th>
<th>Tax as % of Revenue</th>
<th>Tax as % of GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barbados</td>
<td>$ 1,470.00</td>
<td>$ 441.00</td>
<td>0.30</td>
<td>0.94</td>
<td>0.28</td>
</tr>
<tr>
<td>Trinidad and Tobago</td>
<td>5,132.00</td>
<td>1,626.84</td>
<td>0.32</td>
<td>0.86</td>
<td>0.27</td>
</tr>
<tr>
<td>Guyana</td>
<td>428.00</td>
<td>132.25</td>
<td>0.31</td>
<td>0.84</td>
<td>0.26</td>
</tr>
<tr>
<td>Jamaica</td>
<td>3,598.00</td>
<td>1,111.78</td>
<td>0.31</td>
<td>0.85</td>
<td>0.26</td>
</tr>
<tr>
<td>Suriname</td>
<td>1,306.00</td>
<td>369.60</td>
<td>0.28</td>
<td>0.78</td>
<td>0.22</td>
</tr>
<tr>
<td>Chile</td>
<td>35,297.00</td>
<td>9,777.27</td>
<td>0.28</td>
<td>0.66</td>
<td>0.18</td>
</tr>
<tr>
<td>Venezuela</td>
<td>71,180.00</td>
<td>16,442.58</td>
<td>0.23</td>
<td>0.78</td>
<td>0.18</td>
</tr>
<tr>
<td>Uruguay</td>
<td>8,688.00</td>
<td>1,650.72</td>
<td>0.19</td>
<td>0.90</td>
<td>0.17</td>
</tr>
<tr>
<td>Brazil</td>
<td>301,618.00</td>
<td>79,023.92</td>
<td>0.26</td>
<td>0.63</td>
<td>0.16</td>
</tr>
<tr>
<td>Mexico</td>
<td>90,818.00</td>
<td>18,890.14</td>
<td>0.21</td>
<td>0.75</td>
<td>0.16</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>5,138.00</td>
<td>770.70</td>
<td>0.15</td>
<td>0.97</td>
<td>0.15</td>
</tr>
<tr>
<td>Honduras</td>
<td>3,995.00</td>
<td>691.14</td>
<td>0.17</td>
<td>0.89</td>
<td>0.15</td>
</tr>
<tr>
<td>Bahamas</td>
<td>2,604.00</td>
<td>419.24</td>
<td>0.16</td>
<td>0.87</td>
<td>0.14</td>
</tr>
<tr>
<td>Ecuador</td>
<td>13,720.00</td>
<td>2,016.84</td>
<td>0.15</td>
<td>0.98</td>
<td>0.14</td>
</tr>
<tr>
<td>Argentina</td>
<td>91,534.00</td>
<td>13,089.36</td>
<td>0.14</td>
<td>0.93</td>
<td>0.13</td>
</tr>
</tbody>
</table>
A second means by which the reform decreased uncertainty for the business class was its moderate and balanced nature. The reform sought a general tax increase equaling 2 percent of the annual GNP. Although such a percentage may seem significant given the size of the Chilean economy, this number should be placed in perspective by comparing it with other Latin American countries and recalling Chile's tax history. For example, recent tax reforms in Bolivia, Argentina, and Peru raised tax receipts by 6.4, 8.4, and 5.1 percent of annual GDP respectively, figures that make the Chilean reform look moderate in comparison (Durand 1994). Although Chile ranked 3 points above the average Latin American country in terms of tax revenue as a percent of GDP after the reform took place (18.2 percent versus 15.7 percent), this rate still fell into the middle range of the countries considered, which varied from 4 percent to 28 percent (see table 1). Finally, as table 2 demonstrates, the annual tax revenue garnered as a percent of total revenue in 1991 was only marginally higher than it had been over the past decade (see table 2).

### TABLE 2 Tax Rates on Corporate Direct Investment Income in Latin American Countries, 1987

<table>
<thead>
<tr>
<th>Country</th>
<th>Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costa Rica</td>
<td>50</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>50</td>
</tr>
<tr>
<td>Panama</td>
<td>50</td>
</tr>
<tr>
<td>Venezuela</td>
<td>50</td>
</tr>
<tr>
<td>Jamaica</td>
<td>45</td>
</tr>
<tr>
<td>Trinidad and Tobago</td>
<td>45</td>
</tr>
<tr>
<td>Antilles</td>
<td>43</td>
</tr>
<tr>
<td>Guatemala</td>
<td>42</td>
</tr>
<tr>
<td>Honduras</td>
<td>40</td>
</tr>
</tbody>
</table>
The moderateness of the Chilean reform becomes even more evident on reviewing its specific components. In the business sector, for example, the increase in corporate taxes from 10 percent to 15 percent was manageable and considerably milder than had been expected. Because business had been effectively taxed at 0 percent during the final year of the Pinochet administration, the increase to 15 percent was not perceived as unjust. Moreover, when compared with corporate tax rates in other less-developed countries, which typically fluctuate between 20 percent and 50 percent, even business leaders in Chile had to admit that the current 10 percent tax rate on corporate profits was extremely low (see table 3). Finally, a historic precedent existed for the shift back to taxing shareholder dividends. Except for the erratic policies introduced during the last year of the Pinochet administration, Chilean businesses had never been taxed on the basis of retained profits.

### TABLE 3  Tax Revenue as a Percentage of Current Revenue in Chile, 1983 - 1992

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage of Current Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982</td>
<td>53.0</td>
</tr>
<tr>
<td>1983</td>
<td>64.0</td>
</tr>
<tr>
<td>1984</td>
<td>64.7</td>
</tr>
<tr>
<td>1985</td>
<td>64.2</td>
</tr>
<tr>
<td>1986</td>
<td>62.0</td>
</tr>
<tr>
<td>1987</td>
<td>62.2</td>
</tr>
<tr>
<td>1988</td>
<td>57.7</td>
</tr>
<tr>
<td>1989</td>
<td>58.6</td>
</tr>
<tr>
<td>1990</td>
<td>63.2</td>
</tr>
<tr>
<td>1991</td>
<td>65.8</td>
</tr>
</tbody>
</table>

Chile ranks a bit high in its top marginal income-tax rate and its value-added tax when compared with the averages for Latin American countries (see table 3). The maximum income-tax rate in 1991 was 50 percent in Chile, as compared with an average of 38.7 percent for Latin America (Pita 1993, 27). The value-added tax rate in Chile is 18 percent, somewhat higher than the average of 12 percent for the region (Pita 1993, 27). But in reducing the number of taxes and emphasizing the VAT, the Chilean tax reform is right in step with current trends in taxation in developing countries. When considered historically, neither tax seems out of the ordinary. As table 4 indicates, Chilean income taxes (corporate and individual) as a percentage of total revenue added up to a rate no higher in 1991 than in 1988. Meanwhile, the VAT has held relatively steady over time, accounting for about a third of government revenue over the past decade. Under the military regime, the VAT had climbed as high as 20 percent, providing ample precedent for the proposed increase from 16 percent to 18 percent.

<table>
<thead>
<tr>
<th>Year</th>
<th>Tax</th>
<th>Total</th>
<th>Individual</th>
<th>Corporate</th>
<th>Value-Added</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979</td>
<td></td>
<td>13.87</td>
<td>7.19</td>
<td>6.33</td>
<td>28.74</td>
</tr>
<tr>
<td>1980</td>
<td></td>
<td>16.14</td>
<td>8.26</td>
<td>7.68</td>
<td>34.59</td>
</tr>
<tr>
<td>1981</td>
<td></td>
<td>15.40</td>
<td>6.71</td>
<td>7.69</td>
<td>34.75</td>
</tr>
<tr>
<td>1982</td>
<td></td>
<td>13.17</td>
<td>6.71</td>
<td>6.46</td>
<td>27.21</td>
</tr>
<tr>
<td>1983</td>
<td></td>
<td>11.20</td>
<td>3.37</td>
<td>7.83</td>
<td>27.52</td>
</tr>
<tr>
<td>1984</td>
<td></td>
<td>11.26</td>
<td>3.37</td>
<td>7.89</td>
<td>27.21</td>
</tr>
<tr>
<td>1985</td>
<td></td>
<td>13.69</td>
<td>3.47</td>
<td>10.22</td>
<td>30.85</td>
</tr>
<tr>
<td>1986</td>
<td></td>
<td>11.62</td>
<td>4.04</td>
<td>7.58</td>
<td>31.35</td>
</tr>
<tr>
<td>1987</td>
<td></td>
<td>13.69</td>
<td>3.47</td>
<td>10.22</td>
<td>30.85</td>
</tr>
<tr>
<td>1988</td>
<td></td>
<td>19.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1989</td>
<td></td>
<td>16.70</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td></td>
<td>17.40</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1991</td>
<td></td>
<td>19.60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1992</td>
<td></td>
<td>18.14</td>
<td></td>
<td></td>
<td>36.40</td>
</tr>
</tbody>
</table>


Above all, such moderation was institutionally reinforced by the fact that after bargaining, three of the four major changes were made temporary and subject to renegotiation at the end of four years. In other words, even if it could be argued that the tax reform constituted a significant burden, the new taxes were to revert to their old levels at the end of four years, a dimension particularly reassuring to an anxious business class. Thus the reform represented no extreme deviation from the mean but rather a moderate extension of tax instruments already in place, increased just enough to exact the additional revenue desired.
The reform was also designed to be balanced and equitable. It did not target one type of tax or economic entity exclusively but rather sought to tax income and consumption equally. To this end, two-thirds of the revenue were to come from increased taxes on business and the highest income sectors (350 million dollars and 50 million respectively); the other third was to be derived from sales taxes on consumption (200 million dollars). By including a tax on consumption that affects income groups across the board, the reform gained more legitimacy from the business perspective because it reflected the Center-Left government’s willingness to "tax its own" rather than focusing only on business and high-income groups. Finally, by curtailing the opportunity for evasion in the mining, transportation, and agriculture sectors, the reform signaled that it was equitable "horizontally" as well as "vertically." 33

A final way in which the design of the tax reform reduced political uncertainty and assuaged business interests was that it was set up to introduce macroeconomic stability. First, the legislation provided multiple assurances that the reform would not affect savings and investment adversely and would actually foster them. Despite the overall increase in corporate taxes, the reform included several incentives for reinvestment, including favorable treatment of foreign investment, personal income-tax deductions for corporate shareholders, and a 2 percent tax credit for small and medium-sized enterprises. In addition, the government guaranteed that this tax reform would be the only undertaking of this kind during its four years in office, again establishing clear rules of the game and affording private economic agents the ability to plan over the medium term. Finally, given the inflationary overheating during the final months of the Pinochet administration, the tax reform served as a short-run stabilizing force to moderate the growth of private spending during the first year of the new government. 34

By means of all these provisions, the designers of the reform responded to the overall environment of uncertainty by giving assurances to the business class via a tax mechanism that would encourage continued economic growth and stability. Although some "hard-liners" strongly opposed the reform and objected publicly to its substance and format, most of the business community considered the reform to be reasonable. One leader described it as "a reflection of the climate of consensus that the country is experiencing." 36 As the president of the Confederación de Comercio y Producción, Manuel Felieu, commented, "It was a low price to pay for economic and social stability." 37

In sum, the importance of the reform's substantive design cannot be underestimated in explaining its moderation. Created in an atmosphere of extreme uncertainty, the reform reduced indeterminacy in a technical sense and responded effectively to the current political environment, particularly business concerns. Although the tax reform was not solely responsible for reducing such uncertainty, it was part of a larger package of reassurances made by the incoming government--chief among them the maintenance of macroeconomic stability--that convinced business interests in the incipient stages of the transition that the onset of democracy would not wreak economic havoc in Chile. Thus the reform's "chief virtue" from the point of view of its creators may have been that it enabled the government to reaffirm publicly its commitment to social justice without fundamentally threatening fiscal responsibility.

REFORM NEGOTIATION: THE ROLE OF POLITICAL PACTS
The risk-averse strategy evident in the design of the tax reform also carried over into the process. Given the elite-pacted nature of the Chilean transition, the reform's ostensibly political virtue was its allegedly participatory nature, which offered different societal groups a voice in the policy-making process. In fact, the reform was characterized by a series of extraparliamentary negotiations in which the government clinched the support of the chief opposition party, thus defusing any potential opposition to the reform and ensuring its rapid passage. As a result, this reform was not a paragon of broad-based consultation and deliberation but a tactically shrewd, risk-averse political maneuver characteristic of democratic transitions.

**Pacted Transitions: The Promise of Participation**

In addition to promising greater socioeconomic equity, the reform was also meant to embody the cornerstone of the newly elected government's political project—that of building elite consensus. The tax reform was intended to demonstrate that economic policy under democratic rule would no longer be "dictated" on high but built up from below through the active contribution of its citizens. As Foxley explained in presenting the initiative to the Senate, "we called on various sectors to express their opinions of its general outlines, to offer their ideas and make their contributions because it seemed important to us that the project reflect the most national vision possible."38

As with the pro-equity push, the government had to address broadly based pressure to make this reform truly participatory. The idea of "consensus building" as a means of establishing socioeconomic and political policies had been germinating within the Chilean opposition for well over a decade prior to the transition.39 When the opposition finally regained political power in 1990, "social concertation" became the central pillar in the political program put forth by the democratic government. As President Aylwin stated, "Only through the active participation of the principal political and social sectors will we be able to cement political, economic, and social institutions to the necessary base of legitimacy to ensure stability" (Aylwin 1990, 39-40). This new philosophy on public policy making resonated among the populace as well, with public opinion polls indicating that 70 to 80 percent of the public felt that it was important or very important that the government consult the opposition, the banks, the unions, and business groups when making decisions regarding the political economy (Halpern, Bousquet, and Henríquez 1991, 9).

Given the government's commitment to concertation and Chileans' demand for a greater voice in policy making, it is worth asking how participatory this reform actually was in terms of genuine input from other social actors. Certainly, the reform's contents were explicitly negotiated before its submission in a series of meetings with the major opposition party, Renovación Nacional, and the proposal was also broadly discussed with various interest groups that included labor, business, and agriculture. The opinions voiced by these actors were taken into account to some extent in designing the reform. During negotiations with the RN, several changes were made in the initial tax package. For example, although the government had initially proposed an overall revenue package equaling 3 percent of GNP, the RN insisted that this figure be reduced to 2 percent. Similarly, the RN successfully sought to raise corporate taxes by 15 percent rather than by the 20 percent originally proposed, and the RN got the VAT included in the package to achieve greater vertical equity.40
Yet beyond the details worked out in discussions with the RN, it is not clear that the other social and political actors involved had much voice in this reform. Rather, the government used its negotiations with the chief opposition party as a way of quelling opposition among other social actors and ensuring a rapid and uncontested victory in congress. In the end, the participatory rhetoric was much more symbolic than real in value.

Strategic Sequencing: The Privileging of Political Parties

To the extent that any meaningful "bargaining" took place in negotiating the tax reform, it was all with the first partner in negotiations, the opposition party, Renovación Nacional. Given the timing of this reform just after the first democratic elections and the reform priority as the government's first legislative initiative, it is not surprising that political parties should have played the defining role in brokering this agreement. As noted, the holding of elections makes political parties as a category an important interlocutor in the early stages of democratic transition for symbolic and practical reasons. But while a more subtle "transition logic" may have been at work that accounts for the high priority of political parties, a compelling strategic logic was also operating.

In my view, the decision to negotiate with the RN first out of a number of possible choices was a deliberate effort on the part of the Concertación government to minimize the amount of opposition it was likely to encounter when the reform eventually went to congress. In the 1989 elections, the RN won 40 percent of the seats in the Cámara de Diputados and twelve of thirty seats in the Senado (Drake and Jaksic 1991, 14). Given that the senate included nine nonelected senators "appointed" by the outgoing military regime, who were likely to vote with the opposition, it was important to have the RN on board if the initiative was to pass the senate with a simple majority. By securing RN support in advance, the government was thus guaranteed ample support for this initiative in the other house of congress.  

The question was purely a matter of how to attain this strategic objective. The major stumbling block to the RN's approval of the reform was the agrarian-based nature of the party's constituency and its strong identification with the economic legacy of the authoritarian regime, both of which conflicted with the government's proposed reforms. Recognizing this potential hurdle, reformers deliberately targeted a set of individuals within the RN leadership known for their technical expertise, consensual approach to politics, and desire to make the Right a truly democratic force that had distanced itself from Pinochet. By first negotiating and then "selling" the reform to this small but persuasive vanguard, the government guaranteed RN support in congress and could leave the thankless task of persuading the RN rank and file to the progressive faction.

Beyond the clear congressional advantage derived from privileging the RN in the negotiations, the Concertación government also sent a signal to other potential sources of opposition, most notably special interest groups like agriculture and labor. Once an agrarian-based political party had consented to change the structure of agricultural taxation, it was difficult for agricultural groups to claim subsequently that the reform ran counter to its interests. Moreover, opposing the reform ran the risk of being held publicly accountable for shattering the incipient societal "consensus" on which it was built and destroying the "proof" that democracy could work again in Chile.
The sequencing of the reform was also useful in quelling opposition within the government's own ranks, especially among labor. Historic ties between the Socialist Party and the Chilean labor movement meant that labor concerns were in many ways structurally built into the programmatic concerns of the Concertación government. Nonetheless, specific points of disagreement emerged over the contents of the tax reform. In particular, labor unions objected to inclusion of the VAT on the grounds that it was regressive. As one labor leader complained, "We the workers and consumers will be the ones who have to assume the cost of this measure." But once the agreement with the RN had been reached, labor leaders feared overemphasizing such concerns in public lest it derail the reform entirely. Again, in choosing to negotiate with the RN first, the government obtained a bargaining chip to ensure acquiescence among its own supporters on the grounds that dissent from within could jeopardize the precarious peace achieved with the opposition.

The effectiveness of the government's negotiation strategy was proved by the remarkably rapid pace with which the reform was carried out. The government initiated the negotiating process during its first two weeks in office, and once it had secured the agreement with the RN, the bill went to congress just two weeks later. Precisely because nearly all substantive alterations in the reform had been made during the negotiations with the RN, by the time the bill reached congress, the agreement was in many ways a fait accompli. Although some changes were made in committee negotiations and on the congressional floor, the contents of the reform remained largely intact. Despite the lively debate that arose over its passage, the reform sailed through in record time: it was debated on both floors for only six days in all and passed by a final vote of sixty-one to ten in the Chamber of Deputies and by thirty to two in the Senate.

Reform Sequencing: Lessons from Chile

The strategic sequencing that characterized negotiation of the reform was critical to its rapid and relatively uncontested acceptance in congress and among the political opposition. Having observed economic crises in other countries undergoing transitions to democracy, Finance Minister Foxley was firmly convinced that these failures had resulted from the inability of those governments to push through fiscal reforms in the first hundred days in office. He explained publicly at the time, "It seems key to me that this project . . . be discussed, executed, and approved in the shortest time frame possible, mitigating social pressures, and thus allowing us to begin promptly to increase social benefits to the poorest sectors and the middle class."

But while Foxley justified the manner in which this reform was negotiated by the need to move quickly or lose it entirely, many Chileans--especially those within his own support base--viewed this reform as "un proyecto cocinado" ("a cooked reform"). For example, the house majority leader of the Christian Democratic party, Claudio Huepe, objected publicly to the manner in which the reform circumvented normal parliamentary procedures. Other Concertación members of congress also resented Foxley's decision to "negotiate with the enemy" and the fact that instead of being consulted, they were relegated to a role of saying "yes or yes."

The particular sequencing at work shows that this reform was not brokered in a fully participatory fashion that would have included input from all social actors. Rather, the government chose to transform the economic reform into a political agreement between
political parties. To a large extent, the fact that political parties served as the main architects of this reform is in keeping with the particular phase of the transition in which it occurred. More pointedly, the controlled and strategic nature of this bargaining process illustrates the kind of risk-averse and controlled bargaining tactics that typify democratic transitions.

CONCLUSION

The 1990 tax reform in Chile provides an excellent example of the powerful constraints on political leaders in new democracies. Enacted as the first piece of legislation by a Center-Left government after seventeen years of military rule, this reform had the potential to be drastic in scope and format. But despite strong incentives for introducing a radical and participatory tax reform, its designers elected instead to follow a strategy of moderation and caution.

Detailed examination of its substantive nature and political process has shown that the 1990 tax reform was entirely consistent with theoretical expectations about democratic transitions and the types of bargaining behavior they are likely to yield. In an atmosphere of uncertainty, the reform's technical design and political negotiation were fundamentally conditioned by the need to limit such indeterminacy. In the economic sphere, notwithstanding the rhetorical emphasis on equity, the reform design and specific components were geared toward assuaging the concerns of a powerful business class. In addition, while ostensibly demonstrating political commitment to consensus-building among societal actors, the reform was in fact a product of shrewd calculation, deliberately crafted to eschew democratic institutions in order to secure quick and uncontested passage in congress.

Although this analysis may seem pessimistic, it is not meant to present the reform in a negative light. Far from a criticism of the extent and implementation of this initiative, this analysis merely underscores the very real constraints that actors must contend with when attempting to achieve reform in the context of a democratic transition. Thus although my argument stresses the limitations on the Concertación government's ability to pursue a policy of increased socioeconomic equity with enhanced political participation, it is also meant to show how such inherent limitations became its greatest virtues.

Precisely because of its moderate and risk-averse nature, this reform played a crucial role in soldering the fragile rule-making environment at the delicate moment of democratic transition. For this reason, this tax reform should be viewed as a policy success in helping realize one of the most successful democratic transitions in the developing world today.

NOTES

*The author thanks Richard Bird, Geoffrey Garrett, Terry Karl, Charles McClure, Philippe Schmitter, and Timothy Scully for their helpful comments on various versions of this article as well as the anonymous LARR referees who provided useful insights for revisions. She would also like to thank the Center for Latin American Studies at
Stanford University for generous financial support and Marco Riveros Keller, without whom much of the research for this project would not have been possible.

1. For description and periodization of the previous three "waves" as well as a discussion of the various analytical puzzles created by the present wave, see Karl and Schmitter (1993). For an alternative perspective that asserts the existence of three rather than four waves, see Huntington (1991).

2. For a discussion of this debate and the economic policies that the Concertación team actually pursued under democratic rule, see Kinney-Giraldo's forthcoming essay in Domínguez (n.d.).

3. For a good discussion of the economic hazards associated with such populist experiments, see Dornbusch (1991).


5. Speech by Alejandro Foxley to the Senate, 11 June 1990.

6. The basic logic underlying partisan theories is that political parties cater to core constituencies who are variously affected by macroeconomic outcomes and therefore differ systematically in economic policy preferences. For the seminal work on early partisan theories, see Hibbs (1977). Earlier partisan theories arguing that differences in real economic outcomes between liberal and conservative governments should be marked and persistent have been proven false. But a more recent variant has emerged that combines the concept of a rational, forward-looking voter with the assumption of a short-term Phillips curve to demonstrate how newly elected governments of the Left and the Right can both generate transitory partisan outcomes (see Alesina 1988).


8. Karl and Schmitter delineate four possible outcomes that may result from democratic transitions: consolidated democracy, unconsolidated democracy, hybrid regimes, and a return to authoritarian rule. For elaboration of these categories, see Karl and Schmitter (1993).

9. The latter sort of accord is similar to the kind of "concertation" that has been particularly common among the countries of Northern Europe, where representative interlocutors for different groups within civil society--in most cases, the state, business, and labor unions--have worked through a system of collective negotiation to determine mutually acceptable macroeconomic polities outside the market context. For a more theoretical treatment of such corporatist arrangements as well as its application in the European case, see Schmitter (1982). For an empirical study of pacts in Latin America, see Karl (1986).

10. For example, the process of political opening was initiated and controlled by the military and General Pinochet remained commander of the armed forces even after the regime change.
11. Indeed, following the 1988 plebiscite, key actors in society embarked on a series of negotiated compromises that dictated the rules of the game for democratic governance.

12. In essence, this change involved lowering income brackets that would be subject to higher levels of marginal tax but keeping exempt monthly earnings up to about three hundred dollars. To this end, categories were shifted: earnings of $300 to $1,000 would pay 5 percent; $1,000 to $1,800 would pay 20 percent; $1800 to $3000 would pay 35 percent; and larger amounts would be taxed at 50 percent, which remained the top marginal rate.

13. See Ministerio de Finanzas (1990). Note that these calculations reflect the reform that was ultimately negotiated.


15. Ibid.


17. A good summary and analysis of the adverse impact of the neoliberal model under authoritarian rule and the promise for change under democratic rule can be found in Ffrench-Davis (1991). For an alternative vision that argues that the social situation actually improved, see Haindl and Weber (1986).


20. The need to combine sustained growth with greater attention to equity can be found in a number of academic analyses produced during the period, including Foxley (1986, 1987) and Revista CIEPLAN (1988). See also Alywin (1990).


23. For details on the social debt issue and the various financing options that were considered to address this situation, see Marcel (1991).

25. Interview with the finance minister at that time, Alejandro Foxley, 17 Aug. 1992, Santiago.

26. For an argument explicating the role of capitalist interests in influencing the direction of economic policy, see Przeworski and Wallerstein (1988).

27. The phrase "privileged position of business" comes from Charles Lindblom's seminal work on the power of capital in democracies (Lindblom 1978).


29. Based on a series of interviews made by the author with leaders in the business community.

30. This observation holds true for the period in question, even though the prevailing trend was downward and recent doctrine in the international development community has been promoting corporate tax rates more in line with the Chilean model (World Bank 1991).

31. In the wake of the fiscal crisis that many developing countries have undergone following the 1980s, tax reforms have played an important role as short-term shocks for increasing revenues rapidly and as a means of moving countries toward longer-term fiscal goals. In general, the trend has entailed a reduction in the number of taxes (implied by the broadening and shrinking of tax brackets) as well as a shift toward the value-added tax as the main element in the tax base. In both instances, the changes are said to help bring about more efficient tax administration. See World Bank (1991) for more detail.

32. One might also argue that because the consumption-to-income ratio declines as income increases, indirect consumption taxation falls more heavily on lower-income groups. This argument was put forth by labor groups. For a discussion of the relative merits and drawbacks associated with the VAT, see Tait (1988). The "legitimacy" argument was advanced during my interview with tax reformers.

33. The concepts of vertical and horizontal equity were first developed in the work of A. C. Pigou (1928).

34. Interview with Esteban Jadresic, head of the macroeconomic division of the Banco Central de Chile, 3 Sept. 1992, Santiago.

35. For example, immediately following announcement of the reform, the president of one peak business organization, SOFOFA (Sociedad de Fomento Fábril) deplored the reform as "a punishment for the future of the country." See "Reforma tributaria, ¿para qué?" El Diario, 23 Mar. 1990, p. 2.

36. Ibid.

38. Speech by Foxley to the Senate, 11 June 1990.


40. Based on interviews with Evelyn Matthei, 12 Aug. 1992, and Manuel Marfán, 30 July 1992. In addition, it was the negotiations with Renovación Nacional that secured a government guarantee that this reform would be the only one it would enact during its four years in office and that the taxes on business would be temporary.

41. If the government had found it necessary to resort to extreme tactics, it had the opportunity to ram this reform through congress by "purchasing" the support of two votes among the designated senators. The RN was fully aware of this fact during its negotiations with the government. But because it was the first legislative initiative, the government was much more concerned about marshaling an ample majority, and thus the RN's support was crucial. Confidential interview by the author with a former government official, 30 July 1992, Santiago.

42. For example, the vanguard within the RN argued that the armed forces should play an apolitical and subsidiary role in the new political system, one confined to defending the nation's sovereignty, assuring national security, and guaranteeing institutional stability. Second, this faction issued a statement entitled "Democracia de los Acuerdos," which called for stable, long-term agreements between different political currents to permit the consolidation of democracy and win the confidence and backing of Chilean society. See my forthcoming essay in Domínguez (n.d.).


44. The agricultural sector was slow to mobilize opposition to the reform, but once its inevitability was recognized, this sector launched an extremely effective and diffuse lobbying effort against the structural shift from "presumptive" to "effective" taxation. Although it was ultimately unsuccessful in reversing the reform, the agricultural sector managed to raise the limit on those affected and postpone the reform's implementation. In some ways, agriculture's "late but effective" lobbying seems to point to what Schmitter calls "regulation," the process by which administrative elites translate an authoritatively approved law or decree into a set of specific, practicable instructions. Such processes are similar to consultation, but it occurs before an authoritative approval whereas regulation occurs after the decision has been made and is about to be implemented (see Schmitter 1971, 352-56).

45. For example, another major reform initiated by the Concertación government was a labor reform designed to guarantee certain fundamental worker's rights. For a more detailed discussion of the relative state of union strength in the period leading up to the transition, see Angell (1991).


47. In addition to many small but important technical changes, the major congressional alterations made the VAT and the personal income-tax increases temporary and raised
the limit on those who would be affected by the proposed changes in taxation on the agricultural sector. Moreover, in response to RN pressure, the government was also obliged to provide a detailed description of exactly where proposed changes in social spending would occur.


51. Interview with Carlos Huepe, former Cámara majority leader of the Partido Democra ta Cristiano, 7 Sept. 1992, Santiago.

BIBLIOGRAPHY

ALESINA, ALBERTO

ANGELL, ALAN

ASCHER, WILLIAM

AYLWIN, PATRICIO

BERMEO, NANCY
1990 "Rethinking Regime Change." Comparative Politics 22, no. 2 (Apr.):359-77.

BOYLAN, DELIA

CAMPERO, GUILLERMO

CASTILLO, FRANCISCO
CONRAD, ROBERT

DOMINGUEZ, JORGE I., ED.

DORNBUSCH, RUDIGER

DRAKE, PAUL, AND IVAN JAKSIC

DRAKE, PAUL, AND IVAN JAKSIC, EDS.
1991 The Struggle for Democracy in Chile. Lincoln: University of Nebraska Press.

DURAND, FRANCISCO

FFRENCH-DAVIS, RICARDO
1991 "Desarrollo económico y equidad en Chile: Herencias y desafíos en el retorno a la democracia." Colección Estudios CIEPLAN, no. 31 (Mar.):31-51.

FOXLEY, ALEJANDRO
1985 Para una democracia estable. Santiago: CIEPLAN.

1986 Los dos Chiles. Santiago: CIEPLAN.

1987 Chile y su futuro posible. Santiago: CIEPLAN.

GARCIA HURTADO, ALVARO

HAINDL, E., AND CARL WEBER

HALPERN, PABLO, EDGARDO BOUSQUET, AND MARCELO HENRIQUEZ

HIBBS, DOUGLASS A., JR.
HUNTINGTON, SAMUEL

KARL, TERRY LYNN

KARL, TERRY, AND PHILIPPE C. SCHMITTER

KINNEY-GIRALDO, JEANNE

LINDBLOM, CHARLES

MARCEL, MARIO

MENDEZ, ROBERTO, OSCAR GODOY, ENRIQUE BARROS, AND ARTURO TALAVERA
1989 "Por qué ganó el No?" Estudios Públicos, no. 33 (Summer):83-135.

MINISTERIO DE FINANZAS

O'DONNELL, GUILLERMO, AND PHILIPPE C. SCHMITTER

O'DONNELL, GUILLERMO, PHILIPPE C. SCHMITTER, AND LAURENCE WHITEHEAD, EDS.

PIGOU, A. C.

PIÑERA, SEBASTIAN
PITA, CLAUDINO

PRZEWORSKI, ADAM

PRZEWORSKI, ADAM, AND MICHAEL WALLERSTEIN

REVISTA CIEPLAN

SCHMITTER, PHILIPPE C.
1971 Interest Conflict and Political Change in Brazil. Stanford, Calif.: Stanford University Press.


TAIT, ALAN A.

VARAS, AUGUSTO

WHITEHEAD, LAURENCE

WORLD BANK