



## INNOVATIONS FOR SUCCESSFUL SOCIETIES

### CIVILIANS AT THE HELM: CHILE TRANSFORMS ITS MINISTRY OF NATIONAL DEFENSE, 2010–2014

#### SYNOPSIS

In 2010, 20 years after the end of Augusto Pinochet’s military regime, Chile transformed its defense sector by restructuring the Ministry of National Defense, stripping military leaders of responsibility for planning and strategy and placing that authority in the hands of civilians. The event marked a sea change in the relationship between the armed forces and the government. Civilians at the ministry previously had provided the military with scant guidance regarding the country’s strategic goals—in part because they lacked the training and experience required to anticipate threats to the country or to determine what capabilities the armed forces required to confront such threats. The enabling law, enacted after years of debate, also gave new powers to a chief of Joint Staff, an officer whose job was to promote cooperation among the army, navy, and air force—three military branches that jealously protected their independence and were wary of any attempt to diminish the authority of their powerful commanders in chief. Sebastián Piñera, who became president in March 2010 just as the law took effect, faced the task of implementing the massive shift in expectations, norms, culture, and the chain of command. His administration restructured the ministry and hired civilians to manage tasks long controlled by military officers, and by the end of his term in 2014, the Ministry of National Defense had taken the lead in developing Chile’s defense policies.

*Tristan Dreisbach drafted this case based on interviews conducted in Santiago, Chile during July and August 2015. Case published November 2015.*

#### INTRODUCTION

On August 7, 2015, a crowd of Chileans gathered outside the military hospital in the capital, Santiago, to celebrate the death in prison of former army general Manuel Contreras, a man they held responsible for the torture, disappearance, and murder of their loved ones during the 1970s and 1980s. Some held signs with pictures of family members and asking, “Where are they?” Contreras, a former army general, had founded and operated the National Intelligence Directorate, a feared secret-police institution

responsible for some of the most-brutal repression under the military government of Augusto Pinochet that took power after a coup toppled Socialist president Salvador Allende in 1973.

The demonstration underscored the deep feelings many Chileans harbored about the role of the military more than 25 years after a referendum ended Pinochet’s rule. During that period, political leaders embraced a strategy of gradual transition toward greater civilian control. Rather than confront still-powerful military

leaders, the politicians implemented incremental reforms that gradually reduced the armed forces' extensive privileges and powers. By 2005, the president had gained the authority to remove the commanders in chief of the armed forces branches; retired officers no longer had the right to hold designated Senate seats; and the military had lost its broad constitutional mandate to maintain "institutional order."

Although those reforms and the prosecution of high-profile officers reduced the scope of the military's power, the armed forces jealously guarded their independence from civilian policy makers. Each year, the South American country spent about \$5 billion—more than 2% of its gross domestic product—on the armed forces – a percentage comparable to Turkey's and higher than that of many countries with well-developed armed forces. But military leaders in Chile controlled the planning and development of their service branches without significant input from government.<sup>1</sup>

For years after Pinochet's fall, civilians were unable to muster the political will to overhaul the main institution at the heart of the civilian-military divide: Chile's Ministry of National Defense.

## THE CHALLENGE

During the post-Pinochet years, the civilian-led ministry existed only to support the armed forces, not to control them. After nearly two decades of military rule, civilian officials lacked the capacity to deal with the complexities of the defense sector: to forecast strategic threats to the country, to determine the force capabilities the armed forces must provide, to oversee defense research and development, to manage relations with other countries' militaries, and to ensure that the army, navy, and air force worked with each other to deter threats to the country's national interests.

Those policy areas had long been the provinces of generals and admirals, who used the

Ministry of National Defense as a rubber stamp for expenditure requests and strategic plans developed by military officers.

The ministry functioned far differently from its counterparts in countries like the United States, the United Kingdom, and Spain, to which Chilean officials and officers often looked for examples of military professionalism and modernization. In those countries, defense ministries and defense departments formed critical nexuses between civilian government and the armed forces; civilians led offices responsible for assessing potential threats and developing plans to combat them; research and war gaming led to policies that defined the military capacity the country required; and ministry officials communicated these goals to high-ranking military officers, who made sure their forces could provide the needed capabilities. Although active-duty officers worked in those ministries, they answered to civilian superiors appointed by elected officials.

In Chile, however, "the system worked bottom up," said Óscar Izurieta, a retired general who served as commander in chief of the Chilean army from 2006 to 2010. "The Ministry of National Defense did not have a civil bureaucratic structure to produce policies and planning." The military made the decisions, and the minister ratified them. Most aspects of defense policy "were produced by the service branches because they had the capacity. They had staffs, and the relationship was almost personal with the minister," Izurieta said. The minister's "big role was to say yes or no." More often than not, the answer was yes.

Established in the 1930s under a military-dominated government, the ministry "was in no way intended to produce policy, guidance, or strategic thinking in defense," said Miguel Navarro, a professor at the National Academy of Political and Strategic Studies, a graduate school and research center administered by the ministry. There was no law establishing the ministry—only

a series of presidential decrees that defined its narrow responsibility to support the military.

“The minister of national defense didn’t have staff to work on political issues that had come up since the 1930s,” said Julio Soto, a retired army colonel who served as an adviser at the ministry from 1998 to 2005. Those new issues included “peacekeeping operations, budgeting, international defense relations, defense policy, and reforms regarding compulsory military service.”

“What we had was a ministry that was organized to *administer* defense but not to *conduct* defense,” said Rodrigo Atria, a civilian who joined the ministry in 1995 as an adviser. The ministry dealt mainly with day-to-day financial and administrative tasks, such as pension payments, retirement paperwork, and the processing of promotions. It could approve or reject spending requests, but in practice, officials exercised little scrutiny because few ministry staff had the experience and knowledge necessary to understand the military’s planning documents. Without a clear defense policy to guide the minister or top officers in how to best expend state resources on the armed forces, there was only an illusion of control.

“The military made decisions about development projects themselves,” said Hernán Mardones, a general who served as the army’s chief of operations in 2010. “They arranged to do what they had to do. The ministers would approve these projects and sign the necessary papers to carry them out.”

Soto said politicians generally ignored defense considerations. “Until the 1990s, military issues were a problem for the military,” he said. “Political elites and the Congress didn’t care.”

The ministry had been divided into undersecretariats, each responsible for the administrative needs of a particular service branch and each led by an undersecretary appointed by the president. The army, navy, and air force each had a corresponding undersecretariat. Civilian

observers thought the arrangement was inefficient and that it contributed to the isolation of each service branch from the others. Two additional undersecretariats within the ministry oversaw the national police force and the investigative police, but by 2010, the Ministry of the Interior and Public Security was taking over those responsibilities.

Unlike in many other countries, Chile’s Ministry of National Defense had no authority to promote cooperation between the army, navy, and air force. The United States and western European countries had developed reforms to prioritize jointness between their service branches. The term *jointness*, commonly used in many countries, referred to cooperation between service branches in all military processes, including research, planning, training, and operations. Jointness increased the efficiency of military operations and the ability of the services to work together in an armed conflict.

The three branches of the Chilean military jealously guarded their own resources and resisted attempts by other authorities to control their planning and force development. “Nobody wanted anyone else to know what they were doing in their branch,” Mardones said. “Without a doubt, this was not a very effective way to intelligently develop a joint force.” Each branch had a four-star general or admiral as commander in chief—a position with a high degree of power, autonomy, and social prestige.

Although a National Defense Staff reporting to the minister of national defense was responsible for developing joint plans and coordinating joint operations involving more than one service, the staff had little power or influence. Staff leaders were military officers appointed by the three service branches and led by a three-star general or admiral on a two-year appointment as chief. The chief of the National Defense Staff was not permitted to issue orders to the commanders in chief, and neither the chief nor any other officer had command authority over

the armed forces in time of war. In addition, the chief of the National Defense Staff had no control over who worked for him, because the service branches appointed staff members. As a result, the service branches had little interest in the institution. “For many years, the National Defense Staff was made up of officers who were nearing their retirements,” Navarro said. “It was a pretty weak and powerless organization.”

Those who served as chiefs of the National Defense Staff had little incentive to press for action on sensitive matters such as jointness. Career ambitions often dictated a policy of inertia because after two years in the post, officers would either retire or return to their branches and fall under the authority of a new commander-in-chief.

### FRAMING A RESPONSE

The path toward the 2010 law that reformed Chile’s defense sector was long and winding, even though civilians had begun talking about changes at the Ministry of National Defense soon after the fall of the Pinochet government. “After the transition [from military rule], there was a change, with people coming in from the opposition,” Soto said. “Some of them were interested in defense issues and started to study them.”

In the early 1990s, successive ministers of national defense were beginning to hire small groups of civilian advisers. In 1997, the advisory team worked with military officers and other civilians to develop the first Book of National Defense. Rather than create an entirely new policy, the advisers sought to consolidate into one document the existing aspects of defense policy.

“We had a defense policy, but we didn’t have it in written terms,” Atria said. “That book is not actually the defense policy, but it was the first time officially, inside the government, there was a professional space for the armed forces and civilians to deal with military and defense topics.” The team also became the center for discussions regarding changes in the ministry’s structure, functions, and responsibilities.

The team quickly came to some basic conclusions. Congress had to pass a law establishing a policy function within the ministry: a restructured ministry should consist of two undersecretariats—one providing the missing policy function and the other consolidating the administrative functions of the existing Ministry of National Defense.

The small group of civilians began drafting potential legislation in the mid-1990s. “We worked on at least five different draft laws,” Atria said. “We were the horse that pulled the heavy cart of reform.”

At the time, however, significant reform was politically impossible. “The first two administrations in the transition did nothing about the Ministry of National Defense,” said a knowledgeable scholar who did not wish to be named. “As long as General Pinochet was there, it was not possible.” Although he left the presidency in 1990, Pinochet remained commander in chief of the army. He held the rare rank of five-star general and served in the position until 1998, when he was arrested on charges of human rights violations. The former president maintained a strong influence over the armed forces, and political leaders worried that confronting him could lead to renewed conflict between civilians and the military.

Pinochet’s departure from the political scene opened the door for action. “In 2001, the [President] Ricardo Lagos administration began to think about the organization of the Ministry of National Defense,” Navarro said. “There were several drafts by people who worked at the ministry that were not presented to Congress. They were discussed with the armed forces, which had an opportunity to present their views.”

By the 2000s, even some military leaders themselves said they had too much autonomy and were ready for change. “There’s nothing worse than not having clear guidance from the political level,” said Izurieta, the former army commander in chief.

Work on the fifth and final draft law to overhaul the ministry began in 2003, under then minister of national defense Michelle Bachelet, who later became president of Chile. Discussions about developing the legal language included about 10 people, said Felipe Illanes, a lawyer who was with the ministry and advised in the process. The deliberations involved the minister and undersecretaries, civilian advisers, and representatives of the National Defense Staff. That core drafting group consulted political party representatives and civilians in the broader defense policy community, including members of research groups and academic institutions.

The proposed bill expanded the minister's authority to include oversight of defense planning and assisting the president in commanding the armed forces and conducting defense operations during time of war or crisis. "We needed to transform the minister into a much more robust figure," Atria said.

The bill, which Minister of National Defense Jaime Ravinet submitted to Congress in 2005, proposed replacing the existing National Defense Staff with a Joint Staff, whose chief would have enhanced authority. "The new Joint Staff is defined as an advisory body to the minister, but it also has very important military functions," Atria said. The chief would be in charge of joint training exercises, two joint commands in northern and southern Chile, and troops used in international peacekeeping operations; would assist the minister in developing a joint strategy for the armed forces; and would advise the minister on budgeting and force development.

The chain of command became the most contentious issue, however, as Congress discussed the draft bill. The military service branch leaders were wary of creating a new authority that could diminish their autonomy. "The commanders in chief did not want an arrangement in which the chief of Joint Staff would be senior to them," said a knowledgeable scholar who did not wish to be named. After

suggestions by one of the service branch leaders, the Senate defense committee considered giving wartime command of the armed forces to one of the commanders in chief. Members of Congress ultimately dismissed the idea.

Such disagreements delayed passage of the law. "They had to withdraw the law to further study it in the ministry," Soto said. After discussions among ministry officials, military officers, and representatives of political parties, a compromise emerged. The final version of the bill stipulated a chief of Joint Staff who had command authority only when the president declared a state of war or crisis. The position replaced the chief of National Defense Staff. "In times of crisis or war, the chief of Joint Staff becomes the strategic commander—but only of the forces that are put under the chief according to previously devised war plans," Navarro said. In peacetime, the chief would conduct training operations with those joint forces. Chile's president had the authority to declare a state of crisis for as long as necessary without congressional approval.

"In times of peace, the chief doesn't command anything," Illanes said. "This was the agreement, and the commanders in chief accepted that." The heads of the service branches would provide forces for the chief of Joint Staff only under the specific conditions outlined in the law.

By 2009, the Bachelet administration had made the bill a priority and sought to pass it before the end of the president's term in 2010. Momentum thus grew, and negotiations among the political parties behind the scenes ensured that the bill would pass easily. On February 4, 2010, Congress unanimously approved the law.

That 2010 law created an Undersecretariat of Defense with policy responsibility and combined the ministry's three military branch undersecretariats into one Undersecretariat of the Armed Forces. "It gave the Ministry of National Defense the legal and material power to actually do its job as a ministry," Navarro said. "That's to

define policy, to define strategy, and to implement policy and strategy.”

Bachelet, who had been elected president in 2006, signed the bill just five weeks before her term ended. The incoming president, Sebastián Piñera, faced the task of implementing it.

## GETTING DOWN TO WORK

Although the 2010 law provided a road map for reorganizing the Ministry of National Defense, the Piñera administration faced putting into practice what was on paper. Successful implementation meant finding capable and dedicated people to fill top positions, overseeing the creation of new institutions, and—of critical importance—establishing an effective working relationship with skeptical leaders of the armed forces. Accomplishing those goals would not be easy: Piñera’s party lacked expertise in defense issues, Congress had not provided funding for the new institutions in the ministry, and scandals would force top ministry officials to resign.

### *Finding qualified leaders for the ministry*

Piñera’s choice to lead the ministry and manage implementation of the defense law was Ravinet, who was a member of the Christian Democratic Party, a centrist party allied with the left-leaning Concertación coalition. The selection surprised some observers given that the new president was the first from Chile’s right-leaning coalition to hold the position since the return of democracy in 1990. But Ravinet had solid credentials for the post: he had served as minister of national defense from 2004 to 2006 under President Lagos, and he had submitted the defense reform bill to Congress in 2005.

The president still had to name the two undersecretaries who would have hands-on responsibility for implementing reorganization of the ministry, and another surprise was in store. To head the new policy unit, the Undersecretariat of Defense, Piñera chose a quintessential military

man: Izurieta. A recently retired general, Izurieta had served from 2006 to 2010 as the army’s commander in chief—the most powerful position in the largest branch of the armed forces. He came from a well-known military family, and his father had also served as army commander in chief. Izurieta had met Piñera only twice before being offered the job, and his appointment was controversial because politicians, military officers, and other observers held differing views about whether a former military officer was a good choice to fill this important new civilian position.

Mardones, who was army head of operations at the time, said Izurieta’s appointment was well founded. “The new government started to look for an undersecretary of defense in Chile and found that General Izurieta had the necessary skills for the position,” he said. “The position and the performance of it were something totally new. They were now at the governmental level, whereas before they had been carried out by the military.”

A knowledgeable scholar described Izurieta’s appointment as “a step backward in civil–military relations, because we had been moving away from military men in the ministry.” However, he added, “Having said that, no one in the right wing would have been able to put together the undersecretariat.” He said that after two decades of left-leaning governments, Piñera’s coalition lacked candidates with experience working in the ministry.

Izurieta said his appointment reflected his qualifications and experience. “I was part of the discussion of the law, so I knew more or less what should be the task for this new Undersecretariat of Defense,” he said. “I thought it was something I had the knowledge, the capacity, and the will to do. But at the same time, I had some concerns. This was a position created for a politician, and I was a former commander in chief. I had finished my term just 15 days before. That could cause some problems; at least some people would not agree with that.”

Izurieta said Piñera dismissed those concerns. “He told me: ‘No, I’m the president. I decide who the right person for the position is.’”

Piñera’s choice for undersecretary of the armed forces, the post that would oversee the consolidation of administrative functions, was a more conventional political appointee: Alfonso Vargas, a stalwart of his own party. Vargas, a businessman, had served 16 years in the Senate, including experience on the Senate defense committee. Vargas became available to serve in the new government after losing his seat in the 2009 elections. “I was offered a choice between two positions: undersecretary of the Ministry of the Secretary General of the Presidency of the presidency or undersecretary of the armed forces in the Ministry of National Defense,” Vargas said. “Many people thought I would go to the office of the presidency because it does all the relations with the Congress. But I chose this one. The restructuring of the ministry was a challenge I wanted to be involved in.”

Piñera’s predecessor had made one important appointment related to the 2010 law. On February 5, 2010, the day after Congress passed the law and a little more than a month before Piñera took office, Bachelet named Christian Le Dantec to be the first chief of Joint Staff. Le Dantec, one of the army’s seniormost three-star generals, ended up playing a minor role in the defense reorganization because a massive earthquake forced him and other military commanders to turn their focus to disaster relief for much of the year.

#### *Building core capacity for the policy unit*

The new Undersecretariat of Defense had almost no resources available when Izurieta began work at the ministry in March 2010. “I needed to get an office, get computers, get at least some people to start working,” he said. Because Congress had passed the 2010 budget before it approved the law restructuring the Ministry of National Defense, the spending plan earmarked

no specific funding for the new office. “I was out of the national budget,” he said. “My first three days were with my suitcase in my hand, in the chair of a secretary behind a computer. . . . Nothing was prepared.”

“We began with a small group of advisers,” Izurieta said. He kept most of the small group of civilian policy counselors who had been with the ministry prior to 2010, including Atria and Illanes. The highest priority was to appoint the heads of four divisions, as required by the new law. The most important was the Division of Plans and Policies, which had the job of developing programs and procedures related to the development and use of force. The other divisions assessed military investment projects, coordinated international actions in the defense sector, and guided the development of the defense industry and defense technology.

Izurieta appointed four civilians—three of whom had military experience—to lead the divisions. Atria, the only one with no military background, headed the Division of Plans and Policies. The three other posts went to former officers with relevant graduate degrees. The head of the technological and industry development division, for example, had a PhD in engineering from the Massachusetts Institute of Technology.

Izurieta turned to his circle of contacts from his army career to fill other positions. “I called people I knew and trusted,” he recalled. The Joint Staff supplied officers who, prior to the 2010 restructuring, had worked on issues relevant to the undersecretariat’s policy work, such as planning and international affairs. “In the old structure of the ministry, these issues were under the responsibility of the National Defense Staff,” Illanes said. “They transferred to the Undersecretariat of Defense all of these issues, with the files and some of the people, too.”

The service branches also sent officers to serve two-year appointments as chiefs of departments, an arrangement that Illanes said led to a primacy of officers over civilians and limited

the growth of institutional knowledge and long-term experience in the undersecretariat. “That created a very uncomfortable situation because midlevel authorities were in fact military—either retired or active duty,” he said. And “every two years, you lose the people who were in charge, who know the job.”

However, Izurieta said active-duty officers were vital sources of knowledge in the organization. “Civilians need the technical advice of military personnel to make some decisions—especially in planning,” he said.

Because the national budget provided no funding and the 2010 defense law set no staffing parameters for the ministry beyond the undersecretaries and division heads, Izurieta had to fight to get the limited resources available to him. “The law defines four divisions,” he said. “Then you have almost World War III with the finance minister to get people to put into the four departments.” Izurieta petitioned the Ministry of Finance in person and had to justify his requests. “Why do you need a guy who is able to do a scenario and why do you need this, and why do you need to pay him this money?” And you have to explain: ‘If I don’t pay this much, I will not get the right guy.’”

An essential part of the undersecretariat’s work was the analysis of potential threats to national interests. “You need to produce what we call the actual panorama, to produce future, short-term, and middle-term scenarios,” Izurieta said. “What are the risks, what are the threats, what are the challenges from those scenarios, and then what are the real national goals and national interests? How are they challenged or threatened according to those scenarios? How are you going to protect them? Then you plan to use your capacities to protect them.”

Although the minister of national defense had final say over policy decisions, Izurieta controlled the day-to-day policy work. “The basic role of the Undersecretariat of Defense is an advisory role to the minister,” Navarro said. “The

one who makes the final decision is always the minister. . . . But [the undersecretariat] has to provide all the documents and all the suggestions so the minister can make the final decision.” In practice, the minister usually adopted the undersecretariat’s recommendations. “Ministers come and go; they are political appointees,” Navarro said. “The undersecretary of defense is the one who really runs the ministry.”

Izurieta’s tenacity helped him work through political storms that shook the top levels of the Ministry of National Defense. Ravinet, the first minister, resigned in January 2011 amid a political scandal involving the use of military funds to construct a bridge during the earthquake response.<sup>2</sup> Le Dantec, the chief of Joint Staff, also resigned that month because of the same scandal, along with criticism that he had arranged the purchase of an expensive official residence for his new position.

Izurieta said he endured political criticism because of his proximity to Ravinet. “All the people who were against Ravinet turned against me,” he said. The former general, not accustomed to the political spotlight, said he had initially turned in his resignation when Ravinet left office but later changed his mind for two reasons. First, he learned that Andrés Allamand, a former senator from the president’s party, would be the new minister. Izurieta knew Allamand well and trusted him. Second, he said, his departure could reflect badly on the army, in which he had spent most of his life. “Even against my will, I would stay to demonstrate that I was not going to fail,” he said. “Because the army is first, not me personally.”

#### *Recruiting more staff*

To build capacity in his undersecretariat, Izurieta had to abide by Chile’s strict civil service hiring procedures. Law required the ministry to solicit and review applications from active civil service workers before seeking other candidates. Izurieta said he spent six months fulfilling the

civil service requirement, even though he knew it was unlikely that officials working elsewhere in government would be qualified for jobs in the Undersecretariat of Defense.

Izurieta said relatively few people had the background and education for defense policy work. “Most of the universities are not interested in programs related to defense and security,” he said. “There is a small group of civilians that have enough capacity and preparation to work in these positions.” Some of those civilians had attended graduate programs in defense studies. (In 2015, the only such program in operation offered a master’s degree from the National Academy of Political and Strategic Studies, which was administered by the Ministry of National Defense. Bachelet, the former minister of national defense and president, had earned a degree from the academy.)

After failing to find qualified candidates from the existing pool of civil servants, Izurieta called for applications from the public. He hired 60 civilians to civil service positions in the undersecretariat. “Most of these people were ‘civilian’ civilians [without military background]—young people from the universities,” Illanes said. The ministry provided opportunities for qualified women to work in the defense sector, a field historically dominated by men. “I think we recruited good people in the undersecretariat, mostly women. . . . I’m very impressed by the quality of young female recruits.”

To bolster his staff, Izurieta also hired advisers and employees on one-year contracts. Some of the contractors served as advisers, and others held staff positions within the divisions. Contracting enabled the undersecretariat to fill staffing needs quickly. “If you join under contract, they can nominate whomever they want, but if you join a permanent slot, they have to call for an open competition,” Navarro said. Overall, the Ministry of National Defense employed more staff on short-term contacts than it hired to permanent posts, Navarro and Illanes said.

Some of those contacts went to former military personnel. “Retired officers received a pension, which is very good in Chile,” Illanes said. “Then they can accept a contract for a low income, which is probably impossible for some civilians. . . . If you want to recruit more-senior, more-experienced professionals, with our salaries it will be very difficult.”

Adding staff became easier in 2011 because the undersecretariat’s financial resources had increased. “The next year, I was in the budget,” Izurieta said. “Things were getting better.”

By the time Izurieta left the undersecretariat in 2014, the office had grown. After two public calls for applications, he hired about 70 people to permanent positions. Izurieta said that about 55 were civilians without military backgrounds, and the rest were former officers. Including contractors and heads of divisions, the undersecretariat employed about 180 people, most of whom were professional staff.

#### *Setting core policy responsibilities*

The undersecretariat’s Division of Plans and Policies became the heart of civilian-led policy planning. The chief of the division was Atria, the civilian adviser who had been part of the team that drafted the law. Atria had a PhD in political science from the University of Notre Dame in the United States, where he had studied civil–military relations.

Izurieta knew that Atria’s years of experience as an adviser to the minister of national defense, working closely with officers on defense issues, had given him a deep knowledge of the ministry and the armed forces. “He was a guy with a lot of experience who learned a lot from the military,” he said. “He was my best and most important adviser and collaborator. We worked as a team.”

When Atria took the post in 2010, he had limited resources at his disposal. He focused on planning and research that had been performed by military personnel. The former National Defense Staff, for instance, had been responsible

for projecting potential crisis scenarios that could require a military response. “International crisis is a political phenomenon, not a military one,” Atria said. The defense staff “should have a subsidiary role in this kind of task in a normal democratic institutional arrangement. When the state has to deal with crisis, the armed forces follow the rules of the game dictated by the civilian, democratic president.” Atria’s division began compiling crisis projections in 2011.

Atria brought in military officers who had worked on planning and war-gaming functions. Officers and civilians worked together in the division, but civilians were in charge of the teams. Atria continued to identify existing planning and policy processes and consolidate them, and he also developed new tasks. “For instance, this ministry doesn’t produce a joint plan for developing force capabilities,” Atria said in 2015. “The political body of the ministry, this undersecretariat, needs to command that function.”

As of 2015, Atria’s division had 18 staff members. Roughly half were civilians with no military background. Two were active-duty officers, and two were retired officers provided for the ministry by the armed forces and who were permitted to wear uniforms. The others were retired officers the ministry hired as civilians.

#### *Consolidating armed-services administration*

Vargas, the new undersecretary of the armed forces, faced a far different challenge when he took office in March 2010. The new law required him to merge the operations and staffing of three undersecretariats, each of which supported one branch of the military by administering payments, acquisitions, pensions, promotions, and similar tasks. In addition, all money going to the military had to pass through the new undersecretariat, and the 2010 law gave the new institution the responsibility to audit military acquisitions.

Special factors undermined Vargas’s efforts to combine the staffing of the three undersecretariats. In 2009, during Congress’s discussions about the bill restructuring the Ministry of National Defense, powerful civil service labor unions had won a commitment that the roughly 200 ministry employees working on one-year contracts would keep their jobs in the restructuring. This deal meant they would become permanent staff members at the ministry.

In addition, Vargas had 170 staffers provided by the armed forces and about 200 additional permanent civil servants who had been with the old undersecretariats. As a result, the new undersecretary had roughly 600 staffers whose terms of service he could not alter easily. The only positions he could directly appoint were the five heads of divisions within the undersecretariat. “I would like to have started out with fewer people, and you could do the work with fewer people,” Vargas said. “The problem is I had to work with all the staff who were already there.”

Dealing with job redundancy was a thorny challenge. Under the old structure, each undersecretariat employed workers responsible for almost identical tasks, such as delivering pension payments. To achieve the restructuring, Vargas and his team had to assign many staffers to new jobs that the staffers did not like. Of the 600 or so employees in his undersecretariat, about 100 filed complaints with the comptroller’s office about their new appointments, Vargas said, but the comptroller rejected all the complaints.

The 2010 law also assigned the Undersecretariat of the Armed Forces new responsibilities related to military funding. “Prior to the law, the armed services discussed individually with the Ministry of Economy their annual budgets or other types of budgets,” Vargas said. After the law took effect, the service branches discussed their budget requests with Vargas and his staff, and then Vargas would take his needs to the Ministry of Economy. “So this

undersecretariat is managing the budget,” he said. “In the end, it is under the control of the ministry.”

To foster consensus on spending questions, Vargas said he created an advisory council to enlist all three service branches in procurement decisions. “The undersecretaries, the minister, and the commanders in chief, we all got together once we decided to buy something, and we would approve it together,” he said. “Each commander in chief could give a point of view.”

Vargas also oversaw the introduction of an auditing process to evaluate military spending. He said those audits were done randomly and that a small number of staff members performed them. During Vargas’s time at the undersecretariat from 2010 to 2014, the capacity of that auditing function was limited.

While all of that was going on, Vargas, a civilian with no military experience, was developing relationships with armed forces leaders. He required that a senior officer from each branch serve as a liaison between himself and the head of each branch of the armed forces. “After a few months, I was in direct contact with the commanders in chief, with the chief of Joint Staff, and with the finance chiefs” of the branches, Vargas said.

#### *Establishing the role of the chief of Joint Staff*

Under the 2010 law, the chief of Joint Staff was responsible for planning the strategic use of Chile’s military resources to achieve the goals developed by the civilian leaders of the ministry. Although the chief of Joint Staff advised the civilians in the Undersecretariat of Defense in their formulation of defense policy goals, the position’s primary responsibility involved translating those policy goals into strategic capabilities for the three service branches to develop in terms of deploying soldiers, weapons, and equipment.

The first person to hold the position, Le Dantec, resigned after a year, and responsibility

for developing the role fell to his successor, three-star general Mardones. “When I was named chief of Joint Staff, the two things I had to do at the beginning were organize the Joint Staff in accordance with the new law and formulate strategic planning for the armed forces in the powers of the new position,” Mardones said.

The 2010 law also provided the chief of Joint Staff with a very important power, but one that would be used rarely, if ever. If the president declared a state of war or national crisis, the chief had command authority over all other officers in the armed forces. The chief took orders only from the president and the minister of national defense.

During peacetime, the chief of Joint Staff had no direct command authority over the service branches. Although Mardones could present strategic plans to the armed forces, orders had to come from the minister of national defense or the president. The chief’s military authority was limited to about 240 personnel in the two joint commands in northern and southern Chile, and roughly 1,000 peacekeeping troops in Haiti, Bosnia and Herzegovina, Cyprus, and Kosovo.

The Joint Staff had very little power to procure military resources, which further complicated the job. Troops, weapons, and equipment were under the control of the service branches, which sometimes resisted Joint Staff requests to contribute to joint training exercises. Mardones said his lack of control over funding and resources made it more difficult to exercise his authority.

In addition, Mardones could not choose the people who worked for the Joint Staff. The institutional structure of the Joint Staff remained unchanged from its predecessor, the National Defense Staff. The three service branches each assigned officers, noncommissioned officers, and civilian employees from the branches’ staffs to the existing positions under the Joint Staff in Santiago, and to the joint commands in Iquique, in Chile’s north, and Punta Arenas, in the south.

The policy created problems related to staff qualification and turnover. Although some appointees were capable officers, others came to the Joint Staff office to serve out the final months of their careers or wait for new assignments. “There were members of staff who left after serving for four or five months in the Joint Staff and were appointed somewhere else in their branch,” Mardones said. “Then they would send another five new officers who within five months would be commissioned to serve in other countries or given leadership of a unit. I got to meet a lot of new people.”

To fortify his personal credibility and establish his relevance as chief of Joint Staff, Mardones had to earn the trust of the leading officers in the military, many of whom were wary of a new institution’s infringement on their historical privileges. “When I was appointed chief, I decided I had to behave more diplomatically than militarily,” he said. “The commanders in chief of each of the branches of the armed forces were not very convinced of the necessity of this new position in the area of defense. So I had to be very careful in the way I conducted myself.”

Mardones retired from the position in 2013, ending his military career. Piñera appointed navy vice admiral José Romero Aguirre to take his place.

## OVERCOMING OBSTACLES

In 2011, the first public test of the new Undersecretariat of Defense ended in failure after Piñera called on the new policy unit to develop a unified national strategy that encompassed not only defense but also internal security issues such as drug trafficking, arms trafficking, piracy, and organized crime. Piñera had made a campaign promise to produce such an all-inclusive document covering that strategy and those issues, even though Chilean law did not require the administration to do so.

Izurieta, head of the undersecretariat, and Atria, head of the Division of Plans and Policies, took on the job of trying to formulate what became known as the 2012 National Security and Defense Strategy. In retrospect, they and other observers said the project was doomed from the beginning. “We had never done this. It was a very complicated thing,” Izurieta said, adding that his undersecretariat was well placed to develop a *national defense strategy* but not suited for producing a *security strategy* encompassing nondefense issues. “A huge [broad security] strategy like that should be done with a special group,” he said. “It should be initiated with a document signed by the president that says we are going to do these big main things, and everyone should cooperate with this.”

Because the project had been assigned to a single ministry, Izurieta said, other ministries said they felt little need to get involved. He said his staff formed working groups with representatives of other ministries to help draft the plan, but broader support was thin—especially among the ministers themselves.

It was “a good idea very badly performed as a political undertaking,” said Atria. Although Atria expressed pride in the “very serious work” his division had done to produce the strategy, he agreed that the project should have been a joint effort by several ministries whose responsibilities and authority overlapped in key areas. “The idea was to have this document to orient, to organize, to coordinate all the security tasks in the state,” he said. “In a way, we were putting ourselves above all the ministers.”

“Piñera presented the first version of it at a huge event at the presidential palace,” Navarro said. “Immediately it fell under heavy criticism.”

The strategy focused too much on specific defense capabilities and the material needs of the armed forces and too little on Chile’s broader strategic needs and aspirations, former adviser Soto said. “The first draft said we need a fixed number of mechanized infantry companies and

land attack helicopters and a force of at least six submarines,” Soto said. “For what? What do I want to achieve with that?” He said the document should have focused on countering specific threats and developing the capabilities needed to support cooperation with other states.

Izurietta had tried to de-emphasize specific military requirements in various drafts, but leaders of the three service branches wanted to include such details as the number of submarines. “They felt that anything that wasn’t in here they would never get,” he said.

Observers had other concerns. “It seemed to some people, but not to me, that they wanted to employ the armed forces for internal security issues,” Navarro said. “That was not very clear.”

The document inadequately addressed emerging threats such as cyberwarfare and emerging weapons technologies, said Juan Pablo Rosso of the Defense Research Center, an independent research group.

Even though no legislative approval was required, Piñera submitted the strategy document to the Senate—the upper house of Congress—in August 2012, citing a constitutional provision that allowed him to ask the Senate for advice on certain issues. The last time a president has used the provision was in the 1940s, Navarro said. Observers interpreted the maneuver as a way Piñera could avoid conflict within his administration by putting the issue in the hands of legislators. “There was no reason at all to send this to the Senate,” Izurietta said.

Piñera’s move had political consequences. Allamand, the minister of national defense, was planning to seek the presidency in 2014, and because the document was associated with Allamand, criticism by the left-wing opposition in Congress could weaken his candidacy. “Piñera insisted on going to the Congress,” Izurietta said. “The opposition saw in this a great opportunity to kick a presidential candidate.”

Amid the controversy, Piñera eventually pulled back the document. “The president was so

desperate, he told Congress it was just a draft and he would later send the final version,” Izurietta said. “You cannot send a draft to Congress! . . . I was so upset, so angry. I had worked so hard.”

“For a draft to have been presented in such an open way and distributed to all of our embassies abroad . . . that was a real fiasco,” Navarro said. The administration later sent a revised draft to Congress, but the legislature took no action. “The Senate never produced an opinion,” Navarro said in 2015. “It’s still there in a kind of legal limbo.”

“This document is dead,” said Atria, also speaking in 2015. The experience demonstrated that Chile was not yet ready to produce a broad national security strategy, he said. Too many issues both large and small remained unresolved, ranging from proper use of the military in emergency situations to the role Chile wished to play in the South Pacific. “These are the questions we need to deal with before trying to write another kind of overstretched document to deal with a whole bunch of state security issues,” he said. “It was too ambitious at a bad time.”

## ASSESSING RESULTS

The reform of the Ministry of National Defense was a significant step in Chile’s lengthy and difficult transition from military rule. “For the first time in history, we have the complete political planning of defense,” Izurietta said in 2015. “We did a lot of things with very few people, with a government that was not interested in the issue. Now all policies are produced in the Undersecretariat of Defense.” The military needed guidance, and “now the ministry has the capacity to provide that guidance,” he said.

“Each branch for the past 200 years developed its force according to its own view,” Illanes said. “They just recognized one limit: we don’t have the money, and we need to obtain money from the politicians.” The new structure changed the planning relationship between the armed forces and civilian government. “It’s

completely impossible for an armed forces plan to be produced autonomously,” he added.

“The Ministry of National Defense changed from being an *administrator* of defense to a ministry that *conducted* defense,” Mardones said. “The ministry started to do what it had to do as a ministry, and not what the armed forces wanted it to do.”

The Undersecretariat of Defense created policies that the ministry had not been capable of producing prior to the 2010 law. Those policies either would have been the province of the military or would not have existed at all. “We created policies for peacekeeping, for relations with the South Pacific, with the Antarctic, with neighboring countries, with South America, with the European Union,” Izurieta said. “We organized a system to evaluate all the projects in defense and the system to give priority to them and to detail the cost of every project not only in its procurement but also during its lifetime in maintenance and operations.”

Bachelet, who returned to the presidency in 2014, continued the process of making the Ministry of National Defense a civilian-led institution by removing military and most ex-military appointees from the top three levels: the minister, the undersecretaries, and the division heads. The left-leaning government “got rid of most of them,” Navarro said. “There are former military personnel as civil servants, but only one or two second-line political appointees who had been retained because of their expertise in certain crucial areas.”

The Undersecretariat of Defense benefited from a core group of experienced civilian staff. “When we changed from the first term of Michele Bachelet to Sebastián Piñera, they kept the key people in the ministry,” including Atria and Illanes, Soto said. “They then spent four years working on implementation of the undersecretariat” and stayed on through the transition to the second Bachelet administration. “They know the work.”

The effectiveness of the chief of Joint Staff position from 2010 to 2014 was not as clear. On the plus side, the office was able to conduct new training operations and contribute to the efforts of the Ministry of National Defense to develop strategies and strategic goals.

The service branches developed great respect for the Joint Staff, Navarro said, which resulted in the appointment of very capable personnel. “The whole organization is much more powerful,” Navarro said. “The criteria for sending people there from the armed forces changed dramatically. Before, they were sending people they didn’t want to have in the services. Now they are sending the best officers there because they realize that the power is there.”

However, because of the compromises included in the 2010 law, the service branches remained independent and were not subject to a unified command during peacetime. That concern motivated members of the second Bachelet administration to explore further changes to the position, including the potential awarding of a fourth star to the chief of Joint Staff and possible peacetime command authority. A fourth star would put the chief of Joint Staff “on the same level as the commanders in chief,” said Andrés Avendaño, an army general who served as chief of National Defense Staff until 2010. “The chief of Joint Staff must be first at the table of equals.”

The lack of a fourth star made the job more difficult. “The chief of Joint Staff does what he has to do by law,” Mardones said. “But the other commanders, as a result of our military culture, consider him a less senior general. Because at the end of the day, he’s still a three-star general who belongs to his branch and holds his original rank in that branch.”

In 2015, Illanes said the administration of Bachelet, who returned to the presidency in 2014, was drafting a law to give to the chief of Joint Staff the operational command of the armed forces—even in peacetime. Such a direct chain of command was a necessary step for any modern

military, Atria said. “At any time—in peace, crisis, or war—the idea is that whenever a piece of force is going to be used, it will be used under a joint orientation and under the command of the chief of Joint Staff,” he said. “This is the way all developed countries deal with the problem of operational forces.”

The position needed more peacetime command authority, Avendaño said. “To operate in a crisis, you have to be able to train in peacetime to prepare,” he said. “If you take command when the crisis starts, it’s too late. The position has to have powers during peacetime to coordinate the forces, to train them, and to require that the institutions develop needed capabilities.”

Avendaño suggested changing the position’s title as well, because *chief of staff* connoted an administrative position in Chile’s military. “If you want the chief of Joint Staff to be the strategic commander of the forces, the position must not be called *chief of staff*,” said. “It has to be called *commander of the joint armed forces*.”

## REFLECTIONS

The restructuring of Chile’s Ministry of National Defense relied on several key conditions. First, civilian leaders and military officers had to trust each other. After the 1973 coup and 17 years of military rule under Augusto Pinochet, trust returned slowly. Pinochet’s lingering shadow over national life made institutional reforms difficult. By the mid-2000s, things had changed: The courts had tried and convicted officers for crimes committed under military rule. A new generation of officers had taken leadership roles and was more accepting of civilian authority. That trust prepared civilians and military officers to discuss institutional reforms that would give civilians the lead in defense policy formulation.

Second, the reorganization of the Ministry of National Defense was part of a gradual process that involved earlier reforms to civil–military

relations. From 1990 to 2010, the political privileges and protections of military leadership had been rolled back. Some of the steps were dramatic, involving institutional changes that were very visible to the public or the imprisonment of high-profile figures from the military regime. Because restructuring of the defense ministry was not an issue that stirred Chilean voters’ interest, support had to build slowly within the ministry itself and among politicians.

The Chilean experience demonstrated the importance of building a broad coalition for ministry of defense reform. “Involve all the political parties,” said Miguel Navarro, a professor at the National Academy of Political and Strategic Studies. “Not just a few of them.” In Chile, left-leaning governments led the drafting of the law, and a conservative government became responsible for implementing it. When all parties feel a sense of ownership, a reform agenda can survive shifting political winds.

The same kind of thinking applied to the involvement of the military in developing ministry of defense reform legislation. “Make them realize they will lose nothing and they could gain a lot,” Navarro said. “By modernizing the ministry of defense, you are not necessarily affecting the prerogatives of the military. You just increase the ability of the administration to lead defense.”

Felipe Illanes, an adviser at the policy-setting Undersecretariat of Defense, viewed the ministry as a facilitator of communication between the military and civilian officials. “Politicians talk in a very specific jargon,” he said. “It’s a language, ‘politician,’ . . . The military speaks in *operational* language. These are two different languages. We are translators. We listen to the politicians, and we speak in operations.”

Illanes said institutions in the military sphere will not function as intended unless civilians play active leadership roles. “The armed forces understand they have to act in a different way and accept political direction,” he said. “It’s the

ministry of defense that must say, “This is the force we want to have in the future.”

Juan Pablo Rosso of the Defense Research Center, an independent research group, said civilians must hold the leading policy positions in the ministry. “Defense is public policy. . . . A soldier is not trained to design policy; he is trained to implement it.”

Creating a well-functioning ministry of defense required civilians who had the knowledge and education to understand military matters. “You need enough qualified people to staff the new ministry of defense,” Navarro said. “True civilians, not former military personnel.” Knowledge of the technical aspects of military planning was vital for giving the military clear political guidance and reviewing operational plans produced by military officers.

Concerns about capacity applied to political appointees as well as lower-level staff. “You will have to have political appointees that should be able to exercise effective civilian leadership of defense,” Navarro said. Otherwise, “the weaknesses in their knowledge and ability to lead will be exposed. . . . The military will realize that its civilian leaders are not up to the task.”

In addition to knowledge and experience, the new institution required political will to function properly, Rosso said. “If the government, the president, and the Congress don’t have the will to empower the institution and push for effective civilian management of the military, then what we will have is a hollow shell.”

Rodrigo Atria, head of the Undersecretariat of Defense’s Division of Plans and Policies, said the civilian-led ministry had to stay ahead of new threats and developments to be effective in defense policy. “Policy is a proactive game,” he said. “It is not a waiting game. Of course, you have to be realistic, but you also have to be bold. That mix between realism and ambition makes policy.”

## EPILOGUE

In 2015, Marcos Robledo, Izurieta’s successor as undersecretary of defense, sat in his office in a building near the presidential palace in Santiago, amid sounds of renovation and the smell of fresh paint. Although he was a civilian with no military background, he had a long history of work in the Ministry of National Defense.

Robledo’s office was one of the first to move from a dark, tall, imposing building that housed the organization during the Pinochet era back to the ministry’s elegant original home in the center of the capital. The last civilian minister of defense before the Pinochet era, Orlando Letelier, had occupied the same space until the 1973 coup that ousted President Salvador Allende. Letelier fled the country, but Pinochet’s secret police assassinated him in Washington, D.C., in 1976.

Robledo and his colleagues represented a new era. The civilians had returned.

<sup>1</sup>SIPRI Military Expenditure Database; [http://www.sipri.org/research/armaments/milex/milex\\_database](http://www.sipri.org/research/armaments/milex/milex_database).

<sup>2</sup>“Chile’s Defense Minister Resigns from Cabinet,” MercoPress, January 14, 2011; <http://en.mercopress.com/2011/01/14/chile-s-defense-minister-resigns-from-cabinet>.



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