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TAGS: [PGOV](#) [PHUM](#) [PINR](#) [PREL](#) [SOCI](#) [CI](#)
SUBJECT: INDIGENOUS RIGHTS, SOCIAL ISSUES, ENERGY SHORTAGES
ON MIND OF SEGPRES MINISTER

Classified By: E/Pol Counselor Juan A. Alsace for reasons 1.5 (b)
and (d).

Summary

¶1. (C) Secretariat General of the Presidency Minister Viera Gallo told the Ambassador January 30 that the GOC - and Chilean society - are only belatedly taking seriously a growing problem with Chile's indigenous (largely Mapuche) population, which has never been fully integrated and is becoming increasingly radicalized. Mapuche alienation and protest activity could impact on issues such as terrorism, energy, and development in environmentally sensitive regions. Chile's energy shortage was the country's "biggest problem" in the near term, although Chile was also struggling with issues arising out of modernization and globalization, with youth and women seeking their place in an evolving Chilean society. End summary.

¶2. (U) Ambassador Simons paid a courtesy call January 30 on Minister of the Secretariat General of the Presidency (SEGPRES) Jose Antonio Viera-Gallo, whose ministry is responsible for coordinating relations between the Presidency

and three sets of key political actors: the four parties of the center-left governing Concertacion coalition, the center-right opposition, and the Congress. The Ambassador was accompanied by E/Pol Counselor.

An Increasingly Vocal Indigenous Population

¶3. (C) After opening pleasantries - Viera Gallo noted that since Chile's return to democracy relations with the U.S. have been very good across the board - the Minister was briefly interrupted by two phone calls. The second was from President Bachelet and the short conversation (topic unclear) was notable for its formality, with no apparent warmth, (Comment: This tracks with the common view that Veira-Gallo, a political operative, was brought into the cabinet as a "fixer" and not because he is in Bachelet's inner circle.) The first call was from Archbishop Goic, who has been serving as an intermediary between the GOC and hunger-striker Patricia Troncoso, who has been protesting her incarceration, the result of her involvement in the torching of a rural farm, located on land that the Mapuche indigenous population claim was stolen from them. The accord has been front page news and the government has taken some heat for bowing to Troncoso's demands, but also for failing to take seriously the "Mapuche issue." As a result, Bachelet recently named a "Presidential Commissioner" to head a panel to review how the GOC is dealing with the long-simmering complaints of the indigenous population (septel).

¶4. (C) Viera-Gallo agreed with E/Pol Counselor that the issue cut across several lines, including terrorism, energy, and development. The Minister noted that several Mapuche had ties to the Basques, including possibly to the ETA. They are involved in protests against construction of dams that would produce hydro-electric power, impacting Chile's energy needs. Mapuche are linked to NGO's opposed to development in lands both claimed by the Mapuche and which are also environmentally sensitive. Nonetheless, Viera-Gallo continued, the Mapuche have legitimate concerns. Both moderates and extremists, with some justification, view themselves as having been "mistreated by Chile." While essentially a conservative people ("they vote for the right") they also have respect for the environment and are a matriarchical society. Many are well-educated with strong ties to similar indigenous or ethnic groups, including in Europe. There is developing a significant divide between young, more radical Mapuche, and older leaders who have demands but will accept accommodation within the Chilean

state. The younger leadership seeks a separate Mapuche entity.

¶5. (C) Viera-Gallo, who clearly evidenced sympathy for the Mapuche, said they had not been integrated "at all" into Chilean society. Chileans, especially the upper class which identifies with Chile's European pretensions, have to accept that the Mapuche, and other smaller indigenous groups, are also a part of Chile's make-up. The Mapuche have made some inroads in this respect, reaching out successfully to younger non-Mapuche Chileans sympathetic to their cause. The Catholic Church is also increasingly involved with indigenous concerns.

An Energy Deficit

¶6. (SBU) Viera-Gallo didn't hesitate when asked by the Ambassador to enumerate the administration's challenges: "Energy is our biggest problem." Domestic production and supply from outside sources, such as Argentina, have not kept pace with surging economic growth. Chile will face "serious restrictions" in the upcoming winter months. Construction of dams (hydro) is critical but faces obstacles from indigenous and environmental groups. The potential for developing geothermal power in Chile's north ("we are talking to the Italians") is also hostage to indigenous groups in that region, who are concerned about associated water rights and shortages. Viera-Gallo said prospects would improve in 2009, when LNG plant facilities would come on line. The Ambassador noted that President Bachelet had asked him, at presentation of credentials, to find ways to enhance U.S.-Chile cooperation on energy. He had met across a wide range of private and public energy experts and policymakers during his first six weeks in country and would return to Washington in February to work on next steps.

The Challenge of Modernization

¶7. (SBU) Turning to other challenges facing Chile, a reflective Viera-Gallo worried about disaffected youth disengaged from politics, "fatigued" with parliament and political parties, although he stressed this was not yet a crisis. Still, Chileans generally were dealing with the cultural dislocations attendant on modernization, including rampant consumerism ("the mall culture") and a sense that

life was overly complicated. Yet all Chileans felt they they had to adapt and keep up, he continued, noting that in his visits to rural areas, he was struck by the modern appliances found even in the most humble homes. Educational levels were on the increase with more college students, but job prospects for those with university degrees poor ("PhD's driving taxis"). Women are also facing change; as they are increasingly educated they are leaving rural areas behind, seeking jobs in urban areas. Chile is also welcoming foreign labor for the first time in its history, with large numbers of Peruvians entering the agricultural labor force. These changes are fearful for many in Chilean society. The Ambassador noted that U.S. society continues to face many of the same challenges Viera-Gallo had outlined.

HDTV, IPR, Loss of Majority

¶8. (SBU) The Ambassador noted pending intellectual property legislation in the Chilean Senate, adding that the Embassy continued to work closely with the GOC and USTR to find ways to address our concerns with the proposed law. He also made a pitch for ATSC, the U.S.-backed digital television standard, noting the lower cost for Chilean consumers. Viera-Gallo agreed it was important for the GOC to make the right choice on digital TV. Asked whether the loss of the governing coalition's working majority in both houses of parliament would affect the administration's ability to pursue its agenda, Viera-Gallo shrugged: "It's not really a problem; Concertacion has rarely had a majority but still worked solutions."

¶9. (U) Bio Note: Viera-Gallo said he had two daughters living in Brooklyn. The first, thirty years old, is an artist, married to an architect. She has a studio and has exhibited in New York, Los Angeles, and Chile. The second, younger, is a writer, recently divorced from a well known Chilean artist (Ivan Navarro) who, Viera-Gallo lamented jokingly, is "making it big" after the divorce.

Comment

¶10. (C) That much of the meeting was devoted to the Mapuche issue is evidence that Chile, which has long ignored its indigenous population, cannot escape dealing with yet another offshoot of globalization, in this case the rising awareness of the Mapuche that their concerns are similar to those of

other indigenous or ethnic minority groups, are at least as legitimate, and need be addressed by the government. The danger lies in radicalization of the issue, potential ties to extremist or even terrorist groups, and the use of violence to push an agenda. Post will be following this issue closely in the near term, including proposing how the USG might be of

assistance to the GOC both through intelligence sharing but also promoting dialogue and finding solutions. End comment.
SIMONS