



By: **Andrés Velasco**

Being an old-style conservative president of Chile comes with costs



When the conservative José Antonio Kast became president of Chile six months ago, the big question was whether he would be a pugnacious **populist like US President Donald Trump** or an unexpectedly pragmatic operator like Italian Prime Minister Giorgia Meloni.

He has been neither. Instead, he most resembles former UK Prime Ministers Keir Starmer and Theresa May, which is to say he has been boring.

Far from an insult, this is how Kast and his team describe themselves. His chief of staff is reported to have said, “This is the government of the boring—we dress boringly, we speak boringly, we reply boringly.”

Some of their boring choices have been welcome. During the campaign, Kast made noises about governing by decree if Congress did not do his bidding.

But like his left-wing predecessor, Gabriel Boric, and unlike many of his friends on the Latin American far right, Kast has played by the rules of the democratic game.

Kast had also hinted at a culture war, insisting, for example, that the trans woman who starred in the first Chilean film to win an Oscar is a man.

But since taking office, he has toned down his anti-woke rhetoric, perhaps because polls show that it is not what Chileans want.

The Economist’s choice to place Kast in the middle of a **Trumpy wave** supposedly washing over Latin America was not correct.

Old-style conservative

Chile’s new president is boring precisely because he is more of an old-style conservative than a new-style Trump wannabe.

Though his anti-immigrant tirades occasionally make him sound like Mr. ICE, the rest of his approach owes more to Francisco

Franco or Milton Friedman than to his US counterpart.

For the last half-century, and especially during General Augusto Pinochet’s dictatorship, the Chilean right has been an uneasy mix of conservative Catholicism and free-market economics.

Sebastián Piñera, the Harvard-educated self-made billionaire who legalized gay marriage, tried to craft a more liberal right during his presidencies (2010–14 and 2018–22). Kast’s rise marks a return to the earlier tradition.

Trumpian tariffs and handouts are not Kast’s thing

Skeptical of contraception, he and his wife of 35 years have nine children. Although they could afford a big house, they have chosen, in a show of austerity, to live in a small flat within the 18th-century La Moneda palace—something no Chilean president had done since the 1950s.

Moreover, Trumpian tariffs and handouts are not Kast’s thing. He never showed much interest in economics during his 16 years as a congressman, and he has since delegated economic policy to a finance minister whose faith in tax cuts as a cure-all rivals that of Ronald Reagan.

Together, they have managed to push through an ambitious tax reform bill that lowers the corporate tax rate to 23% and freezes the tax burden on large investments for as long as 20 years.

Fight against crime and gangs

In fact, Kast is an heir to the same Latin American conservative tradition as former Argentine President Carlos Menem and former Peruvian President Alberto Fujimori: that of campaigning on one set of promises and delivering something else once in office.

As a candidate, Kast repeatedly vowed to

deport more than 300,000 of Chile's undocumented migrants on his "first day" in office.

Yet in May, barely two months into his term, he declared that he had been misunderstood, and that his deportation vow was only a "metaphor" (later changed to "hyperbole").

But the biggest surprise involves the fight against crime and gangs, the big promise that propelled him to the presidency.

He fired his first security minister after she admitted that the government did not have an anti-crime plan.

Now, her successor has announced a broad set of legal reforms that will take some time to work their way through Congress, and which will likely come out much-changed.

The tough talk has yet to lead to tough actions. Even Chile's membership in Trump's "**Shield of the Americas**" was little more than a Miami photo-op.



If Chile does grow faster in 2027-28, it will be thanks to old-fashioned good luck more than old-fashioned Friedman-Reagan policies - Copper Industry

Kast has also conveniently downgraded his promise to slash \$6 billion from the country's budget.

Though his finance minister made some cuts, these amount to a small fraction of what was promised.

Now, the combination of tax cuts and largely unchanged spending has raised concerns

among financial analysts.

Both Chile's autonomous fiscal council and the ratings agency **Fitch** have warned that the fiscal deficit will widen, debt will grow, and Kast will likely miss his own self-imposed fiscal targets.

If financial markets take fright and push up the interest rate they demand on Chilean public debt, that will also raise borrowing costs for businesses, potentially offsetting the expansionary effect of the tax cuts and putting a brake on Chile's growth.

If Chile does grow faster in 2027-28, it will be thanks to old-fashioned good luck more than old-fashioned Friedman-Reagan policies.

Kast's approach

The global trend toward electrification keeps pushing up the price of copper—of which Chile is the world's largest producer—and creating opportunities in lithium and other critical minerals that the country has the potential to produce.

A boring approach to politics comes with its own costs. Since Kast did not take the time to explain to citizens what his tax cuts are supposed to accomplish, the left-wing opposition has succeeded in depicting it as a sop to the rich.

His approval rating is around 35%.

Chile is still producing plenty of applicants for the role of Trumpiest politician in the land

One of Chile's shrewdest analysts has warned that Kast's approach amounts to a "refusal to compete" in the political arena.

Meanwhile, Chile is still producing plenty of applicants for the role of Trumpiest politician in the land.

The leading one is Franco Parisi, a Rolex-wearing, Porsche-driving uber-populist in the mold of new Colombian President Abelardo de la Espriella.

If Kast underperforms, Parisi—who finished third in the 2025 presidential election—will pounce, and that will be anything but boring.

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