

The Right and Work-Family Policies: The Expansion of Maternity Leave under the Piñera Administration

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DOCUMENTO DE TRABAJO ICSO – N° 58 / 2019

Santiago, Agosto 2019

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Abstract

Under the right-of-center administration of Sebastián Piñera (2010-2014), work-family policies experienced a significant expansion, both in terms of coverage and allocation of public resources. The government sought to improve children's care, to expand coverage of maternity leave, and to increase co-responsibility and conciliation. Consequently, it extended state-funded postnatal leave from 12 to 24 weeks. Mothers can decide to transfer up to 6 weeks of leave to the father. Most women receive their full salaries under maternity leave. Chile offers a unique opportunity to study the context in which right-of-center parties and governments expand work-family policies. Taking insights from the comparative social policy literature, this paper explains the expansion of maternity leave under this right-of-center administration. It argues that two explanatory factors are crucial to understand the extension of maternity leave. First, there was a process of strategic adaptation to increased electoral competition. Second, cost-benefits calculations of policy-makers led them to conclude that maintaining the status quo was costly to the point that expanding work-family policies was a reasonable alternative.

Bajo la administración de centro-derecha de Sebastián Piñera (2010-2014), las políticas de trajofamilia experimentaron una expansión significativa, tanto en términos de cobertura como de asignación de recursos públicos. El gobierno buscó mejorar el cuidado de los niños, expandir los permisos postnatales e incrementar la corresponsabilidad y la conciliación. En consecuencia, extendió las licencias postnatales financiadas por el Estado de 12 a 24 semanas. Las madres pueden optar por transferir hasta 6 semanas de su licencia al padre. La mayor parte de las beneficiarias reciben su salario completo durante el goce de sus licencias posnatales. Chile ofrece una oportunidad única para estudiar el contexto en el que los partidos y gobiernos de centro derecha expanden las políticas de trabajo-familia. Tomando elementos de la política social comparada, este documento explica la expansión de las licencias maternales bajo esta administración de centro derecha. El trabajo sostiene que dos factores explicativos son cruciales para entender la extensión de las licencias maternales. En primer lugar, hubo un proceso de adaptación estratégica a una creciente competencia electoral. Segundo, los cálculos costo-beneficio de los tomadores de decisiones los llevaron a concluir que el costo de mantener el statu quo era lo suficientemente elevado como para que la expansión de las políticas de trabajo-familia fuese una alternativa razonable.

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Introduction

During the 1980s and 1990s, "trickle-down" economics and austerity measures spread across the region, although they were implemented to different degrees. A long period of social policy retrenchment began to take place.² Throughout Latin America, technocratic teams openly endorsed the monetarist orientation of free-market champions such as Milton Friedman, Arnold Harberger, Friedrich von Hayek, and Theodore Schultz. Because the market was assumed to be much more efficient than the state at allocating resources, it was theorized that the state should be only minimally involved in administering and delivering social programs. Gender policies were largely neglected, even after democratic transition, as technocrats considered these were "divisive" issues, that should be eluded in order to avoid potential conflicts (Montecinos, 2001, pág. 188).

Latin America entered a new phase of development in the early 2000s. The new millennium saw an extension of social policy coverage, the introduction of new or improved benefits, and increasing equality as social policies moved closer to universalism (Martínez Franzoni, 2016; Pribble, 2013). Expansive social policy took place in different sectors, including those related to gender and workfamily policies. Some scholars suggest that this expansion of social policy reflected the policy preferences of left-wing governments that favored redistribution and a movement towards more universal social policy solutions and instruments. In fact, "social justice has always been a central goal of the left, and it has motivated both the contestatory and the moderate left in contemporary Latin America" (Madrid, Hunter, & Weyland, 2010, p. 160). Moreover, "even within 'well-defined structural and institutional constraints', left governments are ideologically committed to improving social inequalities and expanding social citizenship rights" (Cook & Bazler, 2013, p. 4). When leftwing parties were relatively strong, social policy development was possible (Anria & Niedzwiecki, 2016; Huber, 2011; Huber & Stephens, 2012). The commodity boom of the 2000s provided left-wing governments with the necessary resources to finance social welfare expansion (Hagopian, 2016; Levitsky & Roberts, 2011; Roberts, 2008). In the realm of gender policies, the left has also been more willing than the right to respond to demands for gender equality (Blofield, Ewig, and Priscopo 2017). However, during this same period, a few right and center-right-wing governments also extended social policies in general and gender and work-family policies in particular. Chile offers a unique opportunity to study the context in which right-of-center parties and governments expand workfamily policies. Chilean President Sebastián Piñera extended maternity leave from 84 days to 12 weeks full-time and an additional 18 weeks part-time during his first administration (2010-2014). Taking insights from the comparative social policy literature, this paper explains the expansion of government-funded maternity leave under this right-of-center administration. It argues that a process of strategic adaptation to increased political competition and the policy-makers'

² Retrenchment refers to "the process of shifting social provision in a more residualist direction" (Pierson 1994:14). Residualism, in turn, was initially conceptualized by Richard Titmuss (1958). It could be understood as the belief that "social policy institutions should come into play only when other standard institutions of supply, the family and the market or selective social policy, do not fulfil the need. Residual benefits are granted after individual or familial means testing whereas truly universal benefits are allocated independent of both income and spending" (Anttonen and Sipilä, Varieties of Universalism 2014, 6).

perceptions on the cost of promoting an expansionary reform vis-à-vis maintaining the status quo are the key forces behind the expansion maternity leave.

The politics of the expansion of gender and work-family policies under right-of-center governments remains a relatively underexplored domain, particularly in Latin America. Moreover, aside from a few examples (Fairfield & Garay, 2017; Niedzwiecki & Pribble, 2017; Staab, 2017) the impact of Latin American right-of-center parties and governments on social policy expansion has not been address in the literature. We know very little about what leads right and center-right-wing parties and governments to expand gender and work-family policies and the type of policy outcomes that these parties and governments produce. The present research seeks to fill the vacuum in the existing literature by developing a theoretical framework to answer the following questions: Why and under what conditions do right-of-center governments and parties expand work-family policies? What are the main characteristics of new policies under right and center-right wing governments? What explanatory factors account for the scope and type of policies that right-of-center parties and governments adopt? In a nutshell, this paper develops an analytical framework that seeks to shed light on the scope and characteristics of social policy expansion under right-of-center governments and parties in Latin America, with a focus on the extension of maternity leave under the Piñera administration.

This paper is organized as follows. First, it offers a brief discussion of the comparative social policy literature that examines the politics of social policy expansion in Latin America since the 2000s. It then presents an analytical framework, introduces the hypotheses, and discusses the methodological strategy of this paper. In so doing, it emphasizes that electoral competition is a scope condition. In order words, right-of-center parties facing tight electoral competition will be willing to sacrifice their principles and ideals to survive. Electoral competition, in turns, leads parties to strategically adapt to the relative ideological positions of an opposing political party and the characteristics and issue preferences of the electorate that they want to win over. When deciding what policies to prioritize, right-of-center parties and governments will also take into consideration the fiscal and political costs of introducing an expansionary agenda vis-à-vis maintaining the status quo. Finally, it discusses the expansion of maternity leave under the first Piñera administration and apply the analytical framework developed here to explain the scope and characteristics of the reform adopted.

A Brief Discussion of the Literature

This section discusses the state of the art regarding expansion of social policy in Latin America and the next offers an analytical framework to examine the expansion of work-family policies under right-wing governments and parties. Latin American countries have exhibited remarkable advances in social policy since the 2000s. After a long period of social policy retrenchment and market-oriented policies beginning in the 1980s, social policy in most Latin American countries experienced

an expansionary phase during the 2000s. This social policy shift generated a growing literature that explains not only the causes of expansion but also differences in scope and achievement (see, for example, Ewig 2015; Garay 2016; Huber and Stephens 2012; Martínez Franzoni and Sánchez Ancochea 2016; Niedzwiecki 2018; Pribble 2013). The comparative social policy literature emphasizes that the existence of democratic regimes throughout the region had a positive impact on the expansion of social policy (Haggard & Kaufman, 2008; Huber & Stephens, 2012; Huber, Mustillo, & Stephens, 2008). In short, "democracy is one of the most important determinants of redistributive social policy" (Huber and Stephen, 2012: 3). Most analyses stress the relevance of several macro-explanatory factors to explaining variations among countries, while a few focus on changes at the subnational level.

In analyzing the causes of this social policy shift, part of this literature has emphasized the relevance of the "left turn" and the impact of the commodity boom (Anria and Niedzwiecki 2015; Huber 2011; Huber and Stephens 2012). In words of Huber and Stephens (2012), more often than not, left-wing parties "favor social programs that are redistributive and benefit the large majority of underprivileged citizens" (32). The commodity boom provided left-wing governments with the necessary resources to finance social welfare expansion (Hagopian, 2016; Kingstone, 2011; Levitsky & Roberts, 2011; Lustig, 2010; Roberts, 2008). Since most Latin American countries are net exporters of raw materials, the increasing prices and demand of commodities benefited Latin American economies. This is particularly true for 2003–2008, a period that ECLAC has called "Latin America's Six Golden Years" (*el sexenio de oro*), not only because of the patterns of growth and fiscal surplus but also because 41 million people left poverty (Montaño, 2011, pág. 15). According to this literature, this commodity boom had important political implications as the left turn coincided with a period of unprecedented prosperity.

These arguments present some shortcomings. First, as discussed above, since 2000, the fact that right-of-center governments expanded social policy contradicts the idea than the left turn accounts for expansionary social policy. Second, as Ocampo (2017) has suggested, not all Latin American governments benefitted from the commodity boom. In fact, most Central American nations, the Dominican Republic, Mexico, Paraguay and Uruguay did not benefit from the commodity boom in part because the increase of oil prices was much more marked than those of their export products (Ocampo, 2017). Most countries that did not benefit from the commodity boom, experienced, nonetheless, marked processes of social policy expansion.

Comparative social policy research also shows that the capacity of civil society organizations to influence policy has important implications for social policy change. The presence of civil society organizations and their ability to influence social policy has been well-documented in Latin America, particularly in the area of pensions (Castiglioni, 2005; Kay, 1998; Madrid, 2002). Case study research conducted in different Latin American countries has also suggested that social movements may have shaped the recent expansion of social policies. For example, analyzing the case of Bolivia, Anria and Niedzwiecki (2015: 309) show that "social movements have played a decisive role in achieving the

universal pension scheme by exercising direct agency." Similarly, Silva argues that in Bolivia and Ecuador mobilized indigenous groups facilitated the integration of indigenous people "into a system of substantive rights focused on expansive social policy" (Silva, 2015, pág. 35). In the same vein, Garay has also suggested that social policy expansion occurred in countries that experienced large-scale social mobilization from below (Garay 2016). Nonetheless, expansionary social policy occurred both in the wake of high levels of social mobilization and in the context of limited and even nonexistent mobilization.

Some also emphasize the relevance of policy legacies: previous policy choices influence present political processes, affecting not only the chances to introduce new and/or modify existing social policies but also the range of policy alternatives available for governments and parties. In this way, "policy legacies influence social policy reform by structuring the kinds of policy adjustments that are needed, and by empowering some organizations while weakening others" (Pribble 2013: 3). The comparative social policy literature has also stressed that institutional design and the emergence of stakeholders associated to the provision of public goods and services may make social policies hard to reverse (Dion, 2010, pág. 229; Ewig & Kay, 2011, p. 84; Pribble, 2013, págs. 40-43). Despite their strength, these rather structural factors are unable to explain why right-of center governments decide to engage in expansionary social policy.

Finally, in some social policy areas, it has been noted that diffusion was important. The literature debates the relevance of external pressure, normative imitation, rational learning or cognitive heuristics on diffusion of different policies (Osorio Gonnet, 2018; Weyland, 2005). In terms of social policy expansion, diffusion played an important role for conditional cash transfers (CCTs), even beyond Latin America. The first CCT programs were established in Mexico in 1997 and Brazil in 1998. Two decades later, as Morais de Sá e Silva (2017, pág. 21) notes, 47 CCT programs were present in 40 countries worldwide. However, diffusion did not take place in other policy areas. In health care, for example, despite some convergence towards equity, as Ewig (2016) has explained, there is still a significant variation of models and interventions. In other areas, such as care policies, diffusion has been virtually nil. In this way, diffusion seems to have a sectorial nature, as some polices have diffused but others have not.

Alternatively, some scholars stress the impact of electoral competition on social policy expansion. In political systems characterized by a high level of electoral competition, parties have more incentive to compete for new votes, either gaining the allegiance of broad sectors of society (Pribble 2013) or the electoral support of low-income voters (Fairfield and Garay 2017; Garay 2016). To put it bluntly, "electoral competition is what motivates politicians to support comprehensive reform" (Ewig, 2016, pág. 197). In this way, "parties facing intense electoral competition are more likely to pursue universalistic social policy reform that parties that face a weak opposition" (Pribble 2013: 176). Pribble (2013) also suggests that it is important to take into account not only the intensity of the competition but also the location of the primary competitor to anticipate the direction of a given reform. This might be a plausible explanation of why right-of-center governments decide to expand social policy. In a context of increasing electoral competition, right-wing parties might privilege vote seeking strategies, even if this means sacrificing their own policy preferences. In the next section, I will discuss these issues in more detail and unpack the impact of electoral competition.

Analytical Framework, Hypotheses and Methods

As discussed above, from the 2000s on, a few Latin American right-of-center governments expanded social policy, moving away from their own ethos. How can we explain this counterintuitive shift? Why and under what circumstances do right-of-center governments and parties introduce expansionary policies? What are the main characteristics of the social policies of the right? In order to answer these questions, and taking evidence from the expansion of maternity leave under the Piñera administration, I offer an analytical framework that takes insights from the comparative social policy literature of Latin America. It is also informed by the European literature on the welfare state and party politics, spatial competition, and right-wing parties to study the scope and type of social policy expansion of right-of-center governments and parties.

This research focuses on two dependent variables: the "scope" of a given expansionary social policy initiative and the type of expansion adopted. I define social policy expansion as the introduction of new or improved benefits that result in an extension of coverage and/or an increased commitment of the state in terms of funding and/or service provision. In operationalizing coverage, I look at the evolution of the number of prenatal, postnatal, and parental subsidies on the total number of births each year. For state commitment, I evaluate the evolution of public expenditures (as a percentage of GDP) dedicated to maternity leave. Services provision does not apply to maternal subsidies.

This definition and operationalization resonate with the one that Candelaria Garay (2016) proposed,³ in the sense that I also focus on coverage and on the scope of the expansion. However, my take differs from Garay's in two main respects. First, I do not focus exclusively on the inclusion of the outsider population (i.e., workers outside of the formal labor market and their dependents). Rather, I claim that expansion might occur with respect to outsiders, insiders, or both and that decisions regarding who will benefit from expansion are consequential. Second, I believe that any measure of social policy expansion has to take into consideration public welfare expenditures.

As a result, in order to evaluate the scope of any given policy expansion I look at variations in the levels of coverage, public social expenditure, and state involvement in service provision. The combination of these three indicators results in contrasting degrees of social policy expansion (i.e., scope). If we imagine scope as a continuum and we represent it as a line, we will find that at one extreme of this continuum, in a scenario in which social expenditure has not increased, the state is not involved in service provision, and coverage levels remain low, then the extension of social policy

³ Garay (2016) defines expansion "as the creation of new social benefits or the extension of preexisting ones to a significant share – at least 35 per cent – of the outsider population" (29).

is minimal. At the other extreme, if expenditures show a significant increase, the state is actively involved in service provision, and coverage levels grow sharply, then the scope of the expansion is radical. Table 1, below, identifies the different configurations in terms of the scope of social policy expansion.

EXPENDITURES	STATE INVOLVEMENT	COVERAGE		
	IN SERVICE PROVISION	LOW	HIGH	
LOW	LOW	Limited	Moderate	
	HIGH	Moderate	Significant	
HIGH	LOW	Moderate	Significant	
	HIGH	Significant	Radical	

TABLE 1. Scope of Social Policy Expansion

Source: Elaborated by the author

I am also interested in examining the type of social policy expansion that right-of-center governments and parties adopt. In so doing, I look at two important dimensions. The first has to do with the distinction between social services (such as health care and education) and social transfers (i.e., payments in cash or in kind). Generally, social transfers are both less complex and expensive to implement than social services. For example, expanding health care services usually implies developing infrastructure, acquiring technology and equipment, and hiring health care personnel, in contrast to distributing cash transfers to low-income families, which does not require huge investments or coordination efforts. As Holland and Schneider (2017) have noted, expansion of non-contributory benefits is relatively easy to achieve; contrastingly, other areas, such as social insurance or services, are harder and more complex to deal with.

The second dimension has to do with the difference between contributory and non-contributory benefits, as they are directed to very different populations. In Latin America, contributory benefits are typically tailored to the needs of formal, middle-class individuals whereas non-contributory benefits are overwhelmingly allocated to informal workers and low-income individuals and families. A graphic illustration of the types of policies discussed here are presented below, with a few examples, in Table 2.

	SERVICES	TRANSFERS
CONTRIBUTORY	- Social Security Health Care	-Pensions
	Services	-Maternity Leave
		-Unemployment Compensation
		-Sick Leave
NON-	-Non-contributory Health	-Means-Tested Cash Transfers
CONTRIBUTORY	Coverage	-Social Assistance Programs
	-Public Education	-Targeted Subsidies

Table 2. Types of Social Policies (selected examples)

Source: Elaborated by author

Additionally, I discuss the explanatory factors that may account for social policy expansion under right-of-center governments and parties, as well as those that explain the scope and type of expansion adopted.

Electoral Competition. Whenever the political system becomes increasingly competitive, right-ofcenter governments and parties will be likely to expand social policy in order to increase their electoral support. As discussed, the comparative social policy literature of Latin America has shown that increasing electoral competition is a major force behind expansionary social policy (Ewig 2015; Fairfield and Garay 2017; Garay 2016; Pribble 2013). Recent research on the European welfare state has also pointed to the relevance of competition. In this literature, however, the concern is not only with the level of electoral completion but also the broader political context in which it occurs. Kimberly Morgan (2013), for instance, seeks to explain why Germany, the Netherlands, and the UK have been able to significantly expand work-family policies (i.e., child care, working time, and parental leave), departing from traditional male-centered and breadwinner legacies. She shows that in these three cases, mainstream political parties endured significant electoral loses and declining constituencies (Morgan, 2013). In a context of intensified electoral competition, dominant political parties actively sought the electoral support of women, a dealigned electorate with strong preferences in work-family policies. To gain their electoral support, party leaders decided to "introduce feminizing reforms of their party structures and adopt progressive work-family policies" (Morgan 2013: 106).

In a similar vein, Abou-Chadi and Immegut (2018) have argued that the intensification of electoral competition leads parties to prioritize vote-seeking strategies. Intense electoral competition push parties towards "recalibrating" their social policies. In this process of recalibration, in turn, parties take into account changes of their actual and potential constituencies to survive. For Western European left-wing parties, this will mean seeking to appeal skilled workers, women, and middle-class voters, instead of their traditional working-class constituency (Abou-Chadi and Immegut, 2018: 18; Hausermann, Picot and Geering 2013: 228). Working-class voters, in turn, are divided between insiders and outsiders with clashing policy preferences. The insider working-class may gradually become more conservative, supporting the perpetuation of the status quo and embracing welfare chauvinism, ⁴ while more pro-left outsiders support universalism and needs-based policies (Hausermann, Picot, and Geering 2013: 229). In this way, mainstream right-wing parties will not be as interested as before in welfare retrenchment, avoiding curtailing pension rights and pension expenditure. Paradoxically, the presence of a radical right-wing party, interested in gaining the electoral support of the conservative working-class voter, may result in increased pension generosity (Abou-Chadi and Immegut, 2018: 18).

Adjusting social policy offerings to attract new voters does not mean that ideological labels are unimportant, yet tight electoral competition might push parties to prioritize vote-seeking strategies

⁴ Welfare chauvinism refers to the support of the idea that the welfare is "a system of social protection for those who belong to the ethnically defined community and who have contributed to it" (Kitschelt 1997, 22).

even if this means sacrificing their own ideological principles. While different ideological families feel more comfortable with certain public policies (e.g., the left might be more prone to increase the role of the state in economic regulation and in the provision of public goods and services, the right otherwise), this work emphasizes that politicians and political parties are survivor machines. Facing a highly competitive electoral scenario, right-of-center parties sometimes need to strategically adapt, embracing policies that they probably would not endorse in less competitive electoral contexts. Adapting to tight electoral competition sometimes requires sacrificing cherished ideological principles in order to win the hearts and minds of particular constituencies and thereby broaden the pool of new voters (Altman & Castiglioni, 2018). I argue that this is exactly the case with the expansion of social policy under right-wing governments. In this way, electoral competition may be understood as a scope condition.

In sum, I anticipate that whenever electoral competition is tight, right-of-center parties and governments will have incentive to engage in expansionary social policy in an effort to broaden their share of votes. In other words, *social policy expansion will occur under conditions of tight electoral competition*. In order to substantiate this hypothesis, I take into consideration the margin of difference of votes of the two leading presidential candidates.

Strategic Adaptation to Antagonistic Party and Potential Voters. While electoral competition helps to understand why right-wing governments and parties might embrace expansionary social policy, strategic adaptation to competitive scenarios sheds light on the characteristics and scope of such expansion. In a process of strategic adaptation to increasing electoral competition, parties closely look at two main factors. First, parties will take into consideration the size and relative ideological placement and size of the leading antagonist party. If the leading antagonist party is to the left of the ideological spectrum and has a significant share of seats in the legislature, then social policy expansion will be salient. Pribble (2013) has stressed this argument too. In her view, "when right leaning parties face intense competition from the left side of the ideological spectrum, the organizations may carry out reforms that are more progressive in nature in an effort to court the support of independent voters" (2013: 29). However, if the antagonistic party is not strong, then expansion will be limited in scope (in terms of coverage, state involvement, and welfare effort).

There are several reasons to believe that party partisanship and strength of the opposition matter. The literature on Latin American presidentialism has emphasized that strong partisan powers allow presidents to carry out their legislative plans (Mainwaring & Shugart, 1997). In case the president does not control the majority of seats in the legislature, he or she will need to negotiate with the opposition. Similarly, in her analysis of conditional cash transfers, De Ia O (2017) claims that when a president faces a strong opposition in Congress, he or she will be more likely to expand non-discretionary cash transfers. If a right-wing president/government is forced to consider the legislative preferences of left-wing opposition, legislation is more likely to move in an expansionary direction than when the president must negotiate with centrist or right-wing opposition.

Additionally, according to Hicks (2009) there is evidence from advanced industrial democracies that suggests that when right-wing governments confront an electorally consequential left, they are pressured in a pro-welfare direction, something that has been named the "left contagion." In this way, "the strength of left parties excluded from governmental leadership pressures right-led governments to augment welfare effort" (Hicks & Swank, 1992, pp. 667-668). As a result, I hypothesize that *the scope of social policy expansion under right-of-center governments and parties depends on the strength and relative position of the antagonistic party. A strong left-wing party results in a more significant expansion than a weak opposition or a strong center or right-wing antagonistic party.* In order to capture the strength of a given party, I will consider the percentage of the total number of seats that correspond to the largest opposition party.

Second, right- and center-right-wing parties will also strategically adapt to the perceived characteristics and issue preferences of the electorate they believe they need to attract to win the incoming elections. When right-wing parties seek to gain the support of the poor and/or informal workers, they will produce different policy offerings than if their target voters are mainly middle-/upper-middle-class and formal workers. The same applies to an attempt to obtain the vote of specific social groups, such as women or indigenous people. Therefore, the hypothesis is that *the type of social expansion depends on the characteristics of the voter that a right-of-center party wants to attract.* In order to determine what type of potential voter parties would like to attract, I will turn to qualitative information obtained from secondary information and systematic press review.

The Costs of Expansion. I also argue that social policy expansion depends on policy-makers' perceptions of the cost of promoting a reform vis-à-vis maintaining the status quo. Cost might be economic and/or political. There is strong empirical evidence that right and center-right parties favor market-oriented policies. In his study of OECD counties, Potratke (2010) shows that "econometric evidence supports the association of rightwing policies with the market-oriented school of thought" (Potratke, 2010, pág. 148). Several authors have also argued that Latin American right-of-center parties have strong preferences for market-oriented politics and fiscal discipline and favor very limited state intervention in social and economic policy (Borón, 1992; Cannon, 2016; Flores-Macías, 2012; Schamis, 1992). A strong emphasis on fiscal discipline means that, when pondering the adoption of expansionary social policy, right-wing parties and governments will consider the actual or potential financial costs of producing or failing to produce a reform. In market-oriented social policy models, when government officials and policy-makers consider the actual or potential fiscal costs of perpetuating existing social policies elevated in any given area, they will be likely to pursue a reform strategy.

Some scholars also suggest that it is also important to take into consideration the relative political costs of maintaining the status quo vis-à-vis adopting a reform. In his study of energy legislation, Oppenheimer (2016) shows that more often than not, undertaking energy policy reform is politically inconvenient, because it entails transferring short-terms costs to the public (such as increasing the

price of utilities). However, some events (such as energy shortages or price increases) may turn the political costs of maintaining the status quo unbearable, convincing politicians that they need to pursue a pattern of policy reform (Oppenheimer, 2016). De la O (2017), for example, claims that when politicians believe that the cost of inaction is high, they will be more likely to promote policy reforms. Similarly, Ryan and Nápoli show that in Argentina, judicialization of pollution control, increased the costs of maintaining the status quo forcing the federal government, hitherto reluctant, to promote policy change (Ryan & Nápoli, 2016, p. 35).

Following these insights, I anticipate that right-of-center governments and parties might be more prone to supporting the expansion of social policies that are considered fiscally viable and for which the necessary resources for implementation are available. They might be particularly prone to expand social policies if maintaining the economic and/or political status quo is also costly. Conversely, when political costs are not pressing and the resources to finance reforms are not available and/or there is concern that the adoption of such reforms might eventually push the system into fiscal deficit, reforms will be either unlikely or moderate in scope. This is particularly true in contexts in which ministries of finance and technocratic teams are comprised primarily of orthodox economists, who tend to favor fiscal stability. As a result, I hypothesize that *the scope of social policy expansion under right-of-center parties and governments depends on the costs of introducing a reform vis-à-vis maintaining the status quo. The higher the costs of the reform, the narrower the scope of social policy expansion.*

To test the proposed hypotheses, I pursue an in-depth study the expansion of maternity leave under the first administration of Sebastián Piñera. The case of Chile shows that right-wing governments might be willing to engage in expansionary social policy, despite theoretical expectations that the left turn was behind expansionary social policy in Latin America. As a result, I will pursue a leastlikely case study design. Least-likely case studies are generally considered tough cases "in which the theory in question is unlikely to provide a good explanation" (Bennett & Elman, 2010, p. 505). Leastlikely case studies are also deemed solid proofs because of what authors like Levy (2008, pág. 12) call the "Sinatra inference" ("*If I can make it there, I can make it anywhere*").

In pursuing this research I collected and analyzed information from newspaper coverage of the extension of maternity leave; reports prepared by advisory commissions, government offices, and transcripts from technical, government, and congressional meetings and sessions. I analyzed thoroughly information obtained from the History of the Law system of the Chilean Library of Congress, which offers background information extracted from the Bill-Making System (*Sistema de Tramitación de Proyectos de Ley*) of the National Congress and from the transcripts of the Chamber of Deputies and Senate sessions.

Expansion of Maternity Leave in Chile

Up to the first administration of Michelle Bachelet (2006-2010), compulsory maternity leave extended for 42 days before the due date of labor (around 6 weeks) and 84 additional days after labor occurred (around 12 weeks). Women were entitled to 100% of their salary of up to 60 UF (approximately 1.258.500 Chilean pesos of March 2010, or 2400 dollars of March 2010).⁵ Fathers were entitled to take 5 days of paid parental leave. Maternity leave was not a universal right for all women. Rather, it was a benefit for women employed under an indefinite work contract and for self-employed women contributing to the social security system.

The extension of maternity leave became an important issue during the presidential campaign of 2009. In this context, in June 2009, the presidential candidate of the center-left *Concertación* coalition, Eduardo Frei, announced that maternity leave was going to become a key priority of his eventual presidency.⁶ In the heat of the presidential campaign, Piñera also promised that in case he were elected president, he would extend maternity leave and included this compromise in his presidential program.⁷ This issue was widely discussed by the national media. In his program, the extension of maternity leave up to six months was tied explicitly to the goal of transforming the existing medical leave that allows mothers to take care of their children younger than 12 months, in case the child was seriously ill.

It is worth mentioning that chapter four of the presidential program has a section entitled "Woman: Protagonist on Equality of Opportunities" (*Mujer: Protagonista en Igualdad de Oportunidades*). This section reiterates the promise of expanding maternity leave. In addition, it emphasized the need to facilitate the participation of low-income women in the job market by offering quality alternatives of care for young children and to expand the access to training opportunities and credits for women. It also recommended offering sexual education programs for young women and providing support for women "opting to protect life so they do not need to have an abortion" (sic).⁸ It advocated for promoting the participation of women in politics.⁹ An interesting aspect of this section of the presidential program is that it framed these measures in the context of the need to better conciliate family life with work. In this way, the goal was to "remove all those obstacles that impede the effective access of women to the labor market, particularly women in a vulnerability situation, making the spheres of work and family life compatible."¹⁰

⁵ According to Albagli and Rau (2017: 1118), 60 UF is "slightly above the 95th percentile of the female wage distribution for those 25 to 55 years old in 2011"

⁶ <u>https://www.emol.com/noticias/nacional/2009/06/10/362226/frei-se-compromete-a-extender-el-post-natal-a-seis-meses-en-su-eventual-gobierno.html</u>

⁷ <u>http://www.archivochile.com/Chile_actual/elecciones_2009/pinera/doc_part/pinerapart0015.pdf</u>

⁸ <u>http://www.archivochile.com/Chile_actual/elecciones_2009/pinera/doc_part/pinerapart0015.pdf</u>

⁹ <u>http://www.archivochile.com/Chile_actual/elecciones_2009/pinera/doc_part/pinerapart0015.pdf</u>

¹⁰ http://www.archivochile.com/Chile_actual/elecciones_2009/pinera/doc_part/pinerapart0015.pdf

Perhaps seeking to emulate the successful strategy of former President Bachelet, soon after taking office, Piñera put together a Presidential Commission on Women, Work, and Maternity that had the task of reviewing the existing legislation and suggesting changes.¹¹ The Commission, which had a rather technocratic flavor, sought to integrate experts coming from different ideological and professional backgrounds, but did not include representatives from any of the historic feminist organizations. The Commission was composed of "experts from conservative thinks tanks and close to the governing coalition or academics close to Concertación" (Staab 2017, 178). Eight members had a background in economics, three were lawyers, two were medical doctors, and one was a sociologist; nine were women and five men. (Comisión Asesora Presidencial, 2010, págs. 9-10). The Commission had three main goals: "to detach the costs of maternity from those of hiring women to allow their true integration to the formal, salaried labor market; to grant the best care for our children, and to increase co-responsibility in the care and upbringing of children to facilitate an increasing conciliation between family and work for the men and women of our country" (Comisión Asesora Presidencial, 2010, pág. 13). The final report of the Commission, underlined two main problems affecting for Chilean women: their low participation in the labor market and their difficulties to conciliate family life with work (Comisión Asesora Presidencial, 2010). The report also emphasized the absence of an adequate public policy to promote breastfeeding for at least six months and the excessive number of women wrongly using medical leave (intended to care for a gravely ill child younger than 12 months), to extend the time that they were allowed to stay with their children.

The Commission offered seven key recommendations: 1) to extend maternity leave and improve the access to care for families of preschool children; 2) to make prenatal leave of six weeks more flexible; 3) to introduce a parental leave that could be used by the mother and/or the father (there was no consensus within the Commission regarding the length of parental leave), 4) to maintain the five-day leave for fathers; 5) to extend the existing right of feeding children up to 2 years for full time working mothers and, alternatively, fathers; 6) to improve the functioning and fiscalization of medical leaves for gravely ill children, and 7) to strengthen the protection from dismissal (*fuero materno*) for women during and after maternity leave (Comisión Asesora Presidencial, 2010).

As promised, almost one year after taking office, in February 2011, Piñera announced that in March he would send Congress the bill to expand maternity leave.¹² The presidential introduction to the bill (*Mensaje Presidencial*) stressed that the existing maternity leave did not allow mothers and children to enjoy fully the benefits of being together during the first months after birth and that it hindered both the conciliation of work with family life and co-responsibility of mothers and fathers. It also emphasized that the existing scheme generated incentives and facilitated the fraudulent use of medical leaves. It sought to revise the existing dismissal protection as it negatively affected the employment prospects of women under fix-term contracts, who belong mostly to the poorest

¹¹ <u>https://www.leychile.cl/Navegar?idNorma=1015456</u>

¹² <u>https://www.latercera.com/noticia/pinera-anuncia-proyecto-que-aumenta-posnatal-de-12-a-24-semanas-y-permite-traspaso-parcial-de-beneficios-al-padre/</u>

quintiles. The *Mensaje* identified three main goals of the bill: to improve children's care, to expand coverage of maternity leave, and to increase co-responsibility and conciliation (BCN, 2018, págs. 3-8).

The bill sought to maintain the length of prenatal and postnatal leaves and to extend postnatal care by introducing a 12 week parental leave (six of these weeks could be transferred to the father) with a ceiling of 30 UF monthly (approximately 645.810 Chilean pesos, or 1.357 dollars of February 2011). It also granted parental leave to adoptive parents. The bill introduced some limitations and stronger fiscalization for the medical leave to care for a gravely ill child, it maintained dismissal protection for twelve months after birth but women working fix-term, it constrained such protection to the extension of their contracts. It sought to extended coverage to low-income women working under fix-term contracts who have contributed to social security for at least twelve months before the beginning of the pregnancy, with at least eight contributions 24 months before pregnancy, whose last contribution was tied to a fix-term contract (BCN, 2018). The bill suggested extending parental leave to six months, a more generous extension than the one the Commission had considered (Staab 2017, 180). The income ceiling for the parental leave was going to be less than the one of the postnatal leave, and the subsidy for the mother and father were going to be calculated on the mother's earnings, a measure that would discourage fathers from taking parental leave because they tend to earn more than mothers (Staab 2017, 181). In spite of the fact that the bill attempted to extend coverage, it introduced strict eligibility rules and it sought to tighten eligibility criteria and benefits of medical leave (Staab 2017, 181).

After intense debate in Congress, on October 2011, Law 20.545 was finally approved. The new law maintained the extension of prenatal maternity leave, but extended postnatal paid leave from 12 to 24 weeks. The first 12 weeks are called maternity leave and the subsequent 12 weeks are called parental leave. Women can opt to return to their jobs to work part-time, after completing the mandatory 12 weeks of full time maternity leave. In this case, the postnatal maternity leave and parental leave may extend for 18 weeks. If the mother decides to go back to work part-time, she will receive 50% of the subsidy. The new law establishes that women will receive 100% of their salary of up to 66 UF (approximately 1.458.600 Chilean pesos of October 2011, or 3.015 dollars of October 2011). It is worth highlighting that according to Fundación Sol,¹³ nowadays 70% of working women earn less than 400.000 pesos, so the cap only affects high income women. This cap does not apply to public servants, who receive their entire salaries. Women enjoy protection from dismissal during pregnancy and for one year after the end of the maternity leave. The law also extended benefits to women without a working contract.¹⁴ All subsidies in the old and the new systems are financed by general revenues, excepting the 5-day leave of fathers, which is covered by the employer (BCN, 2018).

¹³ http://www.fundacionsol.cl/estudios/los-bajos-salarios-de-chile-2019/

¹⁴ As Staab explains, "women who have no valid employment contract, but who have been affiliated to social security when they became pregnant and have made at least 8 monthly contributions over the 24 months preceding the pregnancy are eligible for the maternity subsidy. In this case the amount of the subsidy is calculated on average earnings" (Staab 2017, 169)

Fathers can also enjoy parental benefits. In this case, after completing the firsts 12 weeks of mandatory postnatal maternity leave, the mother can decide to transfer up to 6 weeks of parental leave to the father. In case the mother opts to return to her job part-time, she may transfer up to 12 weeks, part-time, to the father. The calculation of the subsidy is the same for the mother or the father. If the mother dies during or after labor, the father (or the person who has custody of the newborn) is entitled to postnatal and parental leave. Fathers on parental leave are also entitled to protection from dismissal for a period of twice the duration of the parental leave (BCN, 2018). Nonetheless, Blofield and Matínez-Franzoni suggest that the reform "promoted a combination of marked maternalism with timid progress in paternal co-responsibility" (Blofield & Martínez-Franzoni, 2014, p. 107).

As this brief discussion shows, the Piñera administration extended maternity leave and nowadays Chile has the most generous scheme of Latin America.¹⁵ The law that was finally approved, is not limited to the extension of an existing benefit, but the creation of a universal right (Casas & Herrera, 2012, p. 144). As noted before, the extension of maternity leave in Chile under the right-of-center administration of Piñera seems counterintuitive. As Staab has eloquently suggested, "the outcomes of the 2011 maternity leave are at any rate surprising [...] These measures defy market-liberal principles related to the role of the state in social provision and labor relations" (Staab 2013, 163). As a result, what explains this expansion? What explains the scope and characteristics of this reform? I argue that the answer lies in the ways in which the right-wing coalition backing Piñera strategically adapted to increasing electoral competitiveness and the perception that maintaining the status quo was costly. In the remaining of this section, I will discuss a) the scope and type reform adopted; b) the process of strategic adaptation to electoral competition; and c) the cost-benefit calculation of extending maternity leave.

Type and Scope of Expansion

The expansion of maternity leave constituted the extension of a contributory transfer. Therefore, this expansion did not entail the direct provision of services by the State. Nonetheless, I argue that Chile experienced a significant extension of maternity leave, as there was a marked increase in terms of coverage and public expenditures. Coverage of maternity leave before the 2011 reform was relatively limited for a variety of reasons: female participation on the Chilean labor market has been historically low, working conditions of women have been precarious, and existing benefits were directed mainly towards women with indefinite contracts. As a result, only a limited portion of women could enjoy maternal leave. In fact, as can be appreciated in the figure bellow, coverage (measured as the ratio of women enjoying postnatal maternity leave to births) was only 25% in 2005. In 2009 coverage was 30%. However, one year after the new law was fully implemented, coverage increase to 36% and by 2016 it reached 43%. Parental leave, in turn, reached 18% coverage in 2012 and reached 22% by 2016.

¹⁵ https://blogs.iadb.org/igualdad/en/working-mothers-jugglers-extraordinaire/

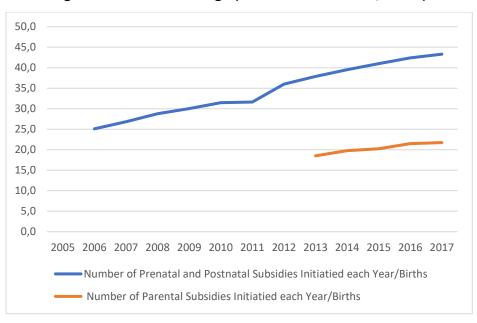


Figure 1. Level of Coverage (Number of Subsidies/Births)

Source: Superintendencia de Seguridad Social

The fact that there has been a sharp increase of the ratio of maternal subsidies initiated each year vis-à-vis births is a clear indicator that coverage has expanded significantly in Chile. Nonetheless, it is important to bear in mind that, despite the advances, there is still an important gap between the number of births taking place each year and the number of maternal benefits initiated each year. In this way, most Chilean women are still not eligible for maternal subsidies. The introduction of paternal leave, which did not exist before the new law was adopted, also brought an expansion of coverage. The first year of full implementation of this measure, around 91.000 parental leaves were initiated and by 2017 this figure increased to 97.427. From 2011 to 2017, on average, only 0,23% of the parental leaves were enjoyed by fathers, according to data from the Superintendence of Social Security. There are several reasons for this. As Casas and Herrera explain, "focus group discussions with women workers indicated that blue collar workers were uncomfortable with the idea that men could take care of babies, that men were a nuisance when they did not help and worse in some cases when they did. The retail workers would consider the option but trusted female relatives to give better care than men, while the professional women were open to the change" (Casas & Herrera, 2012, pp. 144-145). This low participation of fathers may also reflect the fact that maternity leave in Chile "reinforces the idea that children are mainly a maternal responsibility" (Blofield & Martínez-Franzoni, 2014, p. 115).

In terms of expenditures, all the resources for financing prenatal, postnatal, and parental leaves come from general revenues, excepting the 5 days of postnatal leave that the fathers are entitled to enjoy, which the employer covers. As a result, welfare effort in this area has experienced a sharp

increase. In fact, according to official data, from 2019 to 2017, public expenditures on prenatal, postnatal, and parental leave experienced an astonishing 237% increase (author calculation based on data on the Superintendence of Social Security). Figure 2 below, shows the variation of public expenditures.

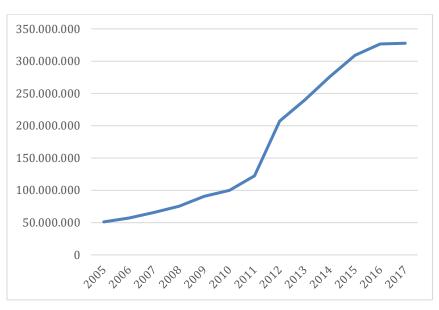


Figure 2. Public Expenditures on Pre-Postnatal/Parental Subsidies in Thousands of Pesos of Each Year

Source: Superintendencia de Seguridad Social

Electoral Competition: Adapting to Prospective Voters and Contenders

As I showed above, the Piñera administration introduced a significant expansion of maternal benefits both in terms of coverage and public expenditures. I argue that electoral competition was a key force behind this expansion. Since transition to democracy, in 1990, the center-left Concertación coalition consistently won all national elections, until 2009 (see figure 3 below). Although the first two elections after transition were marked by a wide distance between the leading Concertación candidates and the contending right-wing candidates, after the 1999 presidential race, the system became highly competitive, as the distance between the winning candidate and his or her larger competitor in terms of votes shortened significantly. Thus, since 1999 no presidential candidate has been able to win the presidential race in the first round.

The 1999 election changed electoral politics in Chile and was consequential. During this election, the right-wing candidate Joaquín Lavín, a key figure of the UDI, a party that lies at the extreme right end of the ideological spectrum, was competing with Ricardo Lagos, a historic leader of the Socialist

Party. To win the election, Lavín made a clear effort to capture votes at the center of the political spectrum. Although this strategy was not enough to secure an electoral victory for the right, it proved successful, as the Concertación lost more votes than ever before, and the right-wing Alianza coalition was close to winning the election for the first time since transition to democracy (Joignant & Navia, 2001). Another interesting fact about this election is that for the first time, inequality was included in the programs of both the left and the right-wing candidates (Soto Zamorano, 2016).

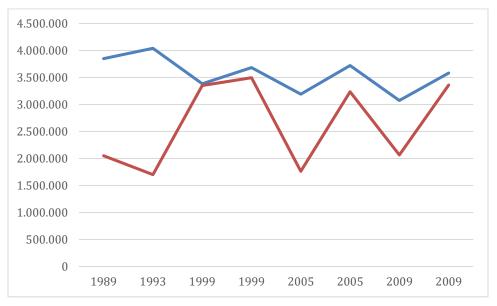


Figure 3. Electoral Results: Votes for Firsts and Second Candidates

Source: SERVEL

In a context of a much more competitive electoral scenario, in which all presidential races have involved competing with left-wing candidates, key right-of-center political figures have been incorporating to their discourses and proposals policy areas and topics that were traditionally associated to the left. The 2009 presidential race, which the center-right Alianza coalition eventually won, was perhaps the one in which an effort to highlight issues that hitherto had been the monopoly of the left, was more clear than ever before. In fact, several key figures from the right adamantly attempted to convince the electorate that they were equally committed to a social agenda than their left-wing competitors. To illustrate with a few examples, in May 2009, in a rally of the UDI Party, in a clear attempt to react to the president's social agenda, Joaquín Lavín emphasized, "we cannot allow [President] Michelle Bachelet to steal social protection away from us because our social protection is much better than hers.... Nobody can lecture us or tell us stories about poverty." He also challenged his UDI colleagues, asking them "how many UDI deputies go out to defend workers from abuse on the jobs?"¹⁶ It is true that UDI has defined itself as the "popular party" and that Lavín had consistently advocated "practical solutions" for the "real people" (Siavelis, 2014, pág.

¹⁶ <u>https://www.cooperativa.cl/noticias/pais/politica/udi/lavin-no-podemos-permitir-que-michelle-bachelet-nos-robe-la-proteccion/2009-05-15/200623.html</u>

253). Yet, from 2009 on, the focus on social policies as a key instrument for overcoming social problems became salient. Another surprise was that Sebastián Piñera decided to incorporate to his 2009 presidential campaign one issue that had never been in the agenda of the right-of-center coalition before: sexual minority rights. In fact, two very prominent members of Piñera's inner circle, senators Andrés Chadwick (UDI) and Andrés Allamand (RN), elaborated a document entitled "Common-Life Agreement" (*Acuerdo de Vida en Común*), pushing for the recognition of the rights of common-law couples (including same-sex couples).¹⁷ Piñera went so far to launch a TV spot in which he advocated for the respect of same-sex couples (Castiglioni, 2010, pág. 237). Finally, Piñera defied both the Catholic Church and the more conservative groups within his coalition, by publicly supporting the legalization of the morning-after contraceptive pill (Siavelis, 2014, pág. 262).

In a highly competitive scenario, Piñera and the Alianza coalition began to adjust their policy offerings to increase their pool of support. Strategic adaptation to electoral competition implies paying close attention to the potential electorate that must be captured to win the next election. As in 2005, the Alianza kept attempting to appeal to the vote of the center of the ideological spectrum. As Siavelis (2014) claims, "Piñera tacked remarkably towards the center in order to pick up centrist voters, particularly with respect to social issues" (262). During the presidential campaign of 2009, one key consideration of the right-of-center coalition was to look at the shortcomings of the 2005 election. Some authors show that one of the key weaknesses of Piñera in 2005 had to do with his inability to capture the electoral support of female voters (Morales, 2008; Morales, Navia, & Poveda, 2009). Historically, Chilean women have tended to support conservative candidates. The election of 2005 was somewhat an exception to this rule, as Bachelet was able to gain the electoral support of women in general, and low-income chiefs of household in particularly (Morales 2008). This support was related to the personal characteristics and attributes of Bachelet, and not to the appeal of her own party or coalition (Morales 2008). Additionally, during 2009, several analysts and public opinion polls showed that women comprised most of the undecided voters; in fact, according to one of the most prestigious public opinion polls, conducted by CEP, right before the election, 62.5% of those who have not decided on their votes were women.¹⁸ This was widely discussed by local media, pundits, and politicians. Therefore, it is not surprising that Piñera and the other presidential candidates were eager to capture the vote of women and adjusted their policy offerings in that direction. This scenario resembles the one of European countries depicted by Morgan (2013), in which "given the significant size of the female electorate and women's importance to conservative party successes in the past, parties have competed for increasingly dealigned segments of the female vote" (Morgan, 2013, pág. 84). One of the key mechanisms that parties and candidates use to attract the vote of women is to adjust their electoral platforms, using work-family policies to capture female voters (Morgan 2013). I argue that this is exactly the logic that prevailed in Chile and motivated both leading presidential candidate Frei and Piñera, to announce that in case they win the electoral race, they would work for an extension of maternity leave. Piñera's efforts were not

 ¹⁷ The document was the base for a law project the Allamand sent to Congress in June 2010.
¹⁸ <u>http://www.quepasa.cl/articulo/politica/2009/11/19-1324-9-quienes-son-y-como-seducir-al-millon-de-indecisos-en-estas-elecciones.shtml/</u>

enough to afford him an electoral victory in first round (see table 3 below). However, after a very tight second round, the right-of-center candidate was able win the presidential race.

First Round	Second Round			
	Votes	%	Votes	%
Sebastián Piñera	3.074.164	44,1	3.582.800	51,6
Eduardo Frei	2.065.061	29,6	3.359.801	48,4
Marco Enríquez-Ominami	1.405.124	20,1		
Jorge Arrate	433.195	6,2		
Nulos	200.420			
En Blanco	86.172			
TOTAL	7.264.136	100	6.942.601	100

Table 3. Presidential Election

Source: SERVEL

Besides focusing on attracting the vote of women, Piñera had to take into consideration the composition of Congress, which forced the new president to consider the opposition, if he had any hope of having his legislative initiatives approved. In the lower chamber, the center-right coalition had only four more deputies than the Concertación. However, in the Senate, the Concertación had nineteen senators, three more than the Alianza coalition. Therefore, Congress was extremely tight and Piñera sought, from the outset, ways to negotiate with the opposition his most important legislative initiatives.

In the process of negotiating the bill, the government had to adapt to the presence of a large leftof-center opposition in Congress. In order to pass legislation, the Piñera administration followed a twofold strategy. On the on hand, it sought successfully to promote significantly high levels of cohesion among the main parties of the center-right coalition (UDI and RN); and, on the other, it actively coordinated and negotiated legislative agendas with the opposition in Congress, particularly with Christian Democrat legislators (Toloza Castillo & Toro Maureira, 2017). The same topics that dominated the debate within the presidential commission were also present during congressional debates and reflected the different profiles, interest and constituencies behind different parties, coalitions, and legislators. Nonetheless, the fact that the government had to negotiate with a center-left opposition pushed the bill into an even more expansionary direction. As a result, it I not surprising that, as Staab explains, "the executive's proposal experienced a rather radical transformation during its debate in the legislature. When the law was passed in September 2011, the income ceiling had been raised; income replacement rates for fathers had been adjusted to their own rather than the mother's salary; the eligibility rules for non-standard workers had been relaxed; the period of job protection had been restored to its previous level; and restrictions on sick leaves had been lifted" (Staab, 2017, pág. 181).

Cost-Benefit Calculations: Maintaining the Status Quo vis-à-vis Expanding

Policymakers, when taking decisions regarding expanding social policy, are likely to consider the costs, both economic and political, of maintaining the status quo vis-à-vis expanding. Maintaining the status quo may be costly to the point that expanding social policy might be considered an alternative, even for technocrats and right-of-center politicians. Policymakers' perceptions about the financial sustainability of reforms and the costs of maintaining or expanding the existing system tend to be particularly salient for right-of-center administration, particularly in the case of Chile. In market-oriented social policy models, whenever government officials and policymakers consider that the actual or potential fiscal costs of perpetuating existing social policies will rise they will be likely to endorse expansion. I argue that this is precisely what happened in the case of maternity leave.

Even before Piñera won the election, in his program of government, the promise to expand maternity leave to a total of six months was directly tied to the revision of medical leaves for caring for a gravely ill child younger than 12 months. There were several indicators that working women were using these medical leaves to extend the time they could be with their children. Between 2004 and 2008, 34% of the medical leaves were requested immediately after the maternity leave was concluded and 58% were initiated within the first three months following the end of the maternity leave (Delgado B., Hirmas A., & Prieto U., 2012). In addition, from 1991 to 2001, these medical leaves increased more than 1000%. There is no medical reason to account for such an explosive increase, particularly considering that mortality and morbidity indicators for infants have exhibited a sustained decrease (Melgarejo Altura, 2006, pág. 56). On average, these leaves extended for 12 days in 1991, but in 2010 they lasted 86 days (Undurraga, 2017, pág. 5). Finally, and this was quoted several times during debates in Congress, 57% of these medical leaves were associated to a diagnosis of acid reflux, a pathology that internationally has an incidence of approximately 0,3% among children (BCN, 2018). All this evidence led authorities to conclude that medical leaves for parents of gravely ill children were wrongly used to allow mothers to stay more time with their newborns, particularly after postnatal maternity leave concluded (BCN, 2018; Comisión Asesora Presidencial, 2010).

As a result, both government officials and key figures within Congress believed that this situation could not be perpetuated and that a "rationalization" of medical leaves could finance an important portion of the costs of expanding maternity leave. As Staab argues, "the rising use of medical leave to care for the seriously ill child under the age of 1, [...] spurred concern among fiscal authorities" (Staab 2017: 168). The Financial Report (*Informe Financiero*) that the Direction of Budget (DIPRES) form the Ministry of Finance prepared, estimated that the total cost of extending parental leave was going to be 82.175 million pesos of March 2011 (approximately 173 million dollars). The report also stated that a "rationalization" of medical leaves would provide 44.093 million pesos (around 93 million dollars), that could be reallocated to finance the introduction of parental leave (BCN, 2018, pág. 32). The idea that more than half of the resources needed for the extension of maternity leave

were going to come from the budget allocated to medical leaves was repeatedly highlighted in Congress. To illustrate with a few examples, Senator Francisco Chahuán (RN), claimed that reducing "fraudulent" medical leaves would "generate the conditions that allow us to free resources. We are talking about nearly 100 million dollars that will contribute to finance this [maternity leave] project" (BCN, 2018, pág. 40). This view encounter criticism from some important Concertación figures. For example, Senator Camilo Escalona (Socialist) criticized the government for seeking to finance the extension of maternity leave "by taking away a right of women and children. 82.000 million were offered and then 44.000 million were taken away. [...] They [the government] are financing this bill with the sacrifice of children" (BCN, 2018, pág. 49). As debates advanced, the government presented its strategy as an initiative to reduce fraud. After the law was approved, the number of medical leaves initiated each year dropped dramatically (see figure 4 below).

An additional potential gain from an extension of postnatal leave had to do with facilitating the participation of women in the labor market. Historically, Chile exhibited a low participation of women in the labor market. Although there has been an improvement, female participation in the labor market is still low, particularly among women in the poorest quintiles. In 2009 44.9% of Chilean women worked; far from the 57%¹⁹ average of Latin America for the same year. Piñera's electoral campaign program, the presidential introduction to the bill (*Mensaje Presidencial*), and throughout debates in Congress, the extension of maternity leave, was tied to the need of generating the conditions that would allow women to work. An increased participation of women in the labor market would have a direct impact in on the living conditions of low-income families.

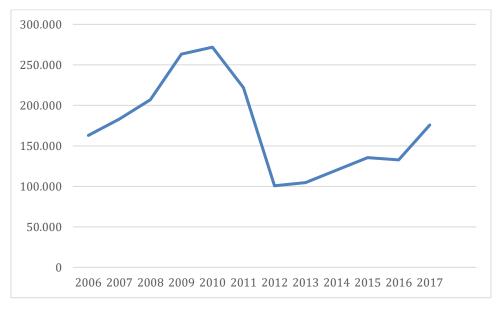


Figure 4. Medical Leaves Initiated Each Year

Source: Superintendencia de Seguridad Social

¹⁹ Source: GenStats, World Bank.

Final Thoughts

Under the right-of-center administration of Sebastián Piñera, maternity leave experienced a marked expansion in terms of coverage and public resources. Under prenatal, postnatal, and parental leave, most women maintain their full salaries. This reform also allows men to take up to six weeks of parental leave. I argue that this expansion was possible because of two main factors. First, after 1999 electoral competition became extremely tight in Chile, forcing right-of-center parties and presidential candidates to follow new strategies in order to increase their pool of electoral support. Right-of-center parties and, eventually, government, had to strategically adapt their policy offerings taking into account the female voter they needed to seduce. During the 2009 election, the majority of the undecided voters were women. Thus, the Alianza coalition decided to expand maternity leave, a policy that would directly benefit the voters it need to attract. At the same time, the largest contending force was the center-left Concertación coalition, a conglomerate that had a strong presence in Congress and that had the majority of seats in the Senate. In order to achieve its legislative goals, President Piñera and his Alianza coalition promoted internal cohesion but this was not enough. Thus, it needed to negotiate with the center-left opposition. This process of negotiation, moved the bill into an even more expansive direction.

Additionally, within the Alianza there was a consensus that medical leaves were used to allow working mothers to extend the time they could stay with their kids. This situation generated important financial costs for the State. Therefore, a "rationalization" of the medical leaves would allow the government to finance 54% of the total costs of expanding maternity leaves. The government also believed that expanding maternity leave would boost the integration of women into the labor market and that this would have a positive impact particularly among women belonging to the poorest quintiles. Therefore, the costs-benefit analysis of maintaining the status quo vis-à-vis expanding maternity leave, tilted in favor the latter. In sum, a process of strategic adaptation to increasing electoral competition together with cost-benefit calculations, led the right-of-center government of Sebastián Piñera to expand maternity leave.

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