

Chile: Kast's election marks the country's most right-wing leadership in 35 years though moderate policies expected | Credendo

Event

José Antonio Kast, an ultraconservative hardliner, is Chile's president-elect after a decisive victory on 14 December, in which he secured 58% of the votes against his leftist rival Jeannette Jara. This marks the strongest electoral result since 2013 and represents a sharp shift from 2021, when Kast lost to outgoing far-left President Gabriel Boric.

Impact

When Kast assumes office in March, he will become Chile's most right-wing leader in 35 years of democracy. His win was largely expected, reflecting Chile's entrenched pattern of alternating power every four years. Since 2009, every election outcome has favoured a president from the other side of the political spectrum to the incumbent (who is barred for consecutive re-election). While both Boric and Kast represent more radical versions of the left and right spectrum respectively, their victories follow this historical trend. That said, the decisive shift to the right was driven by public concerns over migration and crime. Although Chile still has lower violent crime rates than much of the region, the frequency of crimes, which were previously uncommon, increased significantly in recent years due to the arrival of foreign criminal gangs (a regional trend). In combination with increased immigration from Venezuela, Chilean public opinion shifted rightward and towards tougher policies.

Despite his strong mandate, Kast faces legislative constraints: his coalition controls only about a quarter of the lower house and one-seventh of the Senate, meaning negotiation with centrist lawmakers is required to pass legislation. As a result, extreme campaign proposals (e.g., building a border wall with Bolivia) will likely be watered down. Key priorities include deregulation, shrinking the state, cutting public spending (which presents a risk of social unrest) and easing restrictions on lithium concessions. He will also prioritise tightening illegal migration. In this context, the recent toppling of Venezuelan President Maduro is a wildcard as it can stabilise the region in the long term or create an even bigger migration outflow if Venezuela slides into internal strife. On the economic front, a recent increase in copper prices can boost economic growth and current account revenues as copper is Chile's main export and represents almost half of its current account revenues.

Internationally, Kast's victory is welcomed by the Trump administration. Trump clearly favours "like-minded" presidents in his broader designated hemisphere as illustrated by the recently published "[Donroe doctrine](#)". Nevertheless, this also means Kast may come under US pressure to limit Chinese influence such as Chinese investments in Chile's infrastructure and mining sectors.

Chile's ST political risk rating – which represents the country's liquidity – is in the second-lowest risk category 2/7. This can be explained by the country's good access to financial markets, adequate level of foreign exchange reserves and modest level of short-term external debt. Its MLT political risk rating is in category 3/7. On the one hand, this can be explained by the country's moderate external debt (service) ratios and relatively low economic diversification, and on the other hand, by its good institutional quality and healthy public finances. The outlook for both country risk classifications is stable for now.

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