

FETZER VINEYARDS, CONCHA Y TORO, AND GENERAL PINOCHET

By Ellen Rose

Sometimes a wine label's idyllic home-style image is not reflective of the wine-owning-company, especially if that company is a huge corporation. Fetzer Vineyards, on the banks of the Russian River in Hopland, California, is such a wine label - with a parent company, Concha y Toro, allegedly having particularly disturbing connections to Chilean dictator Augusto Pinochet.

Pinochet ruled Chile by military dictatorship from 1973 until 1990, taking power in a U.S backed coup which violently overthrew the government of Salvador Allende, the first Marxist to be democratically elected president in Latin America. Pinochet aimed to destroy "leftists" who disagreed with him, and was responsible for horrific human rights abuses, where tens of thousands were tortured, and thousands murdered.¹

In 2005, the U.S. Senate reported that Pinochet and his family hid approximately \$19 million in 128 bank accounts.² During the uncovering of Pinochet's money laundering operations, a list of donors to the President Pinochet Foundation was revealed.³ As reported by U.K. independent news outlet *The Canary*,⁴ among the Pinochet Foundation's donors were Viña Concha y Toro.⁵

Concha y Toro is Latin America's largest wine producer, owning approximately 11,300 hectares of prime vineyards in Chile, Argentina, and the United States. In 2011, they purchased Fetzer Vineyards from the Brown-Forman Corporation, whom the Fetzer family had sold to in 1992. Currently, Concha y Toro owns Fetzer Vineyards, as well as the California wine brands Bonterra, Five Rivers, Bel Arbor, Jekel Vineyards, Coldwater Creek, Sanctuary and Little Black Dress.

The President Pinochet Foundation was created to improve Pinochet's public image, and also raised money for the former dictator's medical and legal expenses, when he was on trial in Britain for crimes against humanity (torture, hostage taking, and murder).⁶ The foundation has funded a museum,⁷ and disseminates information aimed at sanitizing Pinochet's image.⁸ Among the Foundation's objectives is "To spread to the new generations the work and legacy of the government of President Pinochet".⁹ But this legacy is filled with torture and bloodshed, murders, sexual abuse, concentration camps,¹⁰ disappearances, centers of detention and torture,¹¹ and bodies dumped into the ocean.¹² That does not sound like something consumers of California wine would choose to support.

¹ https://en.wikipedia.org/wiki/Human_rights_violations_in_Pinochet%27s_Chile#cite_note-23

² <https://www.hrw.org/news/2005/03/16/chile-pinochet-money-laundering-exposed>

³ <https://static.eldinamo.cl/wp-content/uploads/2013/09/166697608-Lista.pdf>

⁴ <https://www.thecanary.co/uk/2018/09/20/the-wine-you-just-brought-from-the-supermarket-may-be-funding-hardline-fascism-2/>

⁵ <https://static.eldinamo.cl/wp-content/uploads/2013/09/166712921-cuentas-dubitadas.pdf>

⁶ <http://www.fundacionpap.cl/presidente-pinochet.html>

⁷ <https://www.theguardian.com/world/2008/dec/18/pinochet-museum-house-chile>

⁸ <https://www.thecrimson.com/article/2010/7/12/pinochet-foundation-violations-torture/>

⁹ <https://www.eldinamo.com/pais/2013/09/09/113-empresarios-y-el-municipio-de-vitacura-financian-a-la-fundacion-presidente-pinochet/>

¹⁰ https://en.wikipedia.org/wiki/Human_rights_violations_in_Pinochet%27s_Chile

¹¹ <http://digitalpublichumanities.jimmcgrath.us/uncategorized/concentration-camps-and-torture-centers-in-chile-during-pinochets-dictatorship-1973-1990/>

¹² <https://www.theguardian.com/world/2001/jan/09/chile.pinochet>

Also on the list of the Pinochet Foundation's donors is Eduardo Guisasti Tagle.¹³ Guisasti Tagle joined Concha y Toro's Board of Directors in 1957, and laid the foundation for the company's expansion. He became Chairman of the Board in 1971, and remained with CyT until his death in 1998. The present corporate governance of CyT includes three of Guisasti Tagle's sons.

Concha y Toro made a statement to the independent media, *The Canary*, stating that they had not made any donations to the foundation in the past fifteen years. Indeed, the donation from Concha y Toro was made in 2002, 18 years ago, and Guisasti Tagle's donation was in 1996 – 24 years ago. Regardless of the timing the fact that the company and one of its most formative executives had definitely made those donations, is a hangover-inducing thought. In their statement, Concha y Toro also denied having any political affiliations. Yet, past and current management have clear connections to the levers of power which have made Chile one of the most inequitable countries in Latin America.

On Concha y Toro's board was Sergio de la Cuadra Fabres,¹⁴ a Director from 2005 until 2015. He was also Chile's Minister of Finance under Pinochet in 1982, and one of the "Chicago Boys",¹⁵ who studied economics with Milton Friedman at the University of Chicago.¹⁶ The "Chicago Boys" were deeply influential in crafting the free-market, neoliberal, fiscally conservative economic policies which Pinochet's dictatorship relied upon. Social services, incomes, and budgets for health education and housing were cut, as military spending increased.¹⁷

While life in Pinochet's Chile was unbearable for many, the free-market economics the Chicago Boys brought was beneficial for some - especially the wine industry.¹⁸ Allende, and his predecessor Eduardo Frei Montalva, expropriated land from some Chilean elites, with the intent of redistribution. When Pinochet took power, some of the land was returned to the wealthy landowners, and some was redistributed to the peasants – yet they lacked the means to manage their properties. Most of the peasants were forced to sell the land at very low cost to bidders chosen by the government, who would use the land for capitalist economic purposes. Foreign investors, and vineyard entrepreneurs, were among those who benefited.¹⁹

The current management of Concha y Toro includes CEO Eduardo Guisasti Gana, son of Pinochet Foundation donor Eduardo Guisasti Tagle.²⁰ Eduardo Guisasti Gana is credited with the acquisition of Fetzer Vineyards in 2011, "one of the most important Chilean investments made in the United States at that time".²¹ He is also a member of Opus Dei, the controversial right-wing Catholic sect which has been accused of cult – like practices. Opus Dei has a strong opposition to sexual and reproductive rights, and a history of supporting brutal and oppressive regimes, including Pinochet's.²² Eduardo Guisasti Gana has previously stated that he gives his earnings from Concha y Toro to Opus Dei's more than 100 technical

¹³ <https://static.eldinamo.cl/wp-content/uploads/2013/09/166720292-Cuenta-Donaciones.pdf>

¹⁴ <https://sec.edgar-online.com/concha-y-toro-winery-inc/20-fa-amended-annual-and-transition-report-foreign-private-issuer/2006/07/27/Section9.aspx>

¹⁵ https://en.wikipedia.org/wiki/Chicago_Boys

¹⁶ <https://www.thenation.com/article/archive/friedmans-cruel-legacy/>

¹⁷ [https://en.wikipedia.org/wiki/Military_dictatorship_of_Chile_\(1973%E2%80%931990\)](https://en.wikipedia.org/wiki/Military_dictatorship_of_Chile_(1973%E2%80%931990))

¹⁸ <https://www.theguardian.com/world/2003/nov/17/chile.comment>

¹⁹ <https://vinepair.com/articles/chile-wine-past-present-future/>

²⁰ <https://conchaytoro.com/en/holding/about-us/gobierno-corporativo/>

²¹ <https://conchaytoro.com/en/eduardo-guisasti-is-chosen-as-the-most-influential-figure-in-the-chilean-wine-industry/>

²² <http://www.catholicsforchoice.org/wp-content/uploads/2014/11/OpusDeiinLatinAmerica.pdf>

and management schools around the world.²³ A goal of Opus Dei is for their far –right version of Catholicism to become public policy.

The Vice Chairman of Concha y Toro is Rafael Guilisasti Gana, also son of Eduardo Guilisasti Tagle. From December 2008 to December 2010 Rafael Guilisasti Gana was president of the Confederación de la Producción y el Comercio (aka Confederation of Production and Commerce or CPC). The CPC is described as an entrepreneur association representing the most important productive sectors of the country. Chile's struggle to have water recognized as a human right has met opposition from the CPC.²⁴

Also on Concha y Toro's Board of Directors is Jorge Desormeaux Jiménez, president of the Financial Supervision and Regulation Reform Commission, whose many ties to the Chilean financial elite include JP Morgan Chile, the Central Bank of Chile, and AntarChile, the main holding company of the Angelini Group of Companies, one of the largest conglomerates in South America.²⁵

In April 2011, Desormeaux Jiménez became an independent director of Viña Concha y Toro on behalf of the Administradoras de Fondos de Pensiones (aka Pension Fund Managers or AFPs). Chile's AFP pension system has exacerbated inequality, been detrimental to the low-income working class, and has fueled Chile's recent wave of protests.²⁶ Workers, many who are barely getting by, contribute ten percent of their wages, supposedly to be claimed when they retire. In the meantime, private companies - the AFPs - invest the money and oversee its administration, funneling more funds to the already – extremely – wealthy. Desormeaux Jiménez is the husband of Evelyn Matthei, the far-right Independent Democratic Union Party's candidate for President of Chile in 2013. Matthei's father, retired Air Force General Fernando Matthei, served with Pinochet on the four-member military junta which forcefully ruled Chile during the dictatorship.²⁷

Pinochet was arrested in London in 1998, and the next sixteen years brought many attempts to hold him accountable for his crimes,²⁸ despite much effort on his part to evade responsibility.²⁹ Without having faced a full trial for the atrocities committed during his rule, Pinochet died of heart failure at age 91 while on house arrest, on December 10, 2006 – International Human Rights Day.

Concha y Toro continues to make millions, exporting to 140 countries worldwide. Their gross profits in 2018 totaled \$327 million.³⁰ In addition to the wine brands previously mentioned, Concha y Toro also owns 1000 Stories, Flatbed Red, Anthony's Hill, Adorada, Elysian, Beckon, Relay, Mad Genius, Grape Therapy, and Pacific Bay.

Prior to the publishing of this article both Fetzer Vineyards and Concha y Toro were contacted and asked to comment. Their complete statements are included in this article. We also welcome comments from the public regarding this issue.

²³ <https://www.iol.co.za/business-report/economy/opus-dei-cultivates-big-bosses-in-gods-name-732158>

²⁴ <https://www.theguardian.com/sustainable-business/2016/sep/15/chile-santiago-water-supply-drought-climate-change-privatisation-neoliberalism-human-right>

²⁵ http://www.poderopedia.org/personas/Jorge_Desormeaux

²⁶ <https://www.jacobinmag.com/2019/11/chile-protests-pension-pinochet-neoliberalism>

²⁷ <https://www.thenation.com/article/chileans-confront-their-own-911/>

²⁸ https://en.wikipedia.org/wiki/Indictment_and_arrest_of_Augusto_Pinochet

²⁹ <https://www.thenation.com/article/archive/chile-and-end-pinochet/>

³⁰ <https://www.macrotrends.net/stocks/charts/VCOYY/vina-concha-y-toro/gross-profit>