CHAPTER TEN

DEFENDING THE NATION’S INTEREST

Chilean Miners and the Copper Nationalization

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Until now, most historical accounts maintain that the 1971 nationalization of the Chilean copper industry came about because the political platform of socialist president Salvador Allende had mandated it. These accounts largely ignore the role that the copper miners played in achieving nationalization. This chapter first delineates the actions taken by the miners of the Gran Minería—through their votes and strikes—to promote the nationalization of the industry in which they worked. The Gran Minería was the name for the large U.S.-owned copper companies: the Braden Copper Company (El Teniente mine), a subsidiary of the Kennecott Corporation; and the Chile Exploration Company (Chuquicamata mine) and the Andes Copper Mining Company (Potrillillos/El Salvador mine), subsidiaries of the Anaconda Corporation. These two corporations had controlled 85 to 90 percent of Chile’s copper output from 1920 to 1971.1

Second, and more important, this chapter proposes to analyze why the miners sought nationalization. An examination of this central issue provides insight into the conflict between the miners and their employers and between labor and the state in Chile. It also brings to light the fact that nationalization held separate meanings for the Popular Unity government of Allende and for the miners. The government considered it as a means of ensuring Chile’s economic sovereignty. It took for granted that the miners supported nationalization because the Popular Unity coalition viewed the miners as a “radical” sector of the Chilean working class—that is, “radical” as opposed to “conserva-

tive” in the sense that the miners would sacrifice their own personal interests to those of the nation.

However, once the copper industry was nationalized, the workers demonstrated their independence from the socialist government by striking the El Teniente mine from April to June 1973. Ironically, this most “radical” sector of the Chilean proletariat engaged in a strike that mobilized popular protest against a government that was supposed to have represented the workers. It could well be claimed that the miners were redefining concepts such as “radical” and “national interests” on their own terms. Perhaps the workers were more radical than the socialist coalition that governed. After all, they considered nationalization as a form of workers’ control—not merely the replacement of arrogant foreign employers by unresponsive state directors. Obviously, the miners were not radical in the sense that the government claimed. They saw nationalization as a way to guarantee their own political and economic sovereignty. Public ownership of the means of production promised the miners both wage stability and administrative control of their workplace. To achieve their goals, Chilean miners were prepared to challenge the state just as they had for so long pressed the foreign owners.

The Miners as a Labor Aristocracy

Consensus once held that Chile—along with Costa Rica and Uruguay—had the strongest tradition of stable democracy in all of Latin America. The military did not intervene in domestic politics for the better part of the twentieth century. The Chilean polity also had a long tradition of statism, the use of the state apparatus to allocate resources and control the economy. This statist tradition was Chile’s response to the fact that, from the end of the nineteenth century, Chile’s integration into the world economy was based almost entirely on the development of the export industries of nitrates and copper, both of which had come under British and United States control respectively.

Chile’s democratic institutions and the movement to assert Chile’s economic independence both tended to strengthen the labor movement. Labor demonstrated its power through legally recognized union organizations and ties to the stalwart parties of the Left. The Center-Left coalition of the Popular Front government (1938–41) carried on the statist tradition by creating institutions aimed at establishing Chile’s economic sovereignty by channeling capital into import-substitution industrialization.3 The program of the Popular Front emphasized the use of legal means to socialize the economy and attempted to establish a collaborative relationship between labor and the state.
It foreshadowed the coming to power of Allende and the Popular Unity government in 1970.

The relationship between the Gran Minera workers and the rest of the Chilean working class began to deteriorate as the copper unions became stronger in relation to other segments of the working class. The Chilean Workers Confederation (Confederación de Trabajadores de Chile) had played the major role in the labor movement since the 1930s. In 1943, the miners held a strong place within the national labor confederation, their membership accounting for 31.8 percent of total union membership. The confederation defended workers' economic interests. It called for a stable and fair relationship between workers' wages and the cost of living through such means as movable wage scales. The Chilean Workers Confederation also had certain demands that were less strictly economic and more political. For example, it proposed limits on the profits earned by the large companies and urged that labor share in the administration of industry. But this labor organization deteriorated.

In 1953, the National Labor Confederation (Central Unica de Trabajadores, or the CUT) formed from elements of the defunct labor confederation. The development of the CUT marked the beginning of an extensive relationship between the labor movement and the (political) popular movement. By 1963, 51 percent of all Chilean labor unions were affiliated with the new confederation. One of these was the National Copper Workers Confederation (Confederación de Trabajadores del Cobre, or CTC), which arose from a general strike of copper workers in 1953. However, although the copper workers became affiliated with the larger confederation, the copper workers did not, for the most part, play a noticeably active role in the CUT’s activities. They did not often cooperate with other kinds of workers. Contemporary observers speculated that the copper miners were much too concerned with their own particular demands.

What were the conditions faced by Gran Minera workers? It is true that they were geographically isolated from the rest of the Chilean proletariat. Both the El Salvador and Chuquicamata mines are located in the Atacama Desert, far north of Santiago. Geographical isolation was less a problem at the El Teniente mine, situated in the mountains just eighty kilometers southeast of Santiago. Nevertheless, at all three locations, the workers and their families lived in communities close to the mines and traveled relatively little. The Gran Minera was largely a capital-intensive operation. In 1966, the Gran Minera employed just 21 percent of the total copper mining workforce, about eighteen thousand workers in all, obreros (blue-collar workers) outnumbering empleados (white-collar workers) by two to one. Copper workers recog
three distinct social groups among themselves. At the top of the hierarchy were those people paid in U.S. dollars. These were professional managers, engineers, and technicians, most of whom were U.S. citizens and some of whom were Chilean empleados. The Gran Minera did not employ a great number of U.S. citizens, perhaps 1 percent of all employees in 1970. Yet it is certain that all U.S. employees were part of this top social group of copper workers. Next in social prestige were the empleados paid in Chilean escudos.

The majority of the copper workers, the obreros, formed the group accorded the least prestige. These were the workers who performed the most physically demanding, dirtiest, and dangerous labor. Most of the obreros worked as drillers, explosives handlers, or shovellers. Each day they risked fatal accidents from falling rock or electrical shock, and as time passed, each miner ran the risk of partial or complete loss of hearing. Constantly exposed to dust and chemicals in sealed-off underground passages, the obreros also ran the risk of contracting the deadly lung disease pneumoconiosis. The miners’ working conditions, therefore, always informed their strike demands.

Moreover, the copper miners were generally perceived to be quite radical. Salvador Allende and other officials of the Popular Unity government later shared this assumption. On the other hand, certain other sources have tended to view the copper miners as a kind of “labor aristocracy.” Hobsbawm characterizes the labor aristocracy as that segment of privileged workers distinguished from the rest of the proletariat by relatively high wages, better benefits, and increased job security as well as by their perception of themselves as forming a distinct group. The term carries the connotation of conservatism. Labor aristocrats organize with the knowledge that they are defending a privileged position.

Indeed, the copper workers were relatively well off compared with other segments of Chile’s working class. Judging from four categories measuring workers’ well-being—wages, technological benefits, Christmas bonuses, and social benefits—they were privileged. The wages earned by the Gran Minera workers nearly doubled the wages of the petroleum workers, Chile’s second highest paid group of workers. This wage statistic should perhaps be viewed skeptically; it came from the reports of the Braden Copper Company. Nevertheless, the Gran Minera workers enjoyed benefits not shared by most other workers, including paid vacations, better social security benefits, and automatic wage adjustments whenever the cost of living rose significantly.

The fairly good economic position of the copper workers, of course, derived not from the graciousness of the Gran Minera companies but from years of workers’ struggle. The miners called the general strike of 1951 for economic reasons. Of all strikes called by the miners from 1956 to 1961, the majority had economic demands (wage increases and wage adjustments) as their basis. Hobsbawm points out that the labor aristocracy, typically militant in defending its own interests, can play the radical role of vanguard for the entire proletariat in that it forms “a strong nucleus of unionism.” Yet the copper miners seldom cooperated with the rest of organized labor. Their striking patterns suggest that the Gran Minera workers might have constituted a kind of conservative “labor aristocracy.” Copper workers, during this time period, could be said to have remained in Gramscian’s “economic-corporate” phase. This is the phase in labor organization in which laborers demonstrate solidarity with others in the same industry but not with the rest of the working class. These analyses are useful as an aperture into the conflicts that were to occur between the copper miners and the Popular Unity in 1973.

Some Marxist observers who obviously supported the Popular Unity during Allende’s rule wanted to make the point that the copper workers, despite their relative economic well-being, did not represent a “conservative” labor aristocracy. Barrera wanted to portray them as radicals. He pointed out that the margin of difference in pay for empleados and obreros working for the Gran Minera diminished steadily between 1955 and 1966, apparently to show the leftist tendencies of both empleados and obreros. It is true that the Copper Workers Confederation’s stipulation that all workers’ demands had to be agreed on by both empleados and obreros tended to pressure the companies for a more even distribution of income. Pro-Allende opinion also emphasized the desire of copper workers themselves for nationalization of the industry and numerous strike reprisals the workers had suffered in the recent past. These facts served as evidence to Allende supporters that the miners were fulfilling the role of the proletarian vanguard. The Popular Unity associated nationalization so closely with the achievement of the workers’ state that the miners’ actions toward that end could not be considered other than “radical.”

To Benefit the Country

Nationalization had elements of a “top-down” process as well as meeting the “bottom-up” demands of workers. The concept of anti-imperialism, the desire to rid the nation of the domination of foreign economic interests, held great sway with the middle-class Left and with intellectuals in the Popular Unity. The earliest calls for nationalization found expression under the more general banner of anti-imperialism. The Chilean Left—the socialists and the communists, for the most part—made efforts to touch the workers’ strike movement in terms of Chile’s anti-imperialist struggle. In this way, every material benefit earned by the striking copper workers became a small victory in the struggle.
against foreign domination. But how did workers respond to anti-imperialism? The copper workers themselves, though patriotic, did not necessarily make the connection between the concrete fact of a strike and the goal of anti-imperialism.

Anti-imperialism and its corollary, "economic nationalism," the belief that a nation's sovereignty rests on the control of its own economy, already had an extensive history in the country. Chileans began to express concern over foreign economic penetration as early as the 1850s. Economic nationalism with regard to copper did not become significant until the twentieth century. By 1930, copper was Chile's most important product at a time when the foreign interests controlled 52 percent of all capital investment in the country. United States capital accounted for 60 percent of all foreign assets. Thus, when the depression hit, causing real wages to fall and unemployment to rise, Chileans reawakened to their country's fragile position within the global market economy. Calls for the nationalization of industry increased, especially in the Gran Minera, owned entirely by U.S. firms. The Chilean Workers Confederation represented one of the voices calling for nationalization. In the midst of World War II, the confederation linked fascism to "regressive capitalism." It proposed the nationalization of the industry. In its actions, the copper workers' organization did not appear to have supported nationalization only "to benefit the country" (an anti-imperialistic, "political" goal). Rather, the confederation sought to "assure the welfare of the workers" (a more strictly economic goal). An examination of the apparent disparity between voting patterns of the copper workers and the goals of their strikes bears out this conclusion.

There is no doubt that the copper workers' votes aimed to achieve nationalization. The miners demonstrated this through their ties with the Left. The Chilean Communist Party had a well-developed, anti-imperialist rhetoric. It spoke of the need to develop the workers' consciousness and of the role of the working class in breaking the domination of foreign imperialism and its ally, the domestic oligarchy. The party pointed specifically to the evils of the U.S. domination of the Chilean copper industry. Although the Communist Party made the connection between nationalization and the welfare of Chile (and hence, of Chilean workers), it did not make the connection as strongly as did the Socialist Party. After he became president, Salvador Allende, a socialist, elaborated on the need for nationalization. His stance did not radically differ from the longtime program of his Socialist Party. Allende spoke of how the Gran Minera companies had blocked Chilean sovereignty. They had fixed Chilean copper at low prices during World War II and the Korean War, which forced the government to raise exchange rates, resulting in infla-

tection for Chile. Nationalization, then, formed a centerpiece of the Socialist Party and, to a much lesser extent, the Communist Party. The Chilean labor movement had historical links with both parties, but it seems that the workers voted for them less for historical loyalty than for their programs supporting nationalization.

In the three Gran Minera union elections spanning from 1959 to 1965, the Socialist and Communist Parties received absolute majorities each time. Seven of the thirteen Copper Workers Confederation leaders elected in 1951 were members of the Socialist Party. Four were Independents, and two were from the Christian Democratic Party. Ten of twenty-one leaders elected in 1955 were from the Socialist Party; the rest came from the Radical Party, the Independent Party, and the Christian Democratic Party. In CTC elections during 1958, 1961, and 1964, Socialist Party candidates received absolute majorities each time. The Communist, Christian-Democratic, Radical, and Independent Parties all won up to two spots each. Results of parliamentary elections show an identical pattern. In the Gran Minera mining community of Chuquicamata, the Socialist Party received the greatest support in 1957. In 1961, however, the Communist Party began to receive significant electoral support in the mining communities, where it had almost none in 1957. In these years, the same pattern held true for the mining community of Sewell, home of the El Teniente mine. Two points merit notation. First, support for the Socialist Party had its highest concentrations in the mining areas. In fact, Salvador Allende, a coalition candidate and one of the long-standing pillars of the Socialist Party, consistently received higher vote totals from the mining communities of the Gran Minera than from the country as a whole. The mining community of El Teniente gave Allende nearly double the percentage of votes he received countrywide in the presidential elections of 1958, 1964, and 1970. Second, the miners gave considerably less electoral support to the Communist Party than the Socialist Party. Although a number of reasons accounted for this difference, the fact remained that the Communist Party did not advocate copper nationalization as clearly as did the Socialist Party. The Communist Party's theme of anti-imperialism did not resonate as much with workers as did the Socialist Party's simple and basic call for nationalization. The theme of nationalization played a large role in Allende's near victory in the 1958 election. He lost by just three percentage points. Nationalization did indeed have the miners' support prior to the 1960s. As early as 1953, the CTC wrote: "Chile could, if it wanted to, NATIONALIZE ITS COPPER. This measure would be part of an overall political system." Some of Allende's supporters had claimed that the miners represent
radical sector of Chile. As evidence, they pointed to their votes for leftist candidates and to their support for nationalization. Many also pointed to the miners’ strikes as acts of anti-imperialism. An editorial in the newspaper El Siglo, a communist and pro-Allende publication, on 3 October 1959, for example, praised the miners’ strikes and said: “[The miners] have the conviction that . . . they are defending not only a wage and salary increase that will allow them to provide for their own needs, but also [they are defending] the national interest because their interests are the nation’s interests.”

The miners’ support for nationalization, however, came not solely as an act of anti-imperialism but, more basically, as an act aimed to bring about workers’ control of the industry. Their strike patterns prior to the Frei administration show this to be the case. The strike demands from the 1950s and 1960s were not exclusively economic ones. Miners struck in favor of automatic wage adjustments and higher salaries but also in protest of firings and in solidarity with fellow Gran Minera workers. While their votes made them look “radical,” their economic strike demands might have made the miners appear “conservative.” However, this “apparent” disparity did not actually exist. The more “radical” goal of workers’ control and the more “conservative” goal of ensuring economic security merged in the miners’ quest for nationalization. An economic crisis in 1951 and 1952 brought increased opposition to foreign investment in Chile, and people directed much of their hostility specifically at the companies of the Gran Minera. Subsequently, in July 1954, one of the first copper strikes that possibly had more “nationalistic” reasons behind it and that also represented workers’ control objectives took place. The miners at El Teniente struck for an increased share in the profits of the Braden Company. The program of Chileanization attempted to deflect these miners’ demands.

Breaking the Authority of the State

During the 1960s, Chileans became increasingly disenchanted with the “benefits” of foreign investment. The growing feeling of economic nationalism in 1964 led both presidential candidates, Salvador Allende and Eduardo Frei, to suggest changing the status of the Gran Minera companies. Allende proposed an immediate nationalization, and Frei favored a more gradual process he called Chileanization. Three-quarters of the labor leaders interviewed in 1963 believed that progress for Chile depended on a rapid and complete restructur-ing of Chile’s economy, including nationalization, whereas the remaining quarter favored a gradual restructuring. Labor clearly sided with Allende. But Frei won the 1964 election with the middle-class vote, and the “gradual evolution” of the Gran Minera companies began in October of that year.

The goals of Chileanization received broad support. They included doubling copper production within seven years of the implementation of the program, state participation in the refining and the marketing of copper, and Chile’s coparticipation in the administration—and eventual ownership—of the foreign copper companies. The state actually became near half-owner of both Anaconda’s industries. It became more than half-owner of Kennecott’s El Teniente mine. The National Mining Company, a government agency involved both in the productive and administrative aspects of the copper industry, supported Chileanization. It argued that, by removing legal barriers to development and offering incentives to the private companies, the program would allow Chile to become the world’s largest producer and exporter of copper. Chileanization had obliged the U.S. copper companies to invest 4 percent of their annual profits in Chile for the next twenty years. The newspaper La Nación also praised Frei’s program, estimating that Chileanization would raise Chile’s gross national product equivalent of $240 million annually, adding 1 percent or more to the annual growth rate. Pointing to Chile’s 35 percent equity in El Teniente, La Nación concluded that Chileanization reinforced Chile’s sovereignty. Actually, by 1970, at the end of Frei’s term, Chileanization did not appear to be doing too badly. By that time, the Chilean government owned more than half of each of the three Gran Minera mines and planned for eventual sole ownership of the El Salvador and Chuquicamata mines. Copper production had greatly increased (1967 was a record year), and so had Chile’s refining capacity. The final word of praise for Chileanization came from Senator Ignacio Palma. In 1971, he admitted that Chileanization had been flawed but that it had brought the country to a position of economic strength, permitting Chileans to consider full nationaliza-tion. Senator Palma claimed that the income Chile received more than doubled the profits taken by the U.S. corporations. Chileanization also had its detractors, however. The strong points of the law tended to be outweighed by several glaring weaknesses. The incentives offered to the U.S. companies angered the program’s opponents. The Frei government had promised that no new taxes would be imposed on the industry. Nor did it increase existing ones. The U.S. companies also retained the right to maintain foreign bank accounts for the deposit of any and all dividends. Furthermore, Chile’s gross profits did not reveal the greater burden of costs. The Chilean government incurred interest charges on loans from the U.S. Export-Import Bank and the Braden Copper Company. One cost/benefit analysis for the El Teniente mine showed that Kennecott was benefiting three times more than Chile. Those studies indicating Chileanization’s costs for the nation and its benefits for the U.S. companies reinforced the argu-
ments for a true nationalization. Salvador Allende and others reiterated the need for radical change. By the end of Frei's administration, even though the copper industry may have looked healthy, the country as a whole was suffering rising inflation and an unemployment rate of 8 percent. The continuing economic problems also affected the copper workers.

At the beginning of the Frei administration, the Copper Workers Confederation once again had declared favor for a program of nationalization. "The characteristics of our country pose the necessity of struggles to recover our basic resources," the Copper Workers Confederation had declared in 1964, "in order to accelerate our economic development in an independent form." The miners subsequently expressed their dissatisfaction with Chileanization, which they viewed as a cheap substitute for nationalization. In 1965, they wrote an open letter to President Frei: "The policies advocated by the Government for the copper companies mean neither an historical change in copper politics nor much less that [Chile] is going to become the owner of its own copper resources." The miners, nevertheless, sought to influence the structure of Chileanization, resulting in two huge strikes. The copper workers in 1965 had demanded a greater sharing in the company's profits, worker pensions, and health benefits. These measures were approved by the Senate in early October, only to be rejected by the Christian-Democratic majority in the Chamber of Deputies. The CTC then called a general strike of all the Gran Minería workers. The strike lasted thirty-seven days and cost the country nearly $30 million in lost copper production. The CTC's finalized list of forty-five demands contained mostly demands that may be termed strictly "economic" (e.g., wage increases and Christmas bonuses), as well as several workers' control objectives (e.g., well-defined job descriptions and work schedules, regular evaluations, and the establishment of a scale of seniority). Most important, the strikes made no mention of nationalization. It may be that the miners saw their economic demands not as typically "conservative" or even selfish but rather as "radical" in the sense that the miners were determined not to let the companies reap huge profits at their expense.

The second strike called by the Copper Workers Confederation in March 1966 originated with the El Teniente miners, who were demanding pay raises. Workers at the El Salvador and Chuquicamata mines soon joined the strike. This action so angered the Christian Democratic government that Frei even charged that the miners were no longer striking for better pay but rather to "break the authority of the State and overthrow the Government." The president declared a zone of emergency at the El Salvador mine and sent carabineros ("federal police") to the scene. In the ensuing conflict, the police killed nine miners and injured thirty-six more. This violence brought the National Labor Confederation into the conflict. It declared a national solidarity strike on 29 March, at which point the labor conflict became more political than economic. The confederation and the newspaper El Siglo attributed the labor repression to the government's desire to maintain the long tradition of exploiting the workers. This whole experience undoubtedly politicized the miners. The copper workers moved even closer to the leftist parties and further away from Frei's Christian-Democratic Party. Yet they maintained their own economic and shop floor interests as their driving force.

An examination of relations between the government, the companies, and the workers during the Frei administration reveals an awareness on the part of workers of exploitation and the need for workers' control. In 1965, the general opinion among union leaders held that company/union relations were fairly good, with only 3 percent of those surveyed describing relations as "very bad." As for the Gran Minería companies specifically, the Braden Copper Company portrayed itself as a wonderful employer, "one of the best employers in Chile," in fact. It pointed to such features as high wages, good housing, superb educational and medical facilities, an established record in industrial safety, and "corporate charitable activities." Braden also pointed out that it had helped to found the Chilean Institute for the National Administration of Enterprise, an organization promoting "modern management methods and practices" and having the convenient acronym ICARE. Yet, at the time, a majority of union leaders doubted that the companies were interested in the workers' welfare. Union leaders were also aware that economic exploitation was occurring. Fifty-three percent of the leaders opined that wages were too low; 85 percent thought that the companies were financially quite well off. An overwhelming majority of the unionists stated that the companies could afford to pay the workers higher wages with little or no difficulty. The most interesting answers came in response to the question: If the company were to reap huge profits in the next few years, would the workers also benefit? Three out of four labor leaders answered that the workers might receive some slight benefits but not nearly as many as they should receive. Sixteen percent said the workers would benefit in no way whatsoever. These surveys, it should be remembered, came from a variety of industries, including but not limited to copper. However, this notion that foreign companies exploiting Chilean workers carried over into the copper industry specifically.

In the Gran Minería, the workers noticed this exploitation in two ways. First, although their wages were higher than in other industries, the productivity of the miners was also proportionally much higher. Second, the Chilean copper workers were aware that they were earning less than half of the w
earned by U.S. employees of the Gran Mineria, who received their pay in U.S. dollars rather than Chilean escudos. Nevertheless, this awareness of exploitation did not necessarily translate into the workers’ desire to rid Chile of “Yankee imperialists.” The workers stuck with their economic goals. In 1967, 920 workers (as opposed to union leaders) of various Chilean industries were polled. Seventy-eight percent said that the long-term goals of the union should be to improve the living conditions of the workers. Only 5 percent expressed interest in having the unions take a political stand on issues. Frei addressed these material demands of the workers when he started to undertake reforms in 1969. His “Habitation Plan” would have helped workers become small homeowners. President Frei had also tapped into another source of worker dissatisfaction. In his 1964 campaign against Allende, he had promised the workers participation in running the industries and in sharing the profits. “The worker will no longer be a machine as in a myopic capitalist regime,” a Frei campaign pamphlet read, “nor a functionary of a government which owns all the industries, as happens in a Marxist regime.” Through Chileanization, Frei was trying to provide an alternative to nationalization and the economic and political power it promised the workers. Meanwhile, the Copper Workers Confederation reiterated its position on the matter. Its president in 1969 endorsed nationalization instead of Chileanization. “Our position . . . with respect to this issue is decidedly for NATIONALIZATION, in open juxtaposition to ‘Chileanization,’” said the leader of the miners union. “Our struggle for nationalization has been ongoing since the birth of the [Copper Workers Confederation] in 1951.” The copper miners had an opportunity to carry out their long-term objective in 1970. In that year, Socialist Party candidate Salvador Allende won the three-candidate presidential election with 36.3 percent of the popular vote.

Throughout its three years in power, Allende’s Popular Unity referred to itself as “the government of the people” and “the government of the workers.” For Allende, as well as for other Chilean politicians, the presbador bias of the Popular Unity was tantamount to support of nationalization. Socialist politicians often equated the history of workers’ struggle—and that of the Chilean people in general—to a fight for nationalization. “This great national revalidation [i.e., nationalization] is . . . the reason for the existence of the popular movement,” Allende said. “It is the government made by the people . . . which struggles for complete economic liberty, for the free power of decision over our resources.” In the Senate debate preceding the unanimous passage of the law nationalizing the copper industry, senators frequently referred to nationalization coming about as a result of the people’s struggle. They also couched their arguments in terms of anti-imperialism and economic nationalism. Senator Luis Corvalán of the Communist Party spoke of the many generations that had struggled to end the exploitation of the workers and to terminate the power of the oligarchy and the bourgeoisie. For the Socialist Party, legislators praised the martyrs of the El Salvador mine and referred to decades of exploitation by foreigners. The workers’ struggle once again was being cast in the mold of anti-imperialism. This does not mean that the workers did not themselves speak of exploitation or that the workers were not wholly supportive of nationalization. It does imply, however, that the politicians of the Popular Unity assumed that their cause was also that of the workers.

For the miners, however, the concept of nationalization meant two important things: an increase in income and worker participation in controlling the copper industry. This second point bears additional discussion. In the debate
over nationalization, Senator Altamirano spoke of the need to guarantee the "real, creative, and living" participation of the workers in the copper industry's administration. Many official voices repeated this theme. Luis Figueroa of the National Labor Confederation said that neither the businessmen nor the government but rather the workers themselves would run the mining industry. In fact, the new administrative structure contained a number of workers. The mines were to be run by an administrative council (made up of five democratically elected workers, five government representatives, and one representative of Allende) and a production committee (composed of a supervisor and a worker representative from each mine section). The Popular Unity had been creating this administrative structure in certain public industries as early as April 1971, two and one-half months prior to the nationalization of copper. 46 Luis Figueroa stated, "There is no doubt that the character of the enterprises of the State...now fundamentally changes with the incorporation of workers into their administration." A debate over whether nationalization truly did represent a "fundamental change" in terms of the miners' actual power arose later, during the El Temiente strike.

**Exploited Now by the Boss State**

The miners seemed generally supportive of nationalization and of the Popular Unity government through 1972. Three factors demonstrate evidence of this conclusion: the miners' voting patterns and political participation, the miners' striking patterns, and levels of copper production. As for political participation, the workers at El Temiente began to organize committees of production the very same month that nationalization took effect. This heightened participation in the industry's administration stayed in effect over the next several months. Two important union elections in 1972 indicated strong pro-government sentiment. In June of that year, workers elected roughly 75 percent Popular Unity candidates as leaders of the National Labor Confederation. This election also marked the first time in union history that a labor federation used secret ballotting, so the results probably show true workers' feelings. 48 Second, in July, the Copper Workers Confederation held its Fifth Congress, in whose election for the directorate Popular Unity candidates won eleven of thirteen seats. The Independent and left-wing Popular Socialist Union won the other two seats. 49 The fact that the Christian Democrats may have won seats had they not declined to run candidates should not obscure the backing that miners gave to the Popular Unity.

Strike patterns during this time also show general support for the government among workers. Although they may be somewhat difficult to sort out. On the one hand, Allende said in May 1974 that the number of strikes had diminished significantly since he took office. This appears to be true. He also claimed that, in the first half of 1971, no strikes at all had occurred in the coal, nitrate, copper, iron, or textile industries, proving that workers supported his revolutionary nationalistic cause. To say that the workers did not strike during this time period, however, was not true. They did. 50 On the other hand, sources opposed to the Popular Unity (Kennecott Copper Company, for example) described an outright "breakdown of labor discipline" once Allende came to power. This too appears to be wishful thinking. True, the workers did strike significantly under the Popular Unity government. But the number of strikes did not increase under Popular Unity compared with previous regimes, and the workers did not intend with their strikes to harm the government (as Kennecott wished to portray). Statistics show that the number of strikers who struck in 1971 decreased 55 percent from the number in 1970 under Frei's regime. Strikes in many industries during Allende's first year in office were intended to aid the government in the process of nationalization. For the miners, though, nationalization did not equate merely with nationalization. It also meant increased economic welfare during a time in which inflation was still depressing the workers' real wages. As soon as nationalization had occurred, therefore, the miners struck for wage increases. 51 They did not consider such action as treasonous either to Allende or to the nation.

Production levels of copper also serve as a partial indication of worker support for the government. There occurred in 1971 a 0.3 percent increase in production of refined copper as well as a 3.2 percent increase in primary copper production. Although the production of refined copper dropped off 10 percent for the first semester of 1972, the general trend in primary copper production showed gradual increases each year Allende held office. This trend manifested itself especially in the nationalized Gran Minera, which showed a 4 percent production increase in 1972. The trend continued through March 1973. 52 The miners clearly were committed to making nationalization work. In Chuquicamata, the miners even set up a volunteer work committee so that workers who were so inclined could work one Sunday a month for free. 53 Without doubt, the miners were aware of the importance of copper for Chile and, consequently, of their own importance for the nation. High production increased the workers' bargaining power for economic and political gains.

Nevertheless, the Popular Unity government began to lose support among the miners and among the populace in general. By the beginning of 1973, half of El Temiente's eight unions had Christian Democratic leaders, the former Popular Unity officials having been voted out by the rank and file. At another of the nationalized mines, Chuquicamata, "non-Marxists" won seven of 8.
spots on the board of directors elected by union members. The decrease in support for the government on the part of the miners testifies to the fact that, although surely concerned with both, the miners gave higher priority to their own economic and political power than to the interests of Chile as defined by the government. This drop-off in support from the miners as well as from other sectors of the Chilean population had its origins in external factors.

According to the monthly financial reports from the Copper Corporation, the Chilean government agency that administered the industry, the U.S. copper strike of 1971 had had a bigger impact on the world copper market than Chilean nationalization. The Copper Corporation mentions nationalization only as an aside in its July report. In its 1972 report, the corporation remarked that not even the conflict between Kennecott and Chile had affected the stability of copper prices. This conflict, however, did have a major impact on Chile itself. In calculating the amount of indemnification owed to Kennecott for nationalizing El Teniente, the Chilean comptroller general determined the sum to be negative $30 million because of years of Kennecott’s illegal and “excessive profits.” The U.S. copper company recognized the “right of a sovereign nation” to nationalize private property but objected to Chile’s refusal to pay compensation as a “violation of international law.” Kennecott proceeded to call for a worldwide embargo on Chilean copper. Charges were pressed against Chile in France, Holland, Sweden, Germany, and Italy. The copper embargo hurt Chile severely, preventing it from taking advantage of the low yet fairly stable copper prices. Meanwhile, two significant changes had transformed Chile’s relationship to world copper markets. First, nationalization had increased Chile’s economic power. From 1970 through September 1973, Chilean copper sold at the recognized London market price, whereas before, Chilean copper had always sold at well below it. Second, although one should not even hint at strict causality, the election of Allende coincided with several decreases in world copper prices. Another huge drop occurred with Allende’s inauguration, and thereafter the price gradually decreased and stabilized at pre-1968 levels.

Beyond changes related to the copper industry, Chile faced other, more general economic problems. Inflation was one of them. Although it had dropped from 16 percent in the first three months of 1970 to 3 percent for the comparable period of 1971, inflation did prove to be a growing problem throughout the rest of Allende’s administration. One source claims that the cost of living had risen 155 percent from May 1972 to May 1973. Capital flight, which resulted from the elite’s unwillingness to invest in Chile under socialist leadership, together with inflation led to shortages of essential goods. Rationing was instituted. World Bank president Robert McNamara summed up Chile’s economic problems in 1972. He listed rampant inflation, a balance of payments deficit of $770 million, and successive annual losses in net foreign exchange reserves; all of these economic problems combined made it impossible for Chile to receive assistance from any international lending institution. Chile’s economic problems serve as an example of the “structural trap” of which Howard Richards writes. That is, nationalization brought the same kind of economic problems to Chile in 1971 as it did to Bolivia in 1952, because “the very concept of the control of the means of production is an oxymoron.” When a nation-state attempts to gain control over production, it finds that an attempted solution such as nationalization, because it is only partial, may actually prove detrimental. Control of the production site is of little use as long as finance, processing, and marketing are controlled externally. Chile thus fell victim to the “whims” of the international market at the very moment that the copper miners—indeed, all Chileans—looked to Popular Unity for delivery of nationalization’s benefits.

Popular Unity government officials were well aware of the external risks that Chile faced. For this reason, government representatives made efforts among the workers to promote the concept of el hombre nuevo, the new man, who would sacrifice for the good of the revolution and would respond to moral over material incentives. To this end, Economics Minister Pedro Vuskovic tried to express the massiveness of what Chile was undertaking. “It is a matter not only of making the necessary structural reforms to modify the functioning conditions of the economy and society but rather of qualitatively transforming the nature of society and the economy,” Vuskovic said. “It is the long process of the maturation of the Chilean people, the unity of the working classes of the country.” Popular Unity supporters felt sure that the Gran Minera miners had already developed this sense of the hombre nuevo and would continue to increase production despite anticipated difficulties. Senator Luengo said that “the working class [would] know how to respond to the requirements of the epoch.” Senator Altimirano referred specifically to the miners: “We are sure that the workers of the Gran Minera, whose patriotism no one can doubt, will complete the [task] . . . with efficiency, abnegation, and the will to overcome.”

Indeed, the “patriotism” of the Gran Minera workers appeared strong in the beginning of Popular Unity’s term in power. In 1971, for example, just a few months after nationalization, Cuban revolutionary leader Fidel Castro visited Chile. He spoke to miners of the need to maintain and increase their discipline, now that their work was serving the interests of the nation rather than of foreign owners. “And this worker, who knows what work is, who knows what sacrifice is, always responds to the interests of his homeland, always
responds to the interests of his people," Castro said, "and he is always in the vanguard when his country needs him, when his class needs him!" The miners met his statements with rounds of applause, further reinforcing the opinion that they indeed represented one of Chile's most radical sectors. Because they strongly favored nationalization, the miners made great efforts at maintaining "discipline" and increasing production.

Yet "socialism" and "nationalization" held different meanings for the workers than for the Popular Unity—especially as time went by and Chile encountered economic difficulties. Economists Minister Vuskovic once had to address a working-class crowd upset about the food shortages. The workers did not respond when Vuskovic spoke of nationalization as a way to end Chile's economic dependence. They did applaud when he said that Chile's previous "distribution mechanism" had been set up for the rich, disregarding the working class, and that the Popular Unity would end the suffering. The concept of el hombre nuevo was perhaps not shared throughout the population as a whole, as the government had hoped. A principal concern of the Chilean working classes was material well-being. Miners too protested—in the form of strikes—against economic problems caused by external factors. In January 1973, the Chuquicamata workers protested the forced use of rationing cards. The most critical of the strikes, however, took place at the El Teniente mine from April through June 1973.

The prolonged El Teniente strike caused great damage to Chile and to the Popular Unity government. Chile forfeited nineteen thousand metric tons of copper in lost production. The strike also provoked national political problems. The miners demanded that Congress fire Labor Minister Luis Figueroa, longtime labor leader of the National Labor Confederation, and Mining Minister Sergio Bitar. The Congress did indeed suspend these two, along with the ministers of interior and economy. Allende's cabinet was reshuffled as a result of pressures from the El Teniente strike. Furthermore, the strike led to infighting among the executive, legislative, and judicial branches. The supreme court ordered that the nationalized companies be reprivatized. Perhaps even more traumatic for Popular Unity, however, was the fact that the El Teniente strike served as a point of mobilization for other sectors of the population. Agricultural workers, truck drivers, students, and the middle classes all used the opportunity to express their dissatisfaction with inflation and shortages. The political atmosphere became tense during the months of May and June. On several occasions, the government "of the workers" called out the police to control popular demonstrations, and the military attempted a coup on Allende at the end of June 1973. But why did the copper workers strike a nationalized mine in whose administration they participated?

The strike serves as yet another illustration that the Popular Unity and the miners misunderstood each other in terms of what nationalization meant. Because it considered the miners as radical and supportive of nationalization by virtue of their patriotism, Allende's government was taken aback by the El Teniente strike. The government tried to resolve the conflict by appealing to the miners' sense of el hombre nuevo. Shortly after the strike began, on 19 April, President Allende called the El Teniente union leaders to the presidential palace to discuss the strike's implications. He detailed the economic and political difficulties facing the country, including efforts by right-wing opposition groups to destabilize the Popular Unity, the damage caused by other strikes (e.g., the infamous truckers' strike of October 1972, in which truckers, subsidized by the U.S. Central Intelligence Agency, effectively paralyzed Chile for nearly a month), and the international problems caused by the copper embargo by France and Holland. Allende presumably intended the leaders to take this information back to the rank and file and convince the workers to call off the strike. Yet the strike continued and even gained momentum, attracting other sectors to the miners' cause. This led Allende to address the issue of Chile's general economic problems in his annual May speech. He said that rationing food so that no one went hungry was preferable to "rationing salaries," as happened in capitalistic societies. He also called for the people to recognize the need for a period of sacrifice in order to make the transformation to socialism a real one. The government could effect an "easy populism," he said, but this would lead to even more inflation, and the workers themselves would be jeopardized. But the strike and the popular uprisings continued into June. So did the government's appeals to the people. Calling for people to put aside egotistic demands and support the revolutionary process, the government circulated leaflets quoting Lenin, Che Guevara, and Fidel Castro. The strike finally had ended by July, but Chile was still suffering from the damage initiated by the strike. President Allende addressed the National Workers Confederation and again appealed for sacrifice. Although he now recognized the economic nature of the strike, the president and his government during the El Teniente strike had viewed it strictly in political terms.

Many officials of the Popular Unity saw the right-wing opposition as manipulating—even inciting—the El Teniente strike in order to destabilize the government and provoke its downfall. Labor Minister Luis Figueroa announced that the government would consider the miners' demands but warned the political Right to stop trying to manipulate the workers. Sergio Bitar stated that Popular Unity representatives had stormed the union hall of the CTC, "proving afterwards that the large majority of its occupants were not..."
workers but activists of the Right and ultra-right. The statement is of dubious accuracy. Members of Popular Unity claimed that the press had exaggerated the numbers of striking miners. A "significant number" of miners had kept working, they said, and those miners who were striking were being pressured to do so by opportunist union leaders.

Initially, it is true that significant differences appear to have existed between the leaders’ desire to strike and that of the union rank and file. The same disparities may have existed between the obreros and the empleados. At the time of the strike, a large number of copper union leaders represented the Christian Democratic Party (an opposition party), having been voted into leadership by the rank and file. The union leader who spearheaded the El Teniente strike, Guillermo Medina, later accepted a position in the regime of General Pinochet. At any rate, the government expressed outrage at the fact that right-wing elements were protesting "in the name of the workers." Right-wing opposition groups did indeed latch on to the miners’ strike and use it for their own ends. This fact led the government to discredit the strike—or claim that the workers did not truly desire to strike. One Christian Democratic senator illustrated what he believed to be the attitude of the Popular Unity, citing the words of Lenin: "It is necessary to repeat the lie as many times as necessary, until transforming it into truth." However, the lie was not that the El Teniente strike was infiltrated and manipulated by the right wing. It was rather that the rank-and-file miners were so "radical" that they would not have struck against the socialist government for purely economic demands.

The workers, however, considered economic and political goals to be one and the same, and they used the El Teniente strike to express their dissatisfaction with nationalization and the partial realization of the workers’ control. The clamor for increased workers’ control in the administration of mining had been growing throughout 1972 and 1973. One year prior to the El Teniente strike, workers in the nationalized Chuquicamata mine had struck to demand increased worker participation in the running of the industry. Just as before we shouted, "Take the copper back from the Yankee!" stated the Chuquicamata strikers, "now we must shout, 'Take the copper back from the communists and give it to the Chilenos!'" The Central Committee of the Socialist Party repeated its call for more political power for the workers just a few days before the El Teniente strike broke out, reminding party members of Lenin’s dictum that the fundamental problem of revolution is the problem of power. The Socialist Party even demanded workers’ control of the national economy. In the midst of the strike, national labor leader Luis Villena addressed the National Workers Confederation. He called on all workers to support the miners. "For eighteen years I’ve been exploited by imperialism,"

Villena said. "I don’t want to be exploited now by the Boss-State." Following the strike, Roberto Córdova resigned as worker representative on the administrative council of El Teniente. "The same injustices and privileges continue as when the gringos were here," he said. Thus, the workers were expressing the feeling that nationalization had brought about a mere transfer of bosses rather than workers’ control. The economic element was always present within the workers’ more "political" demands. Marxist union leaders had frequently reminded the miners that the foreign companies had been robbing them of the surplus value they produced. The question of who was getting the surplus value now that the mines were nationalized also was foremost in the miners’ minds.

Clearly the miners had suffered inflation eroding their wages, which was, after all, the principal cause of the strike. The government in 1972 had attempted to prevent a decrease in workers’ real income. It passed a law providing for a 100 percent automatic adjustment, or increase, of all workers’ wages and salaries throughout Chile. Those who worked under collective contracts, as did the copper miners, would have sixty days from the publication of the law to incorporate the wage readjustment into existing labor contracts. However, the copper miners had already, since 1943, enjoyed the benefit of the movilizable wage scale, which automatically adjusted their wages equal to one-half the increase in the consumer price index. Because the wage scale had already granted the miners a 41 percent wage readjustment before the new 100 percent wage law went into effect, the national copper administration deducted the wage increase by that amount. The workers immediately filed a complaint. On 17 April 1973, the appeals board ruled in favor of the administration and ordered the workers to accept the deduction or forgo the readjustment altogether. Thus began the El Teniente strike.

The strike illustrates both the "economic-corporate" spirit of the copper miners and their simultaneous desire to make nationalization work. The fact that the miners were willing to strike for increased wages when the entire working class and Chile as a whole were suffering such severe economic problems shows that the miners were behaving as a labor aristocracy struggling not to lose their status and job security during a time of inflation. Had their strike demands been met, the copper workers would have received pay 10 percent higher than that of any other salaried workers in the country, which they may have felt they deserved given the dangers of mine work and the importance of copper to the national economy. In its negotiations with the miners, the government stated that the spirit of its wage law was not meant to include "readjustments on top of readjustments" or "double readjustments." The workers answered that the letter of the law was clear enough and that it
was not necessary to examine the spirit of the law.72 Chilean copper miners had a deeply rooted spirit of struggle. That is to say, they had fought the U.S. companies for dozens of years to improve their wages and living conditions, and they were not prepared to abandon this struggle after the government took over the Gran Minera—especially when Chile was experiencing rampant inflation and the world price of copper had just climbed significantly.73 However, on 29 June, one faction of the army attempted a coup d’état. The coup was put down because of internal dissension within the armed forces, yet the event raised the stakes considerably. The miners then saw that their strike—and all the solidarity strikes and uprisings linked to it—might result in the loss of the Allende government and the reversal of nationalization as well. Therefore, the miners compromised when the government made its next offer. Workers received all the benefits of the government’s earlier proposals (paid vacations, pensions, and a guarantee against firing) plus production bonuses for April, May, and June (the months in which very few of the miners had actually produced). In the end, however, the workers had to give up the “double readjustment” that had caused the strike in the first place.74 Although economic demands obviously held extreme importance for the miners, they were not willing to risk the undoing of nationalization solely for the sake of such demands. The strike ended in July 1973.

**Conclusion**

The El Teniente strike demonstrates that nationalization occurred within the context of a misunderstanding between the Popular Unity government and the copper miners. This misunderstanding had two main aspects. First of all, the Popular Unity misread the miners’ radicalism and their willingness to sacrifice for the survival of the government “of the workers” as it traveled down the path to socialism. Second, the miners and the Popular Unity disagreed as to the meaning of nationalization. Should the El Teniente strike have surprised the government? Perhaps not, if Allende’s ministers had examined more closely the history of the miners and those values the miners held dear. Perhaps they might not have tried to manipulate the wage readjustment to the miners’ disadvantage. Instead, the Popular Unity would have looked for other ways in which to economize. The miners had engaged in a long struggle for economic benefits, and they saw nationalization as the culmination of this struggle and the victory of the Popular Unity as the guarantee that their victories would be protected. But they were not willing to lose economic benefits especially when a government “of the workers” was in power.

The strike at El Teniente expressed the miners’ dissatisfaction with nationalization not only in terms of its inability to meet their economic demands. They were also dissatisfied with nationalization in general. As the miners saw it, nationalization, in contrast to Chileanization, was to represent a fundamental change. It was supposed to have given the workers more economic and political power than they had ever had before. Popular Unity shared this goal, though secondarily to the restoration of Chile’s economic sovereignty. No such thing as economic sovereignty exists, however, within the structure of modern-day global capitalism. The Popular Unity was aware of the “structural trap” presented by nationalization. It knew that control of the means of production offered no guarantee of economic security as long as the means of exchange remained beyond Chile’s control. Therefore, Allende’s government sought ways to make internal structural changes that would combat the external pressures. Such changes included the comptroller general’s determination that Chile owed no compensation to Kennecott and the government’s manipulation of the wage readjustment.

Moreover, the Popular Unity believed that their long history of resistance meant that the miners were radical enough to sacrifice willingly for the good of Chile, as defined by the Popular Unity. The strikers’ acceptance of the government’s demands after the attempted coup does indicate that the workers were indeed willing to sacrifice to some extent. However, they sacrificed not as much to protect the Popular Unity as to protect their own conception of nationalization. Although the miners had expressed their disappointment with the way nationalization had turned out, they still believed their participation in the industry’s administration represented a better alternative to privatization. They hoped that, if Popular Unity stayed in power, nationalization could eventually become what it was intended to be: a fundamental change guaranteeing workers’ control.

On 11 September 1973, the armed forces, with encouragement from the U.S. government, launched a coup d’état against Allende and the Popular Unity, and there began seventeen years of violent repression under the Pinochet military regime. Thousands of Chileans were tortured, killed, or exiled for perceived subversion. Pinochet’s conservative economic advisers instituted the reprivatization of industries that the Popular Unity government had nationalized. Although reprivatization formed part of the plan designed to encourage renewed foreign investment, the “strategic” copper industry remained nationalized during the first several years of Pinochet’s rule. The other element of the plan consisted of severe repression of labor, restoring the confidence of potential foreign investors. Pinochet dissolved the National Labor Confederation, froze wages, banned union elections, and outlaw
strikes of more than sixty days’ duration. Ironically, the perception of the miners as being a “radical” sector remained; this time it was the miners—and not the government—who suffered the effects of this perception. Many copper miners (especially union leaders) who had been active in the quest for nationalization were jailed or killed. In 1978, the Pinochet regime reinstated the legality of union elections, yet labor repression continued. In May 1983, nevertheless, the El Teniente copper miners mounted a strike that again mobilized countrywide opposition to the government in power. It was a heroic effort indeed, especially in the face of retaliation much more severe than being fired from the job. Yet here again the same patterns were repeated. After negotiating with the Pinochet regime, the miners agreed to wage concessions. The elected government of Christian Democrat Patricio Aylwin finally succeeded Pinochet’s regime in 1990, and although their cloud has declined along with the copper industry, it remains to be seen how the miners will take advantage of the political opening to renew their struggle for workers’ control.

Notes

The author would like to thank Professor Paul Drake for reading and commenting on a draft of this chapter.

1. See, for example, George M. Ingram, Expropriation of U.S. Property in South America: Nationalization of Oil and Copper Companies in Peru, Bolivia, and Chile (New York, 1974); Markos J. Mamalakis, The Growth and Structure of the Chilean Economy: From Independence to Allende (New Haven, 1975); Theodore H. Moran, Multinational Corporations and the Politics of Dependence: Copper in Chile (Princeton, 1974).

2. Ingram, Expropriation of U.S. Property, 220.


5. Gonzalo Falabella, Clase, partido y estado: La CLT en el gobierno de la Unidad Popular (Lima, 1975), 5, 6; Henry Landsberger, Manuel Barra, and Abel Toro, El pensamiento del dirigente sindical chileno: Un informe preliminar (Santiago, 1968), 17–18.

6. Manuel Barra, El conflicto obrero en el enclave cuprífero (Santiago, 1973), 54; Jorge Barra Serón, Los sindicatos de la Gran Minera del Cobre (Santiago, 1976), 158–39. A look at the history of the labor movement within the copper industry shows that the miners had a long history of unrest, starting at El Teniente in 1971. As the century progressed, the copper unions gained in strength and struck for economic petitions such as job security and high wage increases, which they usually received. One early clue suggesting the miners’ desire for nationalization consists of the fact that they sought modification of the Código del Trabajo in order to increase the workers’ share in profits to more than the listed 6 percent. See Barra, Los sindicatos de la Gran Minera, 4–5, 6–9, and Ellen M. Bussey (for the U.S. Department of Labor, Bureau of Labor Statistics), Foreign Labor Information: Labor in Chile (Washington, D.C., 1960), 13. Barra attributes the copper miners’ isolation from the rest of labor to the fact that the miners were concerned more with their own demands than with those of labor as a whole as well as to the miners’ geographical isolation.

7. Barra, El conflicto obrero, 19, 21–22, 28–29, 34. This chapter’s author has found no records indicating that women were employed in the Gran Minera. The safe assumption is that the vast majority of workers were men.


12. Barra, El conflicto obrero, 89; CODELCO, Estatuto de los trabajadores del cobre (Santiago, 1970), 8, art. 22.


15. In that decade, Chilean Augustín Edwards established a monopoly over copper by storing up Chilean copper reserves and hence forcing up the U.S. and British copper prices: for this, he became a national hero. Ingram, Expropriation of U.S. Property, 213.

16. Ibid., 213, 216, 226.


18. Gladys Martín, Hugo Puentes, Mario Juárez, Sergio Arría, and Pedro Hernández, Documentos del XIII Congreso del Partido Comunista de Chile 1965: La juventud chilena junto a la clase obrera por la revolución (Santiago, 1965), 20, 38–40; Partido Comunista de Chile, La clase obrera centro de la unidad y motor de los cambios revolucionarios: Documentos del XIII Congreso Nacional del Partido Comunista de Chile (Santiago, 1965), 20–31, 33, 38.

20. The historical links are demonstrated in that, in the early twentieth century, labor hero Luis Emilio Recabarren formed the Partido Obrero Socialista, which gave rise to the Federación Obrera de Chile and eventually became the Partido Comunista. Falabella, Clase, partido y estado. The statement in the text can only be inferred from the few references to the writings of the CTC listed in Barrera, El conflicto obrero, 52, 36, 68.


24. Cited in Barrera, El conflicto obrero, 68.

25. Cited in ibid., 96.

26. Piñera, La huelga obrera, 177.; Barría, Los sindicatos de la Gran Minera, 73, 134, 137.


29. The state of Chile became owner of 51 percent equity in the El Teniente copper mine, as the Kennecott Corporation stated, "In 1967, Kennecott proposed that Chile acquire a controlling interest in this profitable venture" (emphasis mine). Kennecott Copper Corporation, Expropriation of the El Teniente Copper Mine by the Chilean Government (New York, 1971), 3. Embassy of Chile, News From Chile, 31 December 1964.; Ingram, Expropriation of U.S. Property, 253.


32. Opponents of Chileanization said the law did not significantly differ from the Nuevo Trato law. The Nuevo Trato law, passed in 1955, attempted to increase Gran Minera production by promising an inverse relation between the amount of production and the tax rate. The law met great criticism because the supposed increased revenue for Chile from increased production was more than canceled out by the loss in tax income. Ingram, Expropriation of U.S. Property, 245–47.; Barría, Los sindicatos de la Gran Minera, 77.; Ministerio de Minería, "Decreto No. 1.771, de 23 de diciembre de 1966, sobre franquicias y liberaciones," in Novoa, La nacionalización chilena, 384–85, 388.

33. Study by Keith Griffin, cited in Ingram, Expropriation of U.S. Property, 252.; Kennecott Copper Corporation, Expropriation of the El Teniente Copper Mine, 3.


35. Cited in Barrera, El conflicto obrero, 68.

36. From "Carta abierta [de CTC] al Presidente de la República," Obrero, 14 January 1975, as cited in Barría, Los sindicatos de la Gran Minera, 44.


39. Frei's government had in fact committed itself to maintaining a "docile, disciplined labor force" for the foreign companies and, to this end, had enacted legislation to freeze wage increases. Frei quoted in Ingram, Expropriation of U.S. Property, 370.


42. Barrera, El sindicato industrial, 35.; Guerrero, ENAMI, 35.; Nuevos Horizontes (pamphlet for Frei campaign) (Santiago, [ca. 1962]), 2–7.


44. See, for example, Pedro Vuskovic, Exposición del Ministro de Economía, Pedro Vuskovic, ante las mujeres de Santiago, el 25 de julio de 1971, en el Estadio Chile (Santiago, 1971), 1.; El Senado de la República de Chile, "Sesión 25a," 1971.


49. Embassy of Chile, Chile: Summary of Recent Events, 3 August 1973, 2.

50. For example, the strike at the Yurar textile mill occurred on 28 April 1971. See Peter Winn, Weavers of Revolution (Oxford, 1986), 139.; Allende, "Primer Mensaje," 273.
31. Kennecott Copper Corporation, Expropriation of the El Teniente Copper Mine, 4; Embassy of Chile, Chile: Summary of Recent Events, 15 June 1972, 3; Bitar and Pizarro, La caída de Allende, 11, 33; El Mercurio, ed. Breve historia de la Unidad Popular: Documento de "El Mercurio" (Santiago, 1974), 71; Ingram, Expropriation of U.S. Property, 295.

32. CODELCO, Informe de mercado, 3 vols. (Santiago, 1971-73), 1-6, 8, 11, 213; Allende, "Segundo Mensaje," 247; Salvador Allende, "Terce Mensaje del Presidente Salvador Allende ante el Congreso Pleno, 20 mayo 1973," in Las grandes alamedas, 213; Chile: Summary of Recent Events 251 (15 February 1973); Bitar and Pizarro, La caída de Allende, 33.


34. Ingram, Expropriation of U.S. Property, 297-98.

35. Another key instance in the miners' struggle for—and disillusion with—workers' control was the "Strike of Titicoca," which occurred at Chuquicamata in February 1972. The strike was named for a worker who was fired because he had left work early. This conflict demonstrates the tension between the unions and the administrative councils because the strike began when the administrative council defended management in firing the worker. The strike lasted three days and was resolved when Titicoca was rehired. Zapata, Los mineros de Chuquicamata, 51-56.

36. CODELCO, Informe de mercado 1, no. 7 (July 1972): 1, 5; CODELCO, Informe de mercado 2, no. 10 (October 1972): 2.

37. Kennecott Copper Corporation, Expropriation of the El Teniente Copper Mine, 2; Kennecott Copper Corporation, Confiscation of el Teniente, the World's Largest Underground Copper Mine: Kennecott Continues Its Pursuit of Remedies Outside of Chile (New York, 1973), 59.

38. Accounts of the results of these court proceedings are quite interesting. If we look at accounts of the German court ruling, for example, CODELCO and Kennecott agree on the date of the ruling, and that is all. CODELCO stated that the German court ruled in favor of Chile, lifted the embargo, and made Kennecott pay court costs; Kennecott claimed that the German court ruled in its favor because the nationalization violated international law. The Chilean account is supported in other sources. CODELCO, Informe de mercado 3, no. 1 (January 1973); 6; Kennecott Copper Corporation, Confiscation, 1-iv, 69; Chile: Summary of Recent Events, 15 February 1973, 3.


40. The price in April 1970 (before Allende) was $2.4 cents per pound; a year later, (prenationalization), it had fallen to 5.2, and by December of that year (postnationalization), the price had dropped to $1.1 cents per pound. In 1973, the world copper price increased and reached especially high levels during the El Teniente strike, when Chile was not able to take advantage of the high price. Then the price dropped during the month of the coup in Chile but made a miraculous recovery the following month.


42. Vukovic, "Los rumbo," 17; El Mercurio, Breve historia, 337; "Statement by the Honorable John M. Hennessey, Assistant Secretary of the Treasury for International Affairs before the Subcommittee on Multinational Corporations of the Senate Foreign Relations Committee, March 28, 1973," cited in Kennecott, Confiscation, 93. For a good summary of the interplay between the Chilean nationalism and externally driven economic problems, see Paul E. Sigmund, Multinationals in Latin America: The Politics of Nationalization (Madison, Wis., 1982), 158-78.


44. The concept of el hombre nuevo is attributed to Che Guevara.


47. Vukovic, "Exposición del Ministro," 27-28; El Mercurio, Breve historia, 328.

48. Which rulings these were not specified. CODELCO, Informe de mercado 3, no. 7 (July 1973): 7; El Mercurio, Breve historia, 363, 372; Bitar and Pizarro, La caída de Allende, 49.

49. El Mercurio, Breve historia, 355-62. A brief disclaimer on my sources for this section: I am drawing chiefly on the works of two parties who very much had personal stakes in the matter. One is Sergio Bitar, who was fired from his position as minister of mining. The other is the newspaper El Mercurio. El Mercurio is known to be an extremely conservative newspaper, one that was consistently hostile to the Popular Unity. The newspaper received $1.5 million in CIA funds during the Popular Unity's stay in power. U.S. Senate, Hearings before the Select Committee to Study Governmental Operations with Respect to Intelligence Activities of the United States Senate, 94th Cong., 1st sess., 4-5 December 1975; 176. The Allende government, in fact, sued the newspaper in the summer of 1973 for publishing "an anti-government advertisement which openly called for disobedience." Embassy of Chile, Chile: A Summary of Recent Events, 10 July 1973. Furthermore, the same newspaper, which rallied to the cause of the El Teniente miners in 1973, had urged the El Teniente miners not to strike in 1966, saying that their strike only benefited the Soviet Union and would surely bring about the downfall of the "Great West." Cited in Barrera, El conflicto obrero, 72.


51. Salvador Allende, "Discurso pronunciado por el Presidente de la República, compañero Salvador Allende, en el Plenario de Federaciones de la CUT, 25 julio 1973," in Las grandes alamedas, 163-64; El Mercurio, Breve historia, 362.

52. Luis Figueroa, "La oposición no puede seguir jugando con los trabajadores," Las noticias de última hora, 16 April 1973, 24; Bitar and Pizarro, La caída de Allende, 27-28 (the accuracy of Bitar's statement is doubtful because it is not footnoted); El Mercurio,
CONCLUSION

WORKERS’ CONTROL
IN LATIN AMERICA

JONATHAN C. BROWN

By now, it has become clear that the role of the workers in making history in Latin America cannot be overstated. Even though their voices are not heard as clearly as those of politicians and the elite, Workers were, in fact, full participants in the events that defined their nations during the half century following the Great Depression.

These chapters leave little doubt that laborers participated actively in restructuring of the economies and societies of their countries. Michael B. B. shows that the sugar mill workers, in spite of—or perhaps, because of—the poverty and hunger, helped set Cuba’s reform agenda. Their dramatic struggles made it impossible for owners and politicians to ignore their demands. The railway workers performed much the same function in Guatemala. They directed their union activities toward defeat of unpopular rulers and support of reformist politicians. Marc M. McLeod cites that the program of the Guatemalan revolution had originated among the masses themselves. Bolivia, the miners also had been the driving force behind the revolution of 1952. Andrew Boeger makes clear that the miners had sacrificed their lives struggling successfully to have their concerns recognized at the national level. In Peru too, as Josh DeWind demonstrates, workers at the foreign-owned copper company contributed to national affairs. DeWind’s miners, however, placed high priority on demands that are contrary to the objectives of their radical labor leaders. That workers themselves found that the political force is not evident in the case of Brazil. Joel Wolfe shows that women textile workers...