MIDDLE CLASS AND THE DEMOCRATIC PROCESS IN CHILE

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DECLARATION

I declare that the Dissertation titled ***'Middle Class and the Democratic Process in Chile'***, submitted by me in partial fulfillment of the requirements for the award of the degree of **Master of Philosophy** of this University has not been previously submitted for any other degree of this or any other University to the best of my knowledge. This is my original work.

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CERTIFICATE

We recommend that this dissertation be placed before the examiners for evaluation.

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I am responsible for all the shortcomings and mistakes, which are many, in this dissertation.

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CONTENTS

CHAPTER – I INTRODUCTION

One of the basic theories of politics, put forth by Aristotle centuries ago, is the theory of the middle class and its causal link with democracy. According to Aristotle, a large, prosperous middle class may mediate between rich and poor, creating the structural foundation upon which democratic political processes may operate. Beyond Aristotelian theory, the specifically commercial nature of the middle class is also made central, as the democratic institutions of law, power limitation, and electoral participation were carried by a commercial middle class.

This dissertation traces the development of democracy and the rise of the middle class in Chile from the late nineteenth century to the beginning of the twenty first century. Socialism, communism and fascism are discussed as reactions to capitalist-democracy.

But before we proceed any further, it will be beneficial to have a brief look at Chile's history for the discussion to be fruitful.

1.1 Historical Sketch of Chile

The Independence (1810-1823)

At the beginning of the nineteenth century, events like the French Revolution and the Independence of the United States incremented the independence sentiments of a lot of Americans. In the case of Chile, after Napoleon invaded Spain and the fall of King Fernando VII in 1810, the Creollos (Creoles) established a Governmental National Assembly in Santiago in order to administer the colony in the name of the Monarchy.

This act was considered as a rebellion by the crown and led to the commencement of the fight between the Creoles and the Spanish Army, which was sent by the Viceroy of Peru.

After numerous battles, the National Independence was claimed in 1818 and Bernardo O'Higgins was named as Supreme Governor of the country.

The Consolidation of the Republic (1823-1861)

After a long period of anarchy, a republican, presidential and authoritarian regime was established for a period of 30 years. In this manner, the rule of the leaders was terminated and a certain political and social stability was maintained. Commercial relations with the exterior were also established and the exploitation of minerals, mainly Silver and Copper, incremented.

The European ideologies had their influence on the cultural aspects through literature. In 1842, the University of Chile was founded and in 1851 the railway route from Copiapo to Caldera was inaugurated. Also, in this period the government encouraged the arrival of German settlers in the south of the country.

The Liberal Republic (1861-1891)

During this period, Chile was able to considerably improve its economical situation due to the exploitation of important mines of Silver, Copper and Saltpeter in the north of the country. However, this economic bonanza brought along many problems with Peru and Bolivia, which were already watching with great interest the economical attractions of the zone. In 1879, this rivalry led to the War of the Pacific, in which Chile came out victorious. With this victory, the country consolidated itself as a military power and as the world's major producer of natural Saltpeter, a chemical product widely used in both World Wars. Thanks to this bonanza, a new and dominating type of class, enriched by the mining industries, emerged. This led to various advancements in different sectors of the national economy. The big changes, the country underwent in this period, generated a more liberal spirit among the new influential classes that opposed the type of presidential government that had the control at that moment. This was the genesis of a social and political conflict that ended in the

Revolution of 1891 in which President Jose Manuel Balmaceda was overthrown and a parliamentary government was established.

The Parliament Republic (1891-1925)

With this new system of government President Jorge Montt initiated, the position of the president practically lost all its powers which were transferred to the Parliament. The Parliament was constituted by the dominating class which, in turn, generated a lot of political, social and economical disorder.

At the beginning of the twentieth century, this crisis reached such extremes that the working class started to demand changes to improve their living and life standards. In 1909, the first syndicated organization in the country was founded. In 1920, President Arturo Alessandri Palma was elected and governed till 1925. This was seen as a triumph for the middle class. Meanwhile, the Saltpeter remained to be the fundamental pillar of the Chilean economy. The situation remained as such until the Germans invented the Synthetic Saltpeter during the First World War. In 1925 a new constitution was enacted which terminated with the control of the Parliament and the powers of the President position were reinforced.

The Democratic Republic (1925-2000)

The new reforms and the emerging and consolidation of new social groups between 1925 and 1932 led to the ending of certain political and social instabilities marked by distinct military interventions. It is only in 1932, with the re-election of Alessandri, that the country was able to return to be constitutional. From this point, new political alliances emerged and a series of reforms were enacted through laws such as Employment Insurance, Health, Education and Retirement. The country continued to follow the example of state involvement in the economical development. This example led to the creation of an organism called the Development Corporation (CORFO) as the organism in charge of the development of the industry.

In 1964, the presidency was assumed by Eduardo Frei Montalva, a Christian Democrat militant, who under the concept of "Revolution of Liberty", initiated in Chile a new political stage that was marked by the Church's Social Doctrine, which called for economic progress in the sectors of the needy. Frei initiated one of the most significant transformations in the history of the economy of the country when he started the Agricultural Reforms with an implementation that led to a series of future political crisis.

It was the same period of time when the Soviet Union was consolidating a political system that started an expansion of an ideology that had objectives to provide an economic, military and political support for the regime of Fidel Castro in Cuba. These ideologies also reached Chile and thus fortified the parties of the left in the parliament, which came to power with Salvador Allende in 1970. Allende, in spite of winning the election with an absolute majority, acceded to La Moneda after a session of the transfer of power in the congress.

Allende and the Popular Unity movement initiated a unique experience in Latin America by nationalising natural resources, which were in the hands of private owners. A social and economical Soviet model that included price fixing and rationalising of the basic consumable commodities was applied. The process included the nationalisation of the Cooper mining industry, an industry that sustains the economy till now. This was, and for the first time, handed over to Chilean hands.

Nevertheless, these drastic social changes and the emergence of radical leftist groups, who defended the logo of "With arms towards socialism", generated a climate of social instability. Slowly, Allende got separated form the Christian Democratic Party, a party that supported him in Congress. This consequently caused a big division inside and outside the Parliament. Continuing changes in the Cabinet, which also included some military figures in the last change, and uncontrollable inflation rates were clearly indicated that the country was in evident crisis.

Violence took over the streets. Sectors of the economy suffered a repossessing of their industrial and agricultural ownership. People experienced food shortages and there were

endless strikes of truckers and transporters. All these events demanded an immediate change in the middle of an institutional breakdown that Chile had never seen before.

After a failed coup attempt in June, a military assembly integrated by four commanding chiefs of the Armed Forces, headed by General Agusto Pinochet, decided on the 11th of September to overthrow President Salvador Allende.

The military closed the Congress and prohibited all political activities and a new period of the reconstruction of the nation began. In the first stage, the economic activities were established after the dismantling of the socialist regime. Then, in 1978, a new constitution was implemented. Thousands of people were detained and executed while others were exiled. This generated a huge world rejection to the situation. The military assembly governed for 17 years and succeeded in implementing an autonomous economic system that permitted big growth (Collier 1996).

In 1988, a referendum, convoked by the same government, obliged them to call for free election. With the election of 1990, the control of the military regime ended and the parliamentary activities were renewed. From that date, there have been four Presidents who made it to La Moneda (the Presidential Palace) with the support of the same center left coalition. They are Patricio Aylwin (1990-1994) and Eduardo Frei (1994-2000), both Christian Democrats, and the Socialists Ricardo Lagos and Michelle Bachelet.

1.2 Political Developments, 1891–1920: Growth of the Middle Class, New Political Parties And Decline of Ruling Class

The period between 1891 and 1920 was one of intense political activity that saw the formation of new political parties and tendencies that tried to express the political desires of the middle and lower classes. The development of a state bureaucracy and the growth of the railroads and of commerce favoured the formation of social groups with urban concerns, rarely linked to the landed oligarchy, and increasingly aware of their possible political roles.

An active working class developed in the saltpetre mines, in the large public utility enterprises (railways, gas, electricity), and in the many factories that began to appear in the urban centres, especially in Santiago. The first strikes to obtain better salaries and working conditions occurred during this period (Barr-Melej 2001).

The radical political faction—born as a dissenting wing of the liberals and striving toward the secularization of the country—became the Radical Party in 1888 and tended progressively to voice the concerns of the growing middle class.

The Democratic Party (Partido Democrático; formed 1887) was led by Malaquías Concha, who spoke for the needs of the artisans and a part of the urban workers. Founded by former radicals, this party differed from the Radical Party only in the particular emphasis it gave to the labour movement.

Marxist ideology had begun to spread among Chilean workers. The first socialist group, founded in 1897, advocated anarchism and a worker-controlled economy. It became the Socialist Party in 1901 but had a fleeting life. The increase of strikes and dissatisfaction of the miners, however, led to the formation (1912) in the mining region of a new Worker's Socialist Party (Partido Obrero Socialista), which influenced workers and university students and advocated an international class struggle; it became the Communist Party in 1922.

The radicalisation of the parties of the left was caused largely by the ruling class's neglect of Chile's complex economic and social problems. The ruling class, concerned with protecting its own interests, failed to introduce needed reforms, and as a result the political instability already evident in the late 19th century grew worse. The traditional Liberal and Conservative parties were unable to adapt to the country's changing situation.

Along with the growing political and social problems, the economic situation also worsened. Loans obtained from Britain and, after 1916, from the United States served more to pay the interest on previous debts and to cover state expenses than to allow productive investments. The country consumed more than it produced, and this was translated into an

annual inflation rate of more than 10 percent and to the constant devaluation of the currency in relation to the pound sterling and the dollar. Agrarian production barely kept pace with home consumption, but the large landowners were unable to introduce techniques to increase it. Industrial development lagged because of insufficient capital (Frank 1971).

1.3 Middle Class or Middle Sector

The term "middle class" has a long history and has had many, sometimes contradictory, meanings. It was once defined by exception as an intermediate social class between the nobility and the peasantry of Europe. While the nobility owned the countryside, and the peasantry worked the countryside, a new bourgeoisie (literally "town-dwellers") arose around mercantile activities in the city. This had the result that the middle class were often the wealthy stratum of society (whereas today it is generally referred to as the moderately rich). The middle class helped in brining the French Revolution in 1789.

The size of the middle class depends on how it is defined, whether by education, wealth, income, upbringing, hereditary relationships, social network, manners or values, etc. The above categories are all related, and dependent. The following factors are often ascribed to the determination modern "middle class":

- Achievement of tertiary education.
- Holding professional qualifications, including academics, lawyers, engineers, doctors, and clergymen.
- Belief in bourgeois values.
- Lifestyle: In the United Kingdom, social status has historically been linked less directly to wealth than in the United States, and has also been judged by pointers such as accent, manners, place of education, occupation and the class of a person's family, circle of friends and acquaintances.
- Cultural identification: Often in the United States, the middle class are the most eager participants in pop culture. The second generation of new immigrants will often enthusiastically forsake their traditional folk culture as a sign of having arrived in the middle class.

In popular perception, all white-collar work is middle class, but sociologically it is necessary to sub-divide this class into distinct groups sharing similar market, work, and status situations. For example, John H. Goldthorpe (Social Mobility and Class Structure in Modern Britain, 1980) distinguishes the service class of senior managers and professionals; the junior or subaltern service class of lower professionals such as teachers, junior managers, and administrators; routine non-manual workers such as clerks and secretaries; and owners of small businesses (the traditional *petit-bourgeoisie*). Conventionally, the service class is referred to as the upper-middle class; the junior service class as the middle class proper; and the others as the lower-middle class. Thus defined, in Chile the upper-middle class comprises some 10 per cent of the population; the middle class accounts for around 20 per cent; and the lower-middle class takes in a further 20 per cent. Thus the middle class is the single largest class in Chile.

As with the term upper class, distinctions can be made between the 'old' and 'new' middle class. The former generally refers to the petite bourgeoisie and independent professionals (whose existence as distinct groups pre-dates the twentieth-century expansion of the class as a whole), while the latter refers to all other elements of the middle class: that is, salaried professionals, administrators and officials, senior managers, and higher-grade technicians who together form the service class, and routine non-manual employees, supervisors, and lower-grade technicians who form a more marginal middle class (or, in Marxist terms, a new working class)(Faundez 1988).

But Marxism does not necessarily see the groups described above as the middle class. The middle class is not a fixed category within Marxism, and debate continues as to what constitutes this social group.

Marxism defines social classes not according to wealth or prestige of their members, but according to their relationship with the means of production: a noble owns land; a capitalist owns capital; a worker has the ability to work and must seek employment in order to eke out a living. However, between the dominant and the dominated class, there is a group of people often called a middle class. Historically, during feudalism, the bourgeoisie were that middle class. People often describe the contemporary bourgeoisie as the "middle class

from a Marxist point of view", but this is incorrect. Marxism states that the bourgeoisie are the *ruling class* (or *upper class*) in a capitalist society.

Marxists vigorously debate the exact composition of the middle class under capitalism. Some describe it as a "co-ordinating class" which implements capitalism on behalf of the capitalists, and is supposed to be composed of the petit bourgeois (a member of the lower middle class in society), professionals and managers. Others dispute this, freely using the term "middle class" to refer to affluent white-collar workers (even though, in Marxist terms, they are part of the proletariat—the working class). Thus it is obvious that in Marxism there are two main classes - bourgeoisie and proletariat.

Middle class formation is generally the result of several profound internal and external structural changes. These usually consist of some combination of immigration, demographic concentration, urbanisation, industrialisation and the spread of modern capitalism with its concomitants, together with the state's growing interventionist role in social and economic spheres previously regarded as outside the ken of governmental activity.

The formation of social structures in Latin America took place in specific circumstances within what Immanuel Wallerstein, Samir Amin, Gunder Frank, and others refer to as the World System. Latin America got inextricably connected with this system. This system became consolidated in its modern form by the late nineteenth century. The evolution of middle class has taken different course in different Latin American countries. The economic and political structures of a particular country provided the stimulus and pace for the middle class emergence. Thus, the middle class of Argentina took birth around the agro-pastoral economy and subsequent foreign capital investment. In Chile, it was mineral and agricultural economy that laid the foundation of incipient middle class. Brazil and Mexico provided factors largely in the form of agriculture and land (Arellano 1985:401).

In Latin America, the conventional term for middle class is capas medias (middle strata). This is because of the degree of differentiation and heterogeneity of what is described as middle class. They are primarily a twentieth century formations. In the nineteenth century,

societies organised around *latifundia* and mono export production did not generate complex socio - political structure.

Between the 1880s and the beginning of the First World War, the Chilean export economy experienced a period of growth. During this period (1880-1910), the social structures that characterise contemporary Chile evolved. By the First World War, the older class system based on land and commerce were changing and being challenged by modest advances in manufacturing. This was possible because of the migration of rural labour to the emerging urban and mineral centres and opening of the new avenues of employment in factories, workshops and mining. But there emerged in Chile an economic and social structure that was heavily dependent on Europe and the United States. Historians and social scientists writing in the 1950s and 1960s were preoccupied with elaborating theories that could explain the failure of this challenge and its results: the continued, indeed deepening, external dependency of the nations and peoples of Latin America. An approach that came to be termed dependency theory contributed immensely to a macro level historical understanding of the post- First World War social, economic, and political reality of Latin America, including Chile.

British entrepreneurs, through their control of commerce, transportation, and later banking facilitated the merging of regionally based economic interests in Chile. Through the spread of corporate stock mechanisms, land and mine owners came to form a cohesive national oligarchy, rather than an embattled dominant class divided by regional and sectoral interests. The increasing integration of the Chilean economy in international trade provided the basis for other changes in the Chilean class structures. Ancillary groups, such as technical, bureaucratic and professional strata, and a working class both in the cities and in the countryside were formed. That this process took place under the sway of British commercial interests led to conflicts that surfaced over the policies of President Manuel Balmaceda (1886-1891). Balmaceda's programme of economic nationalism was geared to the needs of emerging middle class and industrial interests, rather than to the actuality of dependent under-development. Balmaceda's forces were defeated in the Revolution of 1891

by a coalition of the export-oriented sectors of the Chilean oligarchy and British commercial interests.

The social structure around 1900 AD was quite simple. Three quarters (75 per cent) of the population lived in the rural sectors. The community was ruled by an oligarchy which freely controlled and directed the state apparatus in the construction of the basic infrastructure for export. The exploitation of nitrate introduced major changes owing to the characteristics of its extraction and because it was controlled by foreigners. Its exploitation produced a massive migration of labour from the Central Valley of the country, giving rise to a proletariat class previously unknown. This gradually produced and organised workers' movements which soon became a social force.

During the nineteenth century and practically up to the crisis of the 1930s the driving force of national development was external demand. Up to the last third of the nineteenth century the noble metals - copper, silver, and gold – and agricultural exports were the dynamic sectors of the economy. In the last two decades of the nineteenth century and until shortly after the First World War the exploitation of nitrate was the engine of growth.

Urbanisation and the first attempt at industrialisation favoured the expansion of services. These gave rise to an 'incipient middle class' consisting of employees and professionals. All these changes gradually diversified the economy and the social structure. In this context there arose in the last two decades of the nineteenth century the so-called "social question". The triumph of Ibanez Alessandri in the election of 1920 opened the way for social laws. In 1921 the government submitted to congress a set of social laws which after three years' delay were passed in 1924.

The expansion of social benefits received a powerful impetus from the growing political democratisation of Chile from 1924 onwards due to electoral reforms (universal male franchise). Before the reform, the voters represented 7.4% of the population. The reform of 1924 broadened the social base of the electorate. The state stepped in to fill the space in the absence of a robust capitalist class. A principle effect of the state's "nationalist development" policies was to form a substantial middle class (Oxhorn 1995).

The crisis of 1930, which made tremendous impact on the Chilean economy, halted the process that had begun with the legislation of the 1920s. The second half of the decade was a time of great political instability, finally overcome with the return of Alessandri to power in 1932. He was followed in 1938 by three radical governments in succession which attained the presidency after the constitution of Popular Front.

In response to the crisis of 1930s, the process of import substitution industrialisation (ISI) was intensified with strong state support (Stallings 1978). To this end industry was protected and additional resources were allocated to the construction of infrastructure and industrial development for which purpose CORFO (the National Development Corporation) was established in 1939.

The effect of this development was that towards the end of the period there was a considerable difference in contributions and benefits between white- and blue-collar workers and small groups within these sectors. Throughout these years, together with more than three-fold rise in personal social benefits for the great mass of workers, some small groups of employees obtained substantially greater improvements.

It was for that reason that the more important social policies adopted in the 1920s were directed to the benefit of the blue collar workers. There appear to be at least two reasons behind the new emphasis. The first is the access of the middle class to executive power with the Radical Party, which helped the government to process and incorporates their demands.

The 'Protector State' of the earlier period was transformed during these years into a 'welfare state'. The emphasis passed from the protection of the worker against the excesses caused by nascent industrialisation to the concession of new health, housing and income benefits through social and labour policies.

The period ends in the mid-1950s, when anti-inflationary policies put an end to the process of increasing benefits. From that time inflation was to become one of the main

economic problems of the country. In brief, the period from the beginning of the 1930s to the decades of the 1950s saw a steep rise in social benefits with the role of state changing from protector to welfare.

During 1964 and 1970, the government of the Christian Democratic Party proceeded with a programme that placed income distribution among its primary objectives. Social policies were a major instrument for this purpose. An attempt was made to expand benefits and incorporate the peasants and urban marginal sector, which had been traditionally neglected.

In Chile, the first strong sign of the political power of the middle class was the election of the Popular Front in 1938. The middle class came into their own in the post Second World War period. The industrialisation and socio-political reforms by various Chilean governments helped in the growth of Chile's middle class both in numbers as well as in power. When economic development floundered in the 1950s, the transnational corporations moved in to initiate a new phase of "dependent development"; this augmented opportunities for technical and administrative employment and expanded internal markets for consumer goods. By the 1960s, the middle class throughout the region had achieved a certain maturity. Grant's study (1983) of the middle class in Chile deals mainly with the role of state in the formation of its middle class policy and this activity was extremely important in the formation of 'bourgeoisies' and working classes as well as middle class. If state activity had been instrumental in forming the Chilean middle class, it is also the case that this class has contributed immensely in the development of the state.

The growing middle class in Chile is in fact quite heterogeneous. The numerical increase in the middle class includes such various occupations as educated professionals and teachers, managers, administrators, technicians, skilled workers in commerce, industry, banking, and insurance, together with members of the bourgeoisie whose economic livelihood is tied to an expanding commercial sector and to small industry engaged in secondary activities. Another important avenue of middle class growth lies in the greater number of salaried government officials associated with an increasing bureaucratization and

professionalisation of government. Correspondingly, the expanding middle class in Chile tends to be highly urban. According to Johnson (1959), additional characteristics of the Chilean middle class are its strong advocacy of public education, commitment to industrialisation, nationalism, and preference for acting to achieve its ends through political parties(the coup of 1973 proved him slightly wrong). Therefore, we find that the middle class in the Chilean society extends over several sectors.

The successive Chilean governments after 1990 endorsed broad policies of economic development, industrialisation, development planning, and agrarian reform. But a coalition of middle and upper class elements tend to give the highest priority to programmes and projects that pose little or no genuine threat to the existing socio-economic power structure(in the form of continued support for the neo-liberal policies).

Chile was one of the pioneers in Latin America in the search for greater equality of incomes and opportunities. Around 1970, Chile had the highest level of state participation in the economy of any of the Latin American countries. Public spending represented 46% of GNP, of which about 45% was spent on social programmes. The level of social spending in Chile was comparable to the OECD (Organisation for Economic Cooperation and Development) countries (Geithmar 1974).

Since at least from 1938, the middle class formed a principal social basis of Chile's democratic political culture. In the 1960s, this class supported the Christian Democratic "*Revolution en Libertad*" and significant sectors became militants in the *Unidad Popular.* The intensification of class struggle during the presidency of Salvador Allende, however, pushed the majority of the middle class in supporting the coup(Oxhorn 1994).

During 1970-1973, the Popular Unity went ahead with a programme which concentrated even more on the redistribution of income. In this case the chosen instrument was the redistribution of assets, for which purpose agricultural expropriation continued and social ownership was established in industry with around 70 per cent of the industrial capital. The aim was to organise an equitable economy. In concise terms, this was a period which

continued the trends of former decades towards the improvement of the benefits of the middle class.

Allende's radical policies in the favour of working labour and his mishandling of the economy alienated the middle class. When the coup of 1973 was staged, the middle class was either silent spectator or collaborated. The middle class element in the army was also crucial for this coup. Pinochet could produce the 'Chilean miracle' but it did not last beyond 1980. He was defeated in the referendum of 1988.

1.4 The Social Structure of Chile

During colonial days and for a long time after independence, Chile had a rigid society consisting of a privileged landowning aristocracy, descended from the original Spanish settlers, and a lower class of peasants and domestic servants. The Indians lived as a nation apart. The aristocrats, bound together in the National Agricultural Society, dominated the government and led comfortable and cultured lives. They escaped heavy taxation because of the high revenues the government obtained from the export duty on nitrate (Saltpeter). Most Chileans, denied the vote by property and literacy qualifications, were poorly housed and fed, and illiterate.

In the latter part of the 19th century the middle class began to increase in size; it consisted mainly of mestizos who were able to acquire some education. Eventually, as trade and industry grew, and especially after the nitrate market collapsed following World War I (1914-1918), the tight control of the landowning aristocracy was loosened. New groups, among them traders, manufacturers, professional people, and intellectuals, began to swell the ranks of the middle class and to press for social reforms. In addition, by 1920 there was an organized and impatient working class that lacked the ingrained loyalty to the landlords that had developed in the tenant farmer class (Collier 1996:143). All these groups demanded the attention of the government and began to promote economic and social change.

Today Chile's social structure can be roughly divided into three classes. In the upper class are members of the old landed aristocracy as well as a more recently wealthy group of industrialists, merchants, politicians, and military men. Although these two segments of the upper class have power and prestige in common, they are often at odds politically and economically. Both groups supported the imposition of military rule, but by the end of the 1980s many backed the restoration of democratic politics.

Chile's lower class consists of farm laborers, crafts workers, factory workers, and miners. This is the class that backed Salvador Allende's coalition before 1973, that suffered the most from the policies of the military regime, and that again turned to left-wing parties after the end of military rule in 1990. Sharply falling real wages—wages calculated in terms of buying power—from the mid-1970s to the early 1990s increased the size of this group. Government policy in the 1990s and early 2000s endeavored to improve the health and education of this neglected part of the population.

The middle class, largely urban, is extremely varied in incomes, occupations, and interests. It is composed of professionals, teachers and university professors, civil servants, many private employers, and some small merchants, industrialists, and investors. Many members of the middle class benefited from Chile's rapid economic growth in the late 1980s and throughout the 1990s. Politically, members of the middle class participate in all parties.

Social mobility has been high in Chile, and upward social movement has been common. The period of military rule in the late 1900s at first appeared to be simply reactionary and traditionalist. But the free-market economic policies that it adopted ultimately led to increased social mobility.

Women have always had a higher degree of independence in Chile than in any other Latin American country. They participate in public life and are numerous in the trades and in professions. Many women from the middle and upper classes attain higher education and pursue teaching and other professional careers. After women received the vote in 1949 they

came to play a decisive role in Chilean elections. The rise of the Christian Democratic Party to power was due partly to its appeal to women.

Women assumed very important roles in the defense of their families against the repression and the economic privations of the Pinochet dictatorship. They emerged as leaders of human rights movements and of so-called popular economic organizations-collective gardens, communal kitchens, and other survival strategies in the poorest neighborhoods. They also played an important role in the re-democratisation movement that finally brought a return to civilian rule in 1990.

Many such organisations remained active and new ones emerged in the 1990s to enable women to play an important role in the reconstruction of social service programs. Women also organized to promote change of discriminatory social legislation, including the prohibition of divorce. In 2004 Chile finally legalised divorce, and in 2006 Chileans elected their first female president.

Traditionally, Chile has had limited social mobility. Despite the presence of a strong middle class, Chileans tend not to mix with people from other income groups. The upper class and wealthier middle class keep to themselves in the northern boroughs of Santiago and hardly ever go to the centre or to the busy downtown districts. Wealthy children attend exclusive schools and universities, and network only with their peers. At home, they might have a glimpse of a different society through the presence of nannies and other servants; however, mixing with children from other classes is the exception rather than the rule. The importance of class is reflected in the number of Chilean words used to describe someone's social position. A few examples are cuico , pituco , esnob for upper-class people; roti , ordinario , flaite for the lower class. Class divisions are further strengthened by the strong family ties mentioned earlier. A Chilean friend admits that family pressure can prevent one from socializing or marrying outside one's milieu.

Since the 1990s Chilean society has become more fluid. Improved education, economic growth of the middle class and the emergence of a new group of wealthy Chileans

contributed to it. While the middle class is becoming more open and inclusive, economic success is still not enough to reach the top of the social ladder. Exclusive clubs and insider circles are the ultimate barrier to newcomers who do not enjoy the privilege of a prestigious family tree.

Scholars of Latin America have not been shy about viewing agrarian life through a class lens. To the contrary, Latin Americanists have often seen class formation as a primarily rural process. There are uneven nature of and relationship between class formation, "industrialization," and "urbanization". It is a narrative that provides an interesting window into the central processes, forces, struggles, and events that have defined Chilean as well as much of Latin American history during the twentieth century. It is, at the same time, a history that highlights the problematic nature of any analysis of class formation that (a) focuses solely on urban or rural life, (b) posits a smooth transition from one to the other (i.e. rural to urban), or (c) privileges the solitary male worker so familiar to labor studies. In order to understand class formation one need to inhabit these multiple worlds simultaneously(Loveman 1976).

Chile exhibits many of the traits that typically characterize Latin American countries. It was colonized by Spain, and the culture that evolved was largely Spanish; the influence of the original Indian inhabitants is negligible. The people became largely mestizo, a blend of Spanish and Indian bloodlines. The society developed with a small elite controlling most of the land, the wealth, and the political life.

Chile did not, however, depend as heavily on agriculture and mining as did many Latin American countries, but rather developed an economy based on manufacturing as well. Thus, Chile has become one of the more urbanized Latin American societies, with a burgeoning middle class. Chile has also had a history of retaining representative democratic government. Except for a military junta that held power from September 1973 to March 1990, the country has been relatively free of the coups and constitutional suspensions common to many of its neighbours.

1.5 Administration And Social Conditions

Social welfare and labour legislation evolved earlier in Chile than it did in other Latin American countries, and they have reached a high level of development. Legislation was passed in the early part of the 20th century that regulated labour contracts, workers' health, and accident insurance (Drake 1978:57). In successive years the social security system expanded in an attempt to cover all labour sectors. All workers were eventually covered by the Social Insurance System, maintained through contributions of employers, employees, and the state. In 1973 the military government changed social security into an individual savings scheme in which workers invest in private companies. The success of this investment system caused it to continue into the 21st century, and it has served as a model for other Latin American countries.

Health care also developed remarkably during the first half of the 20th century by means of state health plans managed by the National Health Service, a subsidiary of the Ministry of Public Health. An increasing number of facilities, equipment, and qualified personnel have reduced morbidity and infant mortality, eradicated tuberculosis, and brought infectious diseases under control. A movement by the Pinochet government to modify the state-administered public health system by introducing a profit-oriented private health system began in 1980. It offered the option of private health care to those who could afford it. At the beginning of the 21st century, government health insurance covered two-thirds of the population, including those who were unemployed.

Education

Chile's educational system, structured along the lines of 19th-century French and German models and highly regarded among Latin American countries, is divided into eight years of free and compulsory basic (primary) education, four years of optional secondary or vocational education, and additional (varying) years of higher education. More than nine-tenths of Chileans age 15 and over are literate. Private schools, which are run by religious

congregations, ethnic groups (such as German, French, Italian, and Israeli), and private educators have relatively high enrollments and cater to affluent families.

University education in Chile is of considerable renown throughout Latin America. The major institution is the University of Chile (originally founded in 1738), with campuses in Santiago, Arica, Talca, and Temuco. The University of Santiago of Chile and the Federico Santa Marta Technical University, in Valparaíso, are technical universities patterned after the German model. Private universities are the Catholic University of Chile in Santiago, the Catholic University of Valparaíso, and the University of the North in Antofagasta, the University of Concepción, and the Southern University of Chile in Valdivia.

1.6 Chilean Economy

The Chilean economy is based on the exploitation of agricultural, fishing, forest, and mining resources. Chile developed historically on the basis of a few agricultural and mineral exports, as was common in Latin America. Many manufactured products had to be imported, and land, wealth, and power were concentrated in the hands of a small aristocracy. Although there were land reforms and development of manufacturing, many of Chile's economic problems in the 20th century were related to the country's early economic structure (O'Brien 1982).

During the 19th century the Chilean economy grew on the basis of exported agricultural products, copper, and nitrates. After the nitrate market dropped during World War I, Chile's economy took a sharp downturn, intensifying the effect on the country of the Great Depression. These events turned Chile toward more socialistic programs that featured strong government control of the economy. An attempt was made to develop import substitution industries so as to lessen dependence on imported products. Industrial growth was placed in the hands of the Corporación de Fomento de la Producción (Corfo; the Development Corporation). Agrarian reforms were instituted, and the government assumed greater control of industry, especially during the administrations of Pedro Aquirre Cerda (1938–41) and Salvador Allende (1970–73), when many banks, copper mines, and business

firms were nationalized. The economy at first improved under these policies, inflation going down and the gross domestic product increasing. The government, however, was unable to establish a sound tax base to match the expanding economy; by 1973 conditions were deteriorating rapidly and a military coup overthrew the government. The new regime instituted more conservative, free-market programs and reversed many of the previous governments' acts. The country faced severe economic problems, reflected in periodic high inflation, fluctuating trade policies, unemployment, and heavy dependence on a single major export, copper, in an unstable market. The development of a broader export economy improved economic growth and reduced inflation in Chile by the 1990s. The country also entered into many bilateral and regional trade agreements, which further increased direct foreign investment in Chilean industry. By the early 21st century, Chile had one of the most successful economies in South America.

1.7 Review Of Literature

Barr-Melej, Patrick (2001), *Reforming Chile: Cultural Politics, Nationalism, and the Rise of the Middle Class*, Chapel Hill: University of North Carolina Press, seeks to redress the lack of historical work on Chile's middle sectors (class) by documenting the role of Chile's emergent middle class in early twentieth century and debates about social reform, national culture, and nationalism. He discards the Structuralist Marxist definition of class to focus on the cultural realm of middle class representation in literary texts and debates about public education. It is different from recent studies that are influenced by social history that have located the middle class in terms of profession and occupation. Barr-Melej argues that middle class intellectuals forged a new cultural sphere shaped by nationalism, mesocratic values, and a romantic celebration of the popular classes that was distinct from the cultural worlds of Chile's oligarchic elites and rural and urban working classes.

The first four chapters of *Reforming Chile* trace the formation of the Radical Party and examine the works of notable middle class intellectuals from the nineteenth century. This middle class intellectuals played significant role in creating an ideological framework in which the cause of middle class could prosper. The last three chapters focus on the

campaigns of middle class reformers for public education as central to national development and the formation of national identity.

Johnson, John J. (1957), "Middle Groups in National Politics in Latin America", *The Hispanic American Historical Review*, 37(3):313-329, is though an old article but it is very useful in the sense that it provides a good theoretical background for the emergence of 'middle sectors' in Latin America. It provides insights into the rural and urban middle sectors. The article distinguishes between middle strata of colonial and post-colonial period. The middle strata of colonial period largely accepted the status quo but the modern middle class vigorously challenged the hegemony of the oligarchy. It tells the tale of the rise of urban middle sectors in the politics of Brazil, Argentina, Chile etc.

Arellano, Jose-Pablo (1985), "Social Policies in Chile: An Historical Review", *Journal of Latin American Studies*, 17(2):397-418, provides an account of social policies enacted during the period from 1920 to 1970. This was the period in which the middle class came of age and the political establishment could not overlook the issues of the middle classes. Countless numbers of social legislations were passed in the fifty years period, ranging from education, labour, sanitation, maternity relief, housing etc. In short, the state became a 'welfare state' in this period. The article explains the factors (such as urban concentration of middle class, access to education, control of bureaucracy, middle class's political mobilization etc) which compelled the state to act in favour of middle class.

Geithmar, David T. (1974), "Middle Class Growth and Economic Development in Latin America", *American Journal of Economics and Sociology*, 33(1):45-58, tries to establish connection between the economic growth in Latin America and the emergence of middle class. The article talks about social stratification, social mobility and the rise and fall of middle class's fortunes with the rise and fall of the economy. Middle class made alliances with other social groups in order to gain political ascendancy and to garner other advantages for itself and its partner groups. The article warns that the concept of middle class is excessively culture-bound and it is different from the experiences of the developed Western countries. In Latin America the middle class has increased greatly in numbers. Yet, as

Bonilla observes, one cannot escape the feeling that in some fundamental way nothing has changed.

Drake, Paul W. (1982), "The History of Chile, 1920-1980", *The History Teacher*, 14(3):341-347, gives a synoptic view of the history of Chile from the period of the rise of middle class in Chile. The article lists all the major economic, social, political and international themes of the said period. It also provides useful bibliography for each chapter. Chapterisation has been done thematically and follows time frame such as 1920-1931,1932-1952,1952-1973, and 1973-1980; the last showing unpredictable future when the article was written during General Pinochet dictatorship.

Johnson, Dale L. (1983), "Class Formation and Struggle in Latin America", *Latin American Perspectives,* 10(2/3):2-18, argues that class formation in Latin America should be seen as a historical process and provides analyses of some of the main features of class structure and class struggle in Latin America. Accordingly, social classes and their structures are the results of class struggle. The article argues that contemporary social structures in Latin America still carry the mark of nineteenth century formations. However, these structures have been considerably transformed. In most Latin America, the nineteenth century oligarchies have become modern bourgeoisies of finance and industry. Situated between the working classes and surplus populations and the local bourgeoisie are newer, intermediate class formations of considerable weight.

Petras, James and Zeitlin, Maurice (1968), "Agrarian Radicalism in Chile", *The British Journal of Sociology,* 19(3):254-270, deals with the class structure and class relations in the Chilean countryside. The article attempts to show the mobility of the rural masses, "...soon after the appearance of the agricultural proletariat the old patriarchal relationship began to break down in the countryside- as they were already breaking down in the urban factories...". Agrarian radicalism necessitated agrarian reform.

Johnson, John J.(1959), *Political Change in Latin America: The Emergence of Middle Sectors,* London: Oxford University Press, is an important pioneering study of the influence

of the 'middle sectors' on the development of the five countries of Latin America: Uruguay, Chile, Argentina, Mexico, and Brazil. The book states that in these five countries the middle classes played important parts in the independence movements and then in the economic development. The book was a refutation for those who still doubted the existence of middle class in Latin America at that time. It proved that there was a strong, intelligent, and active middle class leadership in some of the leading countries of Latin America. The book has not lost its relevance over the past half a century.

O'Brien, Thomas F. (1982), *The Nitrate Industry and Chile's Crucial Transition: 1870-1891,* New York and London: New York University Press, studies the early processes unleashed by Chile's accommodation into the World economy. The opening up of nitrate mines in the north of the country and the subsequent migrations, stratifications, booms and bust of the nitrate economy etc. are very important in the understanding of the evolution of Chile as a country and society.

Bray, Donald W. (1967), "Peronism in Chile", *The Hispanic American Historical Review*, 47(1):38-49, deals about the influences of Peron of Argentina on the president of Chile, Carlos del Campo. Peronism found its advocates among middle class groups of Chile. The government formulated policies for this groups and the working and labour class. Peronism failed to make significant inroads into the Chilean labour movement. This was because of Marxist leadership of organized labour in Chile.

Stallings, Barbara (1978), *Class Conflict and Economic Development in Chile, 1957-1973,* Stanford, CA: Stanford University Press, deals with the government policies during this period. The governments whose policies are analised are those of Jorge Alessandri (1958-64), Frei (1964-70), and Allende (1970-73). Each of these regimes represented a different alignment of classes, and each consequently followed different policies.

1.8 Objectives of the Study

The aims and objectives of the proposed study are to:

1. trace the historical processes of the emergence of the middle class in Chile;
2. examine the policies of governments of different political ideologies contributing to the expansion or otherwise, of middle class in Chile;
3. examine the role of middle class in the post-Allende period and its support/opposition to Pinochet dictatorship; and
4. analyse the role of middle class in the re-democratisation and institution building of Chile.

1.9 Hypotheses

The major hypotheses of the proposed study are:

1. The middle class formation started during the period of 1920s with industrialisation, electoral reforms and the mainstreaming of the Chilean economy with the world economy.
2. The middle class, on different occasions has allied itself with different social classes such as working or upper classes as it saw fit.

3. Middle class is never a watertight compartment and for that matter no social class is. The Chilean 'middle sectors' are becoming middle class by slowly loosing the degree of heterogeneity.

1.10 Methodology

The proposed study will make use of historical, descriptive, and analytical methods, and would rely primarily on the available secondary sources like books, journals, magazines, various website on the internet etc. The primary source materials like official publications, document etc. will be used to substantiate various ideas and arguments.

Since there are wide ranges of issues that become factors or variables in any topic being studied, a multi-disciplinary approach would be applied. More importantly, the nature of research would not only be empirical but also theoretically informed.

1.11 Chapterisation

CHAPTER 1

Introduction: Formation of Middle Class in Latin America

This chapter will give a brief historical account of the emergence of middle class in Chile. The factors and circumstances (political, economic, social, external etc.) leading to the emergence of class society will be delineated.

CHAPTER 2

Middle Class and Democratic Process in Chile, 1920-1973

This chapter will deal with industrialization, rise of labour unions, and middle class ascension in the bureaucracy and the military. Growth and gains for urban labour, expansion of education and the entrenchment of middle class in the cities during the Popular Front rule will also be dealt. During this period, middle class support became essential for any government in Chile. Their role in the political and democratic process (or otherwise) will be of particular interest.

CHAPTER 3

Middle Class and the Coup of 1973

During the period of military rule (1973-1989), the middle class support for the neo-liberal policies initiated by the 'Chicago Boys' dwindled and there were widespread protests both overt and covert. This chapter will analyze the causes of middle class support for Pinochet in the beginning and later their mobilization against the military rule in the favour of democracy.

CHAPTER 4

Middle Class and Re-democratization of Chile

This chapter deals with the process of democratization and institution building after 1989. Pinochet was defeated in a plebiscite in 1988 for a second 8-year term as President (56% against and 44% for). Patricio Aylwin of the *Concertacion* (the 17 parties' coalition) came into power in 1990. The role of the middle class in this process can hardly be underestimated.

CHAPTER 5

Conclusion

The final chapter will conclude the history of the middle class in Chile from the last decades of the nineteenth century up to 2008. Their political role during the period will be the overarching theme.

CHAPTER – II MIDDLE CLASS AND DEMOCRATIC PROCESS IN CHILE, 1920-1973

From 1932 to 1973, Chile was the only country in Latin America to sustain electoral democracy at a time when major Marxist parties led the workers. Its stable multi-party political system bore more resemblance to West European than to Latin American models. Chileans took great pride in their representative democracy, and many looked with contempt on their more tumultuous neighbours.

Out of the turmoil of the depression, new political forces arose that shifted the political spectrum to the left. The Conservatives and the Liberals grew closer together as the combined forces on the right, now more fearful of socialism than of their traditional enemies in the anti-clerical camp. The Radicals replaced the Liberals as the swing party in the center, now that they were outflanked on the left by the growing PCCh and the Socialist Party. A small group of Catholics known as the Falange broke away from the Conservative Party in 1938 to form a new party, the National Falange (Falange Nacional). It offered a non-Marxist, centrist vision of dramatic reform, a vision that would take wing in the 1950s under the name of Christian Democracy(Fleet 1985).

Chile did not, however, depend as heavily on agriculture and mining as did many Latin American countries, but rather developed an economy based on manufacturing as well. Thus, Chile has become one of the more urbanized Latin American societies, with a burgeoning middle class. Chile has also had a history of retaining representative democratic government. Except for a military junta that held power from September 1973 to March 1990, the country has been relatively free of the coups and constitutional suspensions common to many of its neighbours.

2.1 Political Uncertainty, 1920–38

In the decade following World War I, falling saltpetre sales and rising inflation fueled dissatisfaction among the middle and working classes. They supported the election of the reformist president Arturo Alessandri Palma in 1920. When the legislature blocked his initiatives, discontent spread to middle-class army officers. They intervened in 1924 to force parliamentary passage of his social reforms. Alessandri resigned but the military returned him to power in 1925. In that year the army backed Alessandri's installation of a new constitution, which lasted until 1973. It established a presidential republic, separated church and state, and codified the new labour and welfare legislation.

In the period between 1924 and 1932, 21 cabinets were formed and dissolved. These were years of profound crises, marked by attempts to create a new political structure by replacing the oligarchy with a new political elite. Under the military dictatorship of Carlos Ibáñez del Campo (1927–31), new economic reforms were tried: new industrial products were developed, the saltpetre mines were partially nationalised, public works were begun, and public education was improved. But these reforms did not touch the economic power of the oligarchy, which remained the principal political force(Collier and Sater1996).

2.2 Effects of the World Depression

The world depression of the 1930s was difficult for Chile's economy because the international demand and the prices for saltpetre and copper plummeted. Chile was forced to reduce imports, which in turn reduced national production. Incomes diminished, while public expenditures grew.

The economic crisis, accompanied by the fall of Ibáñez, permitted the traditional political forces to regain power. They remained in office only briefly, from July 1931 to June 1932, under the presidency of Juan Esteban Montero Rodríguez, because the crisis was so strong that every attempted improvement failed. Power was then gained by a civilian-military coalition that formed the Socialist Republic (from June to September 1932), which spawned the modern Socialist Party. By the end of 1932, however, new elections returned Arturo Alessandri Palma to the presidency.

2.3 Return to Constitutional Normality

Alessandri's second term (1932–38) was characterized by a return to constitutional normality and by the return to power of the old ruling class. Alessandri tried to restore state finances, badly weakened by the crisis. His economic measures attempted to increase mining and industrial production. Public works eased part of the existing unemployment. Social discomfort diminished, but it did not disappear.

2.4 The Radical Presidencies, 1938–52

The return to constitutional government did not resolve Chile's serious problems. The discontent of the workers and especially of the middle class was manifested in the 1938 presidential election. The Radical candidate, Pedro Aguirre Cerda, won with the support of a coalition of the left.

The presidencies of Aguirre Cerda and Ríos

The period of Radical presidencies can be divided into two parts, separated by 1946. The first part included the presidencies of Aguirre Cerda (1938–41) and Juan Antonio Ríos (1942–46). Aguirre Cerda represented the middle class; his triumph came through the support of a popular front, which included the Radical, Socialist, and Communist parties and also the left-inspired Confederation of Chilean Workers.

Aguirre Cerda's programme included measures for increasing industrial output. The Development Corporation (Corporación de Fomento de la Producción; Corfo) was created in 1939 to reduce imports and thus diminish the trade deficit by developing industry, mainly to produce consumer and intermediate goods.

During World War II, Chile remained neutral until, in 1942, in a common action with other Latin American countries, it declared war on Germany, Italy, and Japan. World War II and the Korean War of the early 1950s benefited Chile's economy; an increased demand for copper permitted a rise in incomes, which facilitated the expansion of public education and aided industrial development, thus helping to increase production.

The presidency of Gabriel González Videla

During the period from 1946 to 1952, the president was Gabriel González Videla, also of the Radical Party, who gained a plurality with the support of the Communists. The Socialist Party denounced an offer of alliance, however, and the popular front could not be reconstituted. González Videla's first cabinets, between 1946 and 1948, included Communist ministers. But the international Cold War and Chile's internal troubles soon pushed González Videla toward the right. After 1948 he outlawed the Communists and ruled with the support of the Liberal Party.

Economic links with the United States, which had grown after the economic crisis of the 1930s, were strengthened after World War II, U.S. investments in Chile increased from $414,000,000 in 1945 to $540,000,000 in 1950, largely in copper production. By 1952 the United States had loaned $342,000,000 to the Chilean government (Leslie1998). The exchange of technicians and professors helped tighten technical and cultural links between the two countries.

The presidency of González Videla saw the strong political recovery of the right. The Radical presidents had failed to transform Chile's economic and social situations. Between 1940 and 1952 Chile's population rose from 5 million to 6.4 million with the strongest increase in urban areas, which accounted for 52 percent of the total population in 1940 and 60 percent in 1952. Production rose during this period by a rate very close to the rise in population. But social inequities were not reduced(Leslie1998).

2.5 Political Stagnation, 1952–64

Various conditions explain the victory in 1952 of the former dictator Gen. Carlos Ibáñez del Campo. Under Radical rule the middle class had affirmed its political importance without injuring the economic power of the landed oligarchy, but the lower classes fell farther behind the middle and upper strata. In 1949 the vote was granted to women, and the electorate thus expanded from 631,257 in 1946 to about 1 million in 1952. President Ibáñez was the candidate of a heterogeneous front based on his personal charisma, but he was not the choice of particular political parties.

Ibáñez had promised to rule with a strong hand and if necessary eliminate the parliament; but during his six years as president, he ruled with the support of the traditional right, which prevented any attempt at reform. Ibáñez retained the policy of state intervention in the economy and industrial matters inaugurated by the Radical cabinets.

The presidency of Jorge Alessandri Rodríguez

Ibáñez was succeeded (1958–64) by the son of Arturo Alessandri Palma, Jorge Alessandri Rodríguez, who won the support of the Conservative and Liberal parties. To satisfy popular demands without altering profoundly the structures of the country, he launched a public works programme that helped absorb the masses of unemployed. At the same time, he tried to reduce the high inflation rate (about 60–70 percent yearly), to augment productivity by reducing taxes on business enterprises, and to stimulate industrial growth by expanding the home market through public expenditure.

The government placed restrictions on salary increases. Salaries thus rose more slowly than prices, which continued to increase by about 30 percent yearly. This alienated the voters, and the government had to call for the support of the Radical Party.

New political groupings

Popular discontent helped revive the Marxist-inspired Socialist and Communist parties and produced an electoral loss of the parties of the right that corresponded with the rise of those of the left. The Christian Democratic Party, a centrist reform party founded in 1957, enjoyed the biggest increase—from 9 percent in 1957 to 15 percent in 1961. The Christian Democratic Party grew out of the Conservative Party. In 1938 a group of young conservatives had left their party to form the National Falange (Falange Nacional). In 1957 the National Falange fused with the Social Christian Party (which had also seceded from the Conservatives) to form the Christian Democratic Party, whose programme tended toward serious reforms in the archaic economic and social structures. The Communist Party regained strength peacefully through an alliance with the Socialist Party, which believed that election was not the only way to power and which rejected alliances with the non-Marxist left.

At the end of Alessandri Rodríguez' rule the right-wing parties were so weakened that their electoral strength was practically cut in half in the 1965 elections. In order to remain on the political scene, they joined together to form the National Party. The centrist Radical Party also lost support. A common point existed between the Christian Democratic Party and the Marxist parties—the wish to weaken the old economic and political oligarchy and to try to rescue the country from its chronic underdevelopment by more decisive action in the agrarian sectors (Kay &Silva1992).

2.6 A Period of Change, 1964–73

In the election of 1964 the Christian Democratic candidate, Eduardo Frei Montalva, won 56 percent of the votes. Support from the right-wing parties helped him defeat the Marxist coalition.

The presidency of Frei Montalva

Frei's programme, synthesized in the slogan "Revolution in Liberty," promised a series of reforms for developing the country by raising the incomes of the middle and lower classes. To attain this aim, Frei and the Christian Democrats instituted a program of "Chileanisation," by which the state took control of copper, Chile's principal resource, acquiring 51 percent of the shares of the large U.S. copper companies in Chile. They, thus, intended to increase incomes, with which they planned to permit industries to develop. They also planned a vast agrarian reform by which to reduce the imports of agricultural products. Frei also promised decisive state intervention and reform in banking. The Frei administration, at least during its first years, counted on strong support from the middle class. But the government alienated some of the middle class by trying also to obtain the support of the peasants and of the urban underemployed, until then on the margin of the political scene.

In 1967, with the support of the Socialist and Communist parties, an agrarian reform law was approved that enabled the government to expropriate uncultivated land and to limit the land that could be conserved by each owner. Peasant co-operatives were to be established on these lands, and the state was empowered to teach the peasants better farming techniques. Agrarian reform, however, proceeded slowly because of its costly emphasis on better housing

and agricultural equipment and on an irrigation system. By 1970 about 5 million acres had been expropriated.

The socialist experiment

The reformist program of the Frei government gave poor people the incentive to take an active role in political life. This increase in political participation brought about further radicalisation not only of the Communist and Socialist parties but also of some of the Radicals and Christian Democrats. In 1969 this cluster of parties and left-wing groups formed the Popular Unity (Unidad Popular) coalition, proposing as its presidential candidate Salvador Allende, a Socialist and an avowed Marxist. He was elected president in 1970.

The Popular Unity programme envisaged the eventual transition to socialism, which was to be accomplished through the end of domination of mining and finance by foreign capital, expanded agrarian reform, and more equal distribution of income favouring the poor classes. The accomplishments of this program were responsible for the advance of Popular Unity in the municipal elections of 1971 and in the congressional elections of 1973.

Between 1970 and 1972, however, toleration of the Popular Unity government by the middle class declined as a consequence of difficulties in the economy, which featured a complex and not always consistent reorganisation resulting from the nationalisation of U.S.-owned copper mines—the main resource of economic production—and of a number of heavy industries. Difficulties in maintaining production levels were further augmented by boycotts on the side of foreign capital, mainly American, and the reduction of agricultural production as a consequence of agrarian reform. Inflation and stagnation of production were propitious to the growth and regrouping of the forces that opposed the socialist experiment. The oligarchy, the right-wing National Party, and the centrist Christian Democrats finally joined their efforts and supported the anti-government trends in the armed forces.

During World War II Chile remained neutral until, in 1942, in a common action with other Latin American countries, it declared war on Germany, Italy, and Japan. World War II and the Korean War of the early 1950s benefited Chile's economy; an increased demand for copper permitted a rise in incomes, which facilitated the expansion of public education and aided industrial development, thus helping to increase production.

During the first six months of his administration, Allende had nationalised 90 firms and 1,400 farms. Resistance on the part of industrialists and landowners now picked up, as it became increasingly clear that Allende's electoral victory had released a tide of working class and peasant. The multi-nationals that formerly owned Chile's copper mines attempted to block copper exports. Landowners looked to the courts, where they could count on a sympathetic hearing, for relief from expropriations. Using their parliamentary majority to full advantage, the Christian Democrats began to throw legal obstacles in the way of reform. To make matters worse, the economic situation deteriorated in the latter part of 1971. Popular Unity's initially successful policy of re-activating the economy through massive wage hikes and increased production had soon resulted in serious inflation and consumer shortages.

Given this kind of political and economic environment, Popular Unity could not advance any further unless it was prepared to attack the industrial bourgeoisie. Allende balked at this step because it would have taken him beyond the guarantees he had given and represented a challenge to existing property relations and the very class nature of the society. Instead he urged wage restraint upon workers and scaled back the number of nationalisations.

Meanwhile, the Chilean bourgeoisie quit biding its time and organised a major protest to coincide with the month-long visit of Fidel Castro at the end of 1971. In the infamous "March of the Empty Pots" in December, bourgeois and middle-class women, many of whom dragged their maids along to carry and bang on kitchen pots and pans, filled the streets.

But behind the protests over consumer shortages lay another and more far-reaching purpose: to mobilize the middle classes, to warn the bourgeoisie on an international scale of the battles to come, and to express skepticism as to UP's ability to contain the working class.

For it was true that, despite UP's pleas and its thinly veiled attacks on strikers and squatters, Allende had not been able to control the working-class movement entirely. Between January and December 1971, the number of strikes reached 1,758, and there had been 1,278 land invasions.

2.7 "Popular Power" and the Cordones

Near the end of 1971, the British newspaper Socialist Worker analysed the situation in Chile as one in which events had reached a critical juncture:

> Allende can no longer hope to satisfy the owners of industry and the working class. He will have to choose to side with one or the other. But one side is armed, the other not. And Allende shows no inclination at all to break his pledge to the middle class of a year ago not to "interfere" with the state machine. Instead he will probably use his influence, and that of the bureaucrats within Chile's working-class-based parties and trade unions, to persuade workers to put up with harsh conditions and an erosion of last year's reforms. After a period their mass of support became demoralized and governments they were supporting, easily overthrown by right-wing military coups.

The political confusion of the moment was reflected in the ambiguous meaning of one of the most important slogans developed during the struggles: poder popular, or, "popular power." To many workers the slogan meant that the immediate goal was to create socialism—right here, right now. To the leaders of Popular Unity and the trade union officials, the slogan called on workers to support "their" government.

That a significant distance had begun to open between the Allende government and the workers and peasants in whose interests it purported to act was demonstrated by events in the summer of 1972. At Melipilla in the farming area of Maipú, the local judge had repeatedly blocked land expropriations that were legal under the new reform bill. A protest demonstration resulted in the arrest of 44 leading members of the agricultural workers' association. The arrests were themselves protested with a mass march into downtown Santiago, where demonstrators demanded from the Communist Minister of the Interior, the release of the 44 prisoners as well as the firing of the judge. But the Allende government did nothing.

After learning about the struggle at Melipilla, workers from the neighboring industrial area of Cerrillos voted to support the agricultural workers. Cerrillos is a suburb of Santiago and at the time contained the largest concentration of industries in Chile: 46,000 workers in 250 factories. Industrial workers had joined with the agricultural workers during the mass march demanding an end to bourgeois class justice in Melipilla. Together they now formed the Cordón Cerrillos-Maiptú. The cordones were rank-and-file organisations of workers in industrial districts, bringing together workers from all the factories in that district to organise production. The cordón—literally the "industrial belt"—was "the Chilean example of those organs of workers' power that arise in every revolutionary crisis" and "represented the workers' response to the objective necessity for self organisation." In July the Cordón Cerrillos-Maipú announced its own political programme—one that stood out as "far in advance of anything proposed by the Socialists".

2.8 Consolidate or Advance?

Revolutions always reach a point at which, if the revolutionary process does not go forward, it inevitably falls back and faces defeat. Events such as those at Melipilla and Cerrillos ignited precisely this debate within Popular Unity: "? Consolidar o avanzar?" ("Consolidate or advance?"). At a June 1972 conference in Lo Curro, the right wing of Popular Unity argued that further reforms should await a wider electoral mandate. This would mean in practice limiting the via chilena to only what the middle class sectors, both inside and outside of Popular Unity, would accept. The left wing of Popular Unity argued instead for speeding up the reform process, including the pace of nationalisation, and for attributing more importance to the actual struggles on the ground. At no point during the debate, however, did anyone argue that any organisation should act outside UP. Always the discussion was about what UP should do from its position within the state.

A Popular Assembly held in July 1972 at Concepción brought together some 3,000 delegates from trade unions, grassroots movements and student organisations to discuss the same urgent question of whether to consolidate or to advance reform. Representatives of the left political parties attended as well, with the exception of the Communist Party. The Chilean CP described the Concepción Assembly as a maneuver by reaction and imperialism,

using elements of the ultra-left as a cover. Allende, too, seconded this view when he remarked in a speech delivered on July 31 that "there is no doubt in my mind that [the Concepción Assembly] is a process that serves the interests of the enemies of the revolutionary cause."

What had emerged with the Cerrillos-Maipú Cordón, of course, was the potential for creating a situation of "dual power," one in which the cordones could develop into the basis of a popular assembly and popular militia in a new workers' state by supplanting the congress and armed forces of the old bosses' state. In the same July 31 speech, therefore, Allende left no doubts about his allegiance to bourgeois democracy and his opposition to the development of the cordones.

Allende claimed that the development of these organs dual power in Chile would be an act of "crass irresponsibility'—since the government already represented the interests of the working class as a whole. "Sensible" revolutionaries, he maintained, cannot "ignore the institutional system which governs our society and which forms part of the government of Popular Unity."

Throughout this entire period, Allende and the leaders of Popular Unity sought instead to convince workers of the allegiance of Chile's armed forces to the Constitution. Early in 1971 the general secretary of the Communist Party, Luis Corvalán, insisted that the Chilean "army is not invulnerable to the new winds blowing in Latin America and penetrating everywhere. It is not a body alien to the nation, in the service of anti-national interests. It must be won to the cause of progress in Chile and not pushed to the other side of the barricades." And in September 1972, a year almost to the day before the successful military coup, Allende himself denounced the idea of forming workers' militias: "There will be no armed forces here other than those stipulated by the constitution, that is to say, the Army, the Navy and the Air Force. I shall eliminate any others if they appear.' Allende's willingness to rely on the army and his refusal to support the cordones meant that he had become a disarmer of workers in the class struggle at the very time workers were beginning to face the full force of the bosses' aggression.

2.9 The Transportation Bosses' Strike

The coup of September 11, 1973, represented the final act in a drama whose end was largely determined by the unwillingness of Popular Unity to abandon the parliamentary road in favor of the revolutionary road to socialism at three key junctures throughout the last year of Allende's government. The failure of other groups—notably MIR and the left wing of the Socialist Party—to withdraw their support from Popular Unity and to establish a revolutionary party with the conscious aim of taking state power then finally sealed the fate of the via chilena.

Through the transportation owners' strike that began on October 11, 1972, the Chilean bourgeoisie attempted to use its continued control of distribution to put Allende on the defensive. Workers in many areas had won significant control over production, but they had generally been unable to dominate the means of distribution. Moreover, shopkeepers closed their shops in support of the doctors, lawyers, dentists and other professionals added to the atmosphere of panic by also joining the strike.

But masses of workers took things into their own hands, ensuring that supplies continued to circulate by taking to the streets and commandeering trucks and vans. They set up factory committees to organise distribution without the bosses and to protect production against sabotage. Huge marches and demonstrations were organised with workers shouting "crear, crear, poder popular" ("build, build people's power"). In a word, the cordones reemerged and successfully turned the tide against the bosses. As a worker at a packaging plant in Santiago explained, "The bosses aren't going to tell us what to do. We opened the stores, took out the raw materials and just kept on producing—production didn't stop here for a single moment."

The experience of fighting back against the transportation bosses led to a dynamic increase in the level of class consciousness among workers. One young woman worker's criticism of Allende's reformism reflected the mood of many workers: "I think comrade Allende has been very soft; he says it's because he wants to avoid violence, but I think we

should respond with more force, scare them to death. They're trying to take away what we won."

These lessons, and the opportunity to build real workers' power, were once again lost on Allende. While workers, through their own mass mobilisation, had defeated the truck owners' strike, Allende immediately sought to appease the bourgeoisie by promising to return some of the factories seized by workers, and he called on the army to restore order. He then went on to appoint three generals to cabinet posts in an attempt to placate the Christian Democrats. Finally, Allende launched a campaign for "social peace" together with the commander in chief of the army, who was given control over internal security. What "social peace" meant was soon clear. Where they had occupied factories, for instance in the town of Arica in Northern Chile, they were told to allow the old bosses to take over again. As the bosses did so they sacked the militant workers. This was what Allende and the Communist Party meant by a "dialogue" with the middle class.

It is important to underscore here that the government called upon the military not to defeat the bosses' strike but rather to impose the bosses' peace. Faced with a clash between two forms of power—the power of the bosses, on the one hand, and the power of the workers and their cordones, on the other—Allende and his government sided with Chile's bosses.

2.10 The El Teniente Copper Miners' Strike

The strike at the El Teniente copper mine represented the second turning point and a major setback for the working class movement. The strike lasted 74 days during the months of April, May and June 1973. The miners struck against the Allende regime because it refused to give them the wage increases promised in their contract. Instead, Allende asked the miners to accept a sacrifice "for the general good;" when they refused, his government labeled them "fascists" and "traitors." Every left organisation in Chile accepted the government's slander that the walkout was part of a right-wing conspiracy.

Yet the miners' strike took place in a context of galloping inflation and a decline in real wages by as much as 50 percent. The miners in fact were standing up against a two-year

erosion of workers' living standards. Although the wages of the copper miners were certainly higher than the national average, this was not because they formed a "labour aristocracy" bought off by the bosses, as Popular Unity, and especially the Communist Party, maintained. The simple truth is that the copper miner exhausts his labor power in 15 to 20 years of work in the copper mines; as a group, these miners had the lowest life expectancy (40 to 50 years) and, further, an average of 300 fatal accidents every year. Nor does the criticism that they were dupes of the bourgeoisie with right wing did move in to take advantage of the strike, but only thirty days after the beginning of the strike, once it was clear that the UP government was carefully safeguarding its interests. The bourgeoisie began to make demagogic use of the conflict.

Historically, the copper miners were the most militant workers in Chile until the 1970s. The result of Popular Unity's failure to support them was that the traditionally most class conscious section of the Chilean working class—one which could have been a powerful ally of the left—became completely alienated from the workers' movement as a whole. Organisations to the left of Allende displayed no better an attitude toward the miners. The MIR criticized the use of force, but attacked the miners for 'economism' even though they were fighting to maintain their living standards in an economy that remained capitalist.

2.11 Souper's Dress Rehearsal

The final turning point came on June 29, 1973, when Colonel Robert Souper declared a coup and rolled his tanks onto the streets of Santiago. Leading officers within the armed forces viewed Souper as acting prematurely and withheld their support. But none of the opposition parties, including the Christian Democrats, decried the coup attempt. It was a clear signal of a more ominous military threat.

The working class once again sprang into action to thwart the coup attempt. The workers' reaction was once again magnificent. Hundreds of factories and offices were occupied around Santiago. On 30 June a giant demonstration surged onto the streets. In the provincial cities, hitherto slower to mobilize than the capital, cordones and communal

commands suddenly mushroomed. Cordón Cerrillos began taking decisions as a workers' council. Suddenly everything was possible. The enemy was vacillating and confused.

In the days that followed, left parties from the MIR to the Socialists issued calls for workers to prepare for an armed defence of the government. At the same time, they continued to declare their loyalty to the Popular Unity leadership.

The need for revolutionaries to break from Popular Unity and argue an independent line—for unifying and centralising the Cordones, arming the working class and repudiating Allende's compromises with the bourgeoisie—could not by now have been clearer. Allende did not deserve workers' loyalty or trust.

Throughout July and August, Allende allowed the army to use a 1972 arms-control law (a law that he had signed) to carry out pre-emptive strikes against the popular organisations, cordones and trade unions. Looking to seize weapons that workers had begun to make and stockpile in the weeks following the coup attempt in June, the army also designed their raids to terrorise the population and root out revolutionaries. In August Allende again invited the military into his government. One of the officials who took a position this time was none other than General Augusto Pinochet. In all of this Allende received the constant backing and encouragement of Chile's Communist Party. Indeed, General Secretary Corvalán delivered a speech barely 10 days after Souper's coup in which he astonishingly declared: "We continue to support the absolutely professional character of the armed institutions. Their enemies are not among the ranks of the people but in the reactionary camp."

Through their actions in July and August, Allende and the Communist Party effectively prepared Chile's workers not for victory but for slaughter, took up the challenge of breaking politically with Popular Unity. With workers mobilised in response to Souper's coup, it would have been possible to throw the military and the right on the defensive, arm the working class and sweep aside a government that had proven time and time again that it

was committed to making dangerous compromises. Yet a party willing to lay out a clear revolutionary strategy did not appear. Instead, the tide turned the other way.

There were revolutionary militants who could have offered an alternative leadership to workers in opposition to the policies of Allende and the Communist Party. But many were stranded inside the Socialist Party, whose would-be "leftist" leadership continued to tolerate Allende as a member and put forward the notion that forms of popular power could coexist with the existing setup. The most important independent revolutionary group was the MIR, and in the course of year it attracted many of the worker militants inside the Socialist Party. But it was not until 1972 that it paid real attention to activity among the industrial workers who held the key to Chile's future, and even then it seems to have been more an organisation for workers, rather than an organisation of workers.

The two largest cordones, Cordón Cerrillos and Cordón Vicuna Mackenna, had refused instructions from the official trade union confederation (CUT) to hand back the factories they had seized at the end of June. A July 19 protest by workers at Cordón Vicuna Mackenna resulted in the death of a MIR member. It was around this incident that the debate over the role of the cordones surfaced in public. The right demanded action against them. The CUT said that such bodies should function under its authority. The left wavered. At this critical moment, MIR proved incapable of recognizing the revolutionary significance of the cordones or of understanding that socialist revolution was possible only on the basis of the self-activity of Chile's working class. Instead, they criticized the cordones as "Parallel institutions" that should be absorbed into the CUT. The cost of MIR's confusion was catastrophic. In the crucial days of July, MIR's political strategy became increasingly rhetorical. It returned to a largely clandestine existence from July until the September 11 coup.

By early September, the U.S. military was conducting joint maneuvers with the Chilean armed forces. The CIA remained under standing orders to destroy the Popular Unity government. In just a few days U.S. spies would work shoulder to shoulder with Chile's military to destroy all resistance to Pinochet's coup. Yet none of this could have overcome the mass mobilisation of Chile's workers—if there had been a revolutionary party that was

clear about the need for the working class to smash the old state and to take power themselves. Instead, in the face of Allende's efforts to demobilise the working class and his green light to the military to disarm the movement, workers became confused and demoralised. By the time of Pinochet's coup on September 11, it was already too late. Chile's workers knew Popular Unity was betraying their hopes, but they had no alternative.

CHAPTER - III MIDDLE CLASS AND THE COUP OF 1973

Economic chaos and political polarisation propelled Chile's middle class, many of whose members had voted for Allende in 1970, toward the right. The result was a new political coalition between Christian Democrats and Conservatives that obtained 56% in the March, 1973, parliamentary by-elections - a decisive vote against the government but short of the two-thirds needed to impeach Allende. What the new congress could do, however, was to declare the regime "outside the law". At the same time, many members of the opposition were knocking on the doors of the barracks, virtually imploring the military to break the political stalemate.

A coup of some sort was almost universally expected, though no one was quite certain what form it would take or in what direction it would move. For his part, President Allende, from the very beginning, had assiduously courted the high command. He had invited several generals into his cabinet during 1972 and again in 1973. He even managed to attract politically General Carlos Prats, the commander-in-chief of the army. A "left wing" military government was by no means unimaginable; one already existed in nearby Peru (with economic policies which were remarkably similar to those of Allende), another in Bolivia. Across the Andes in Argentina General Juan Peron was about to return to power with leftist support.

General Prats was increasingly isolated from his own officers, who shared the concerns and anger of the middle class. A little more than a week before the coup, he was forced to retire, replaced by his chief of staff, General Augusto Pinochet. On the day of the coup, the new army commander was a personality virtually unknown to all but a handful of Chileans. Small wonder that no one saw what was coming. Most Christian Democrats imagined that after a brief interlude, new elections would be called in which Allende's predecessor, Eduardo Frei Montalva, the former president, would be the inevitable victor. Instead, all politics came to an end, and many politicians, labour leaders, and intellectuals ended up in prison or exile. More than a thousand ended up in graves whose precise location

remains to be revealed. Even General Prats, Pinochet's closest professional friend, failed to take the full measure of his successor. Permitted to immigrate to Argentina, he and his wife were murdered there a year after the coup, apparently on orders from Pinochet himself.

Allende's coalition came to power with the endorsement of only a third of the electorate. It is telling that the democratic politicians did not trust Allende at all to act in the interests of democracy by forcing him to agree to a Statute of Democratic Guarantees that obliged him to recognise such liberties as freedom of the press and unfettered access to the electronic media. That is truly the weirdest of agreements ever made in the governing of a democracy, but evidently it was made with great foresight by the democratic politicians.

Allende failed because Chile had a mature culture of democratic politics, and a substantial middle class which treasured the traditions and institutions of that culture. It was the beleaguered middle class which called on the armed forces to unseat Allende, who was "outside the law."

The Soviet Union was rather cool towards Allende's revolution, but perhaps the main reason is that the Soviets might have recognized Chilean society to be quite resistant against a totalitarian take over because of its strong middle class. As usual, the task of the Communist terror apparatus would have been the elimination of the middle class - their "bourgeois enemies."

Despite pressure from the government of the United States, the Chilean Congress, keeping with tradition, conducted a runoff vote between the leading candidates, Allende and former president Jorge Alessandri. This procedure had previously been a near-formality, yet became quite fraught in 1970. After assurances of legality on Allende's part, the murder of the Army Commander-in-Chief, General René Schneider and Frei's refusal to form an alliance with Alessandri to oppose Allende - on the grounds that the Christian Democrats were a workers' party and could not make common cause with the oligarchs - Allende was chosen by a vote of 153 to 35.

The Popular Unity platform included the nationalisation of U.S. interests in Chile's major copper mines, the advancement of workers' rights, implementation of land reform, reorganisation of the national economy into socialised, mixed, and private sectors, a foreign policy of "international solidarity" and national independence and a new institutional order (the "people's state" or "poder popular"), including the institution of a unicameral congress. Immediately after the election, the United States expressed its disapproval and raised a number of economic sanctions against Chile. In addition, the CIA aided three different Chilean opposition groups during that time period and sought to instigate a coup to prevent Allende from taking office. At the same time, indigenous and peasant forces across the country violently started to take control of agricultural lands, forcibly fulfilling Allende's land redistribution promises.

In the first year of Allende's term, the short-term economic results of Economics Minister Pedro Vuskovic's expansive monetary policy were unambiguously favorable: 12% industrial growth and an 8.6% increase in GDP, accompanied by major declines in inflation (down from 34.9% to 22.1%) and unemployment (down to 3.8%). Allende adopted measures including price freezes, wage increases, and tax reforms, which had the effect of increasing consumer spending and redistributing income downward. Joint public-private works projects helped reduce unemployment. Much of the banking sector was nationalised. Many enterprises within the copper, coal, iron, nitrate, and steel industries were expropriated, nationalised, or subjected to state intervention. Industrial output increased sharply and unemployment fell during the administration's first year. However, these results were not sustainable and in 1972 the Chilean escudo had runaway inflation of 140%. An economic depression that had begun in 1967 peaked in 1972, exacerbated by capital flight, plummeting private investment, and withdrawal of bank deposits in response to Allende's socialist programme. Production fell and unemployment rose. The combination of inflation and government-mandated price-fixing led to the rise of black markets in rice, beans, sugar, and flour, and a "disappearance" of such basic commodities from supermarket shelves.

3.1 The Military Dictatorship

On Sept. 11, 1973, the armed forces staged a coup d'état. Allende died during an assault on the presidential palace, and a junta composed of three generals and an admiral, with Gen. Augusto Pinochet as president, was installed. At the outset the junta received the support of the oligarchy and of a sizable part of the middle class. This support by moderate political forces, including many Christian Democrats, can be explained by their belief that a dictatorship represented a transitional stage necessary to restoring the status quo as it had been before 1970. Very soon they were to concede that the military officers in power had their own political objectives, including the repression of all left-wing and central political forces. The Christian Democratic, National, and Radical Democracy parties were declared to be in "indefinite recess," and the Communists, Socialists, and Radicals were proscribed. In 1977 the traditional parties were dissolved, and a private enterprise economy was instated.

The policies of the military government, though encouraging the development of free enterprise and a new entrepreneurial class, caused unemployment, a decline of real wages, and, as a consequence, a worsening of the standard of living of the lower and middle classes. Political and social conditions were complicated by a developing international economic crisis. In 1981 a new constitution, as well as an eight-year extension of Pinochet's presidential term, was enacted after a tightly controlled plebiscite was held in 1980. The document included specific provisions for a transition to civilian government over the same eight-year period and mandated that a referendum be held in 1988 on whether the ruling junta's president was to remain in office.

Large-scale popular protests erupted in 1983, and several opposition parties, the Christian Democratic Party being the largest, formed a new centre-left coalition, the Democratic Alliance (Alianza Democrática, AD). The Roman Catholic Church also began openly to support the opposition. In August 1984, 11 parties of the right and centre signed an accord, worked out by the archbishop of Santiago, Raúl Cardinal Silva Henríquez, calling for elections to be scheduled before 1989. Additional pressure came from the United States and other countries that had supported Chile economically but now showed signs of impatience

with Pinochet's rule and with the numerous reports of human rights violations attributed to his regime.

The economic and political climate continued to be volatile in the late 1980s, with increasing pressure for governmental change, acts of terrorism multiplying, and the economy, though showing some signs of recovery, remaining basically unstable and precipitating strikes and protests from the labour sector. Although Pinochet made occasional concessions, he showed little sign of relinquishing his control or relaxing his restrictive policies. To organise opposition to Pinochet, who was chosen as the junta's candidate for the 1988 presidential plebiscite, 16 centrist and leftist parties formed the Command for No (Comando por el No). On Oct. 5, 1988, voters rejected Pinochet. As the country prepared for its first free presidential and legislative elections since 1973, Command for No—renamed the Coalition of Parties for Democracy (Concertación de los Partidos por la Democracia,CPD)—and the government negotiated constitutional amendments that were approved in a national referendum in July 1989, among them the revocation of Article Eight, which banned Marxist parties. Two months later the government declared, with some restrictions, that all political exiles were permitted to return to Chile.

In the December 1989 presidential election, Christian Democrat Patricio Aylwin, leader of the CPD, won by a large margin over his closest opponent, Hernán Büchi Buc, a former finance minister and the government endorsed candidate. The coalition also gained a majority in the lower chamber and nearly half the seats in the upper chamber. Aylwin, who took office in March 1990, supported Chile's free-market system but also emphasised social and political change. Before stepping down, Pinochet was able to appoint several new Supreme Court justices and to claim a lifetime senatorial seat. He also retained significant power as commander of the armed forces until his retirement from the military in 1998.

The Cuban packages scandal revealed arms smuggling from the Communist Cuba to Chile; Allende - surrounded by KGB advisors - had turned Chile into a center for Soviet operations in Latin America. Salvador Allende now had a personal KGB adviser. According to Allende's KGB file, Allende "was made to understand the necessity of re-organising

Chile's army and intelligence services, and of setting up a relationship between Chile's and the USSR's intelligence services. The nationalisation of U.S. and other foreign-owned companies led to increased tensions with the United States. As a result, the Richard Nixon administration organised and inserted secret operatives in Chile, in order to quickly destabilise Allende's government. In addition, international financial pressure restricted economic credit to Chile. Simultaneously, the CIA funded opposition media, politicians, and organisations, helping to accelerate a campaign of domestic destabilisation. By 1972, the economic progress of Allende's first year had been reversed, and the economy was in crisis. Political polarisation increased, and large mobilisations of both pro- and anti-government groups became frequent, often leading to clashes.

By 1973, Chilean society had grown highly polarised, between strong opponents and equally strong supporters of Salvador Allende and his government. Military actions and movements, separate from the civilian authority, began to manifest in the countryside. A failed military coup was attempted against Allende in June 1973.

In its "Declaration of the Breakdown of Chile's Democracy", on August 22, 1973, the Chamber of Deputies of Chile asserted that Chilean democracy had broken down and called for Allende's removal, by military force if necessary, to restore constitutional rule. Less than a month later, on September 11, 1973, the Chilean military deposed Allende. Subsequently, rather than restore governmental authority to the civilian legislature, Augusto Pinochet exploited his role as Commander of the Army to seize total power and to establish himself at the head of a junta.

Controversy surrounds alleged CIA involvement in the coup. As early as the Church Committee Report (1975), publicly available documents have indicated that the CIA attempted to prevent Allende from taking office after he was elected in 1970. The CIA itself released documents in 2000 acknowledging this and that Pinochet was one of their favored alternatives to take power.

3.2 Crying Out The Truth

After the 11 September 1973 military coup and the subsequent human rights violations, a huge silence, the result of threats and terror, hung over Chile. No one dared to denounce torture in front of the courts. There was a traumatic muteness. It was at this point that the Church became the voice of the voiceless. The expression that gave birth to the whole organisational process was very simple: "Cry out the truth!" It was a cry for justice, a way to release the pain and despair.

Because it was impossible to keep silent, women and relatives of the disappeared expressed their silence in public. Worried about the fate of their loved ones, women began to come together and organise, and later to develop initiatives around social and justice issues.

These first non-violent actions tried to inspire others by proclaiming the value of "crying out the truth." These actions included printing clandestine pamphlets and leaflets, painting slogans on walls at night and at great risk to their safety denouncing human rights violations at the Organisation of American States (OAS) commission meeting in Santiago in July 1974.

Underlying these actions was the principle of active non-violence: if there is injustice, the first requirement is to report it, otherwise you are an accomplice. This principle was spread in numerous ways and helped overcome the double suffering of the people: the suffering of the original violence, and the suffering caused by having to keep silence about it. This principle also created support for telling the truth and acting on it.

3.3 Finding Spaces for Freedom

The dictatorship's goal was to divide and isolate citizens in their own homes. This increased tensions and violence within families, and made, finding meeting places very important. There had to be a conscientious response against the regime's intentions, and effort to break the circle of isolation.

They needed to find places to hold meetings, to make the meeting places known and to create activities that would help the growth of sharing and solidarity. In some parishes

there was total support, while in others only "reliable" people were allowed to participate. It was necessary to exchange information about the location of fasts and meetings and where solidarity-building cultural shows could be held. This catalogue of information was very useful and had to be updated continually.

One of the biggest challenges during the first few years, and another example of active non-violence, was to find places to hide people. Many church people and embassies helped people leave the country or hid them for the necessary length of time.

The main object was to have refuges which could save people's lives and end their isolation, where activities could be held that would help people express solidarity and keep a sense of values alive. Little by little handicraft workshops offered a way of earning some money and a place to raise people's awareness, while providing a safe screen.

Finally, together with Church boarding houses, there were some places where people could meet with a degree of freedom. These included cafes and restaurants where people could meet to exchange news and plan activities.

3.4 Initiatives and Strategic Training

Denouncing repression and human rights violations demanded great creativity. There is a long list of such protests: those organised by relatives of the disappeared; the imaginative ones carried out by students - like when they tried to plant 19 trees, representing Eduardo Jara's age when he was murdered; and the times people got on buses to give passengers news about the regime's injustices. Pamphlets were continually distributed.

There was a wonderful creativity expressed in jokes, popular plays, and songs and in other ways. Almost all the cultural workshops and artistic events expressed this. How can one forget the "Human Rights Cantata" and the lighting of candles in the shanty towns? Active non-violence offered training and strategy during all these activities.

Training was considered a necessity for people who faced arrest. The assistance of psychologists who taught people techniques about controlling body, overcoming fear and

resisting psychological torture were also sought. Everyone had to be prepared, especially human rights activists. Some of the training took place when visiting prisoners in jail. Training was incorporated into fasts and hunger strikes, taking advantage of the time participants had during these actions.

Advice and evaluation to everyone who planned public actions was provided. The "Sebastian Acevedo" movement against torture improved so much that it became one of the biggest of such movements. Many tactics were used to neutralise any possible spying by the secret police (DINA). These tactics varied from the simplest, like a chain of people who communicated with key words, to the more sophisticated, like writing messages on the back of bus tickets.

In general, all the permanent groups incorporated strategic thinking and planning in their denunciations of human rights abuses. During the protests of 1982-1983 even courses in non-violent training were also offered. A network of shanty town leaders who could organise teams and tactics was available for this. Such active non-violence developed methods of regaining democracy through ways that didn't bolster a government which gained support, or felt it did, each time an armed group arose to fight against.

Most Chileans backed the strategy of following a political path to regain democracy, so it was necessary to struggle on several fronts. It was fundamental to struggle for the right to belong to a political party. Many people were arrested, tortured and killed in defence of this right. As a result of this, the resisting groups gained a great deal of support from abroad and many condemnations of the Chilean military government.

Another key objective was the reorganisation of society so as to create and support base organisations. Thousands of activists visited shanty towns, at a risk of great personal danger. They organised a network of groups and committees, especially in the poorer districts.

Another factor that led to a restoration of democracy was the consensus developed among the political parties. The unity of the democratic opposition was the key in the October 1988 plebiscite victory.

Finally, 'education for democracy' - linked to educating people about human rights and using all the community education techniques was very important. The pobladores (poor people) were also associated by participatory seminars on liberation struggles. They were taught people's history, with an analysis based on real experiences, and encouraged thinking about solutions to social conflicts. Chapters on the history of the workers movement, political parties and civil education were made part of the informal education. Summer schools were also organised which made a valuable contribution to the struggle.

Political strategies and mass participation strengthened the struggle for change. The stress put on action as an educational process was linked with work in the political parties, so the defence of human rights had a real political impact.

That is why it is said in Chile that active non-violence has proved itself as a methodology for struggle, a methodology that takes its inspiration from moral values and that gave the Chilean people the strength to regain democracy.

3.5 Military Government

By early 1973, inflation was out of control. The crippled economy was further battered by prolonged and sometimes simultaneous strikes by physicians, teachers, students, truck owners, copper workers, and the small business class. A military coup overthrew Allende on September 11, 1973. As the armed forces bombarded the presidential palace (Palacio de La Moneda), Allende committed suicide. A military government, led by General Augusto Pinochet, took over control of the country. The first years of the regime were marked by allegations of human rights violations. On October 1973, at least 72 people were murdered by the Caravan of Death. At least a thousand people were executed during the first six months of Pinochet in office, and at least two thousand more were killed during the next sixteen years, as reported by the Rettig Report. About 30,000 left the country, and tens of thousands of people were detained and tortured, as investigated by the 2004 Valech Commission. A new Constitution was approved by plebiscite characterised by the absence of registration lists, on September 11, 1980, and General Pinochet became president of the republic for an 8-year term. In the late 1980s, the government gradually permitted greater

freedom of assembly, speech, and association, to include trade union and political activity. The government launched market-oriented reforms, which have continued ever since. Chile moved toward a free market economy that saw an increase in domestic and foreign private investment, although the copper industry and other important mineral resources were not opened for competition. In a plebiscite on October 5, 1988, General Pinochet was denied a second 8-year term as president (56% against 44%).

The junta embarked on a radical program of liberalisation and privatisation, slashing tariffs as well as government welfare programs and deficits. In 1973, Chile was in shambles - inflation was hundreds of percents, the country had no foreign reserves, and GDP was falling. In order to halt the ongoing economic collapse, economic reforms were drafted by a group of technocrats known as the Chicago boys because many of them had been trained or influenced by University of Chicago professors. The first reforms were implemented in three rounds, 1974-1983, 1985, and 1990.

After the economic crisis of 1982, Hernan Buchi became Minister of Finance from 1985 to 1989. He allowed the peso to float and reinstated restrictions on the movement of capital in and out of the country. He introduced banking legislation, simplified and reduced the corporate tax. Chile pressed ahead with privatisations, including public utilities plus the re-privatisation of companies that had returned to the government during the 1982–1983 crises. Under these new policies, the rate of inflation dropped from about 1,000% per year to about 10% per year. While this was still a high rate of inflation, it allowed the economy to start recovering. From 1984 to 1990, Chile's gross domestic product grew by an annual average of 5.9%, the fastest on the continent. Chile developed a good export economy, including the export of fruits and vegetables to the northern hemisphere when they were out of season, and commanded high prices.

An important initiative begun in 1981 and carried on until today, aimed at modernising the use of Information and Communication technology, greatly contributed to dis-entangle the traditional bureaucratic and cumbersome clerical procedures in all dealings

with branches of the government, from civil registry to import/export documentation, thereby fostering a more agile economy and a more efficient public administration.

The happiness that evening of 14 December 1989 spread spontaneously along the downtown streets. After a 16-year-long military dictatorship, democracy had been regained in Chile. It was gained by walking the road of nonviolence, through political strategy and elections.

There is still a long road to walk, but this experience gives the Chileans the confidence to continue. They have turned pain into the strength of the oppressed. The methods and politics of their non-violent struggle against dictatorship are interrelated and characterised below. Many actions were developed by groups that dared to challenge repression.

Chile became embroiled in an unprecedented controversy in 1998. While visiting London, Pinochet was detained when Spain requested his extradition in connection with the torture of Spanish citizens in Chile during his dictatorship. The case caused the United States and other countries to release documents relating to those who had "disappeared" in Chile under Pinochet's rule. In January 2000 Pinochet won an appeal on medical grounds and was permitted to return home, but Chilean authorities continued to investigate numerous charges of earlier human rights abuses. Stripped of the immunity from prosecution he had enjoyed as a former president, Pinochet was indicted later that year, though the case was later dismissed. In January 2005, however, Chile's Supreme Court upheld another indictment of Pinochet, who was once again without immunity (which is removed on a case-by-case basis under Chilean law).

CHAPTER - IV MIDDLE CLASS AND RE-DEMOCRATISAION OF CHILE

In the early 1990s, Chile stood in a favorable position as it rejoined the community of democratic nations. The high rate of growth that began in 1985 continued under the Aylwin government, reaching 10.4 percent in 1992, while inflation moderated. With the exception of Colombia, Chile was the only major economy on the South American continent to finish the 1980s with a per capita GDP larger than that of 1980. High levels of foreign and domestic investment and continued improvement in Chile's export performance suggested that the country's economy would continue to improve.

Chile also made significant progress in the political sphere. Moderation of the country's political discourse permitted a return to the politics of conciliation. Paradoxically, the special guarantees given to the military and the right in the outgoing regime's institutional order, while fundamentally undemocratic, helped those sectors accept a democratic transition in the knowledge that they retained significant measures of power. The continuation of Pinochet in office also gave comfort to the supporters of the former regime, fearful of a return to popular sovereignty. Ironically, it also contributed to the strong unity and discipline of the former opposition parties that make up the government, reinforcing patterns of accommodation and compromise and contributing to the notable success of the Aylwin administration.

Although the "authoritarian enclaves" of the past may have contributed to the smooth transition process, they could endanger Chile's democratic stability over the long run. The most troubling problem appeared to be the exaggerated presidentialism embodied in the 1980 constitution. The Aylwin administration performed well within the rules inherited from the military government because of the unusual collaboration among leaders who had developed a strong sense of camaraderie in opposing the dictatorship. Determined not to risk an authoritarian reversal, these leaders insisted on an extraordinary degree of unity in implementing cautious, moderate policies. Legislative leaders and middle- and lower-level

activists also understood the need for discipline and consensus, deferring to their leaders within the executive branch on most matters.

This pattern of "forced consensus," however, could not continue indefinitely. As the new Frei administration was inaugurated on March 11, 1994, it was clear that members of Congress and lower level leaders resented their lack of significant input into the policy process. The lack of authority in the legislature created the risk that Congress would become an essentially negative institution seeking to undermine the executive, with no significant role in developing arenas of accommodation and consensus that had served Chile so well in previous eras.

Particularly vexing was incompatibility between a presidential form of government and a highly institutionalised multi-party system, one in which the president appeared unlikely to obtain majority support in the presidential race and unlikely to enjoy majority support in the legislature. Under such circumstances, Chile would need institutional rules and procedures to provide incentives to build political coalitions across party lines. Although there was consensus in 1993 among the elite on fundamental questions, there was no guarantee that consensus would remain once Chile moved away from the "heroic politics" of the immediate post-authoritarian period to the more "banal politics" of democratic normality. Among the many issues that would challenge Chile's parties and, indeed, could lead to a reconfiguration of party alliances, were, of course, poverty, as well as other matters that had not as yet reached the national policy agenda, such as divorce, abortion, the environment, and grass-roots political participation.

Chile's electoral system also posed a challenge. Rather than generate a two-party system, the electoral system has encouraged the maintenance of broad coalitions, including parties that would probably not obtain seats in a fully competitive electoral framework. The electoral system could encourage political instability if two runners-up were evenly matched. In a political system where the forces on the left, right, and center are roughly equal in size, the electoral system could lead to the disenfranchisement of one of those sectors if the politics of broad coalitions were to break down.

Finally, it remained clear that Chilean democracy would not be fully consolidated until civil-military relations were normalised. Although it is important that a democracy insulate the armed forces from partisan political meddling in the same way that the judicial system is kept "apolitical". The broad latitude given to the armed forces in the 1980 constitution threatened democratic stability by shielding the military institution from civilian oversight.

The Chilean transition to democracy (colloquially known in Chile as the *Transición*) began on September 11, 1980, when a Constitution establishing a transition itinerary was approved in a plebiscite. From March 11, 1981 to March 11, 1990, several organic constitutional laws were approved leading to the final restoration of democracy. After the 1988 plebiscite, the 1980 Constitution, still in force today, was amended to ease provisions for future amendments to the constitution, create more seats in the senate, diminish the role of the National Security Council and equalize the number of civilian and military members (four members each).

Aylwin served from 1990 to 1994 and was succeeded by another Christian Democrat, Eduardo Frei Ruiz (son of Frei-Montalva), leading the same coalition, for a 6-year term. Ricardo Lagos of the Socialist Party and the Party for Democracy led the Concertacion to a narrower victory in the 2000 presidential elections. His term ended on March 11, 2006, when Michelle Bachelet, of the Socialist Party, took office.

4.1 The 1988 Plebiscite and the Reform of the Constitution

Passed under tight military control in 1980, the Chilean constitution's legal dispositions were designed to lead to the convocation of all citizens to a plebiscite during which the Chilean people would ratify a candidate, proposed by the Chief of Staff of the Chilean Armed Forces and by the General Director of the Carabineros, the national police force, and who would become the President of Chile for an eight-year term. In 1980, this meant that the Chilean people were supposed to approve Augusto Pinochet's candidacy, assuring him popular legitimacy and the sanction of a vote. Should the people refuse the *junta*' chosen candidate, the military would relinquish political control to the civilians, convoking the following year presidential and parliamentary democratic elections, and thus putting an end to the military

government. In 1987, Pinochet's government passed a law allowing the creation of political parties and another law allowing the opening of national registers of voters. If the majority of the people voted "yes" to Pinochet's plebiscite, he would have remained in power for the next eight years, but Congress would have been elected and installed on March 11, 1990, as in fact happened.

4.2 Context and Causes of Pinochet's Decision to Follow the Constitution

Among various causes to Pinochet's decision to resume this procedure, the situation in the Soviet Union, where Mikhail Gorbachev had initiated the glasnost and the perestroika democratic reforms, which would finally lead to the fall of the Berlin Wall in 1989 and to the official end of the Cold War, is clearly an important factor. The Cold War had important consequences in South America, considered by the United States to be a full part of the Western Bloc, called "free world", in contrast with the Eastern Bloc, a division born with the end of World War II and the Yalta Conference. Following the 1959 Cuban Revolution and the local implementation in several countries of Che Guevara's foco theory, the US waged a war in South America against the "Communists subversives," leading to support in Chile of the right-wing, which would culminate with Pinochet's coup in 1973 in Chile. In a few years, all of South America was covered by similar military dictatorships, called *juntas*. In Paraguay, Alfredo Stroessner was in power since 1954; in Brazil, left-wing President João Goulart was overthrown by a military coup in 1964; in Bolivia, General Hugo Banzer overthrew leftist General Juan José Torres in 1971; in Uruguay, considered the "Switzerland" of South America, Juan María Bordaberry seized power in the June 27, 1973 coup. A "Dirty War" was waged all over the continent, culminating with Operation Condor, an agreement between security services of the Southern Cone and other South American countries to repress and assassinate political opponents. Militaries also took power in Argentina in 1976, and then supported the 1980 "Cocaine Coup" of Luis García Meza Tejada in Bolivia, before training the Contras in Nicaragua where the Sandinista National Liberation Front, headed by Daniel Ortega, had taken power in 1979, as well as militaries in Guatemala and in El Salvador. In the 1980s, however, the situation progressively evolved in the world as in South

America, despite a renewal of the Cold War from 1979 to 1985, the year during which Gorbatchev replaced Konstantin Chernenko as leader of the USSR.

Another alleged reason of Pinochet's decision to call for elections was the April 1987 visit of Pope John Paul II to Chile, during which he visited Santiago, Viña del Mar, Valparaiso, Temuco, Punta Arenas, Puerto Montt and Antofagasta. According to George Weigel, he held a meeting with Pinochet during which they treated of the theme of the return to democracy. John Paul II would have allegedly pushed Pinochet to accept a democratic opening of the regime, and would even have called for his resignation. This has been contested however by critics, who claimed John Paul II never said a word concerning human right violations in Chile during his visit. The Polish Pope was a known opponent to Communism, and during his reign the Vatican had harshly condemned the Liberation theology, by the voice of Cardinal Ratzinger (current Pope Benedict XVI), then head of the Congregation for the Doctrine of the Faith.

Whatever the case, political advertisement was legalized on September 5, 1987, and became a key element of the campaign for the "NO" to the referendum, which countered the official campaign which presaged a return to a Popular Unity government in case of a defeat of Pinochet. Finally, the "NO" to Pinochet won with 55.99% of the votes, against 44.1% of the votes. Pinochet thought of not recognizing the results and of declaring state of siege, but the United States and Germany, informed of the military plans not to recognise the results, pressured Chile in continuing with the Constitutional process. Thus presidential and legislative elections were called for the next year.

Furthermore, in July 1989, a constitutional referendum took place after long negotiations between the government and the opposition. If approved, 54 constitutional reforms were to be implemented, among which the reform of the way that the Constitution itself could be reformed, the restriction of state of emergency dispositions, the affirmation of political pluralism, the strengthening of constitutional rights as well as of the democratic principle and participation to the political life. All parties in the political spectrum supported the reforms, with the exception of the small right-wing Avanzada Nacional, and the reforms were passed with 91.25% of the vote.

4.3 1990 Election of Patricio Aylwin

Representing the *Concertación* coalition which supported the return to democracy, gathering the Christian Democrat Party (PDC), the Socialist Party (PS), the Party for Democracy (PPD) and the Social Democrat Radical Party (PRSD), Christian Democrat Patricio Aylwin won a sweeping victory in the first democratic elections, in December 1989, since the 1970 election won by Salvador Allende. Patricio Aylwin had gathered around him55.17% vote, while the center-right supermarket tycoon Francisco Javier , who represented the UCCP party, managed to take 15.05% of the vote, which had as main effects to lower right-wing candidate Hernán Büchi's score to 29.40%.

The *Concertación* coalition would dominate Chilean politics for the next two decades, with its most recent victory being the 2006 election of Socialist candidate Michelle Bachelet. It established in February 1991 the National Commission for Truth and Reconciliation, which released in February 1991 the Rettig Report on human rights violations during Augusto Pinochet's dictatorship. This report, contested by human rights NGOs and associations of political prisoners, counted 2,279 cases of "disappearances" which could be proved and registered. Of course, the very nature of "disappearances" made such investigations very difficult; while many victims were still intimidated by the authorities, and did not dare go to the local police center register themselves on lists, since the police officers were the same than during the dictatorship.

The same problem arose, several years later, for the Valech Report, released in 2004 and which counted almost 30,000 victims of torture, among testimonies from 35,000 persons. However, the Rettig Report did list important detention and torture centers, such as the Esmeralda ship, the Víctor Jara Stadium, Villa Grimaldi, etc. The registering of victims of the dictatorship, and then, in the 2000s, trials of military personnel guilty of human rights violations, would dominate the struggle for the recognition of crimes committed during the dictatorship by human rights NGOs and associations of political prisoners, whom many resided in exile.

Beside implementing the Rettig Commission, Aylwin's government established a *Comisión Especial de Pueblos indígenas* (Special Commission of Indigenous People), whose report provided the intellectual framework of the "Indigenous Law" (*ley indígena*) , which recognized in particular the Mapuche people as inherent part of the Chilean nation. Other indigenous people officially recognized included Aymaras, Atacameñas, Collas, Quechuas, Rapa-Nui, Yámanas and Kawashkars. Despite this state proclamation of indigenous rights, conflicts brought by land-occupations and Mapuche's claims lead to state repression and the use of the anti-terrorist law against Mapuche activists, a law voted by the military *junta*.

4.4 1993 Election of Eduardo Frei Ruiz and Trials of Human Rights Violations During the Dictatorship

Preparing for the 1993 election, the Concertación held primaries in May 1993, opposing on its left-wing Ricardo Lagos (PPD) to Christian-Democrat Eduardo Frei Ruiz, (PDC), the son of former President Eduardo Frei Montalva (1911-1982, President from 1964 to 1970). Eduardo Frei won these primaries by a large majority of 63%.

The right-wing, grouped in the Alliance for Chile, also held primaries opposing Sebastián Piñera (National Renewal, RN, the largest right-wing party at the time), who had supported the "NO" during the 1988 plebiscite on the return to civilian rule, to Arturo Alessandri Besa, former member of the National Party (PN, opposed to Eduardo Frei in the 1970 presidential election) and currently of the Independent Democrat Union (UDI). Alessandri won those, and thus represented the Alliance for Chile against the Concertación.

Frei Ruiz finally won the election in the first turn, held in December 1993, with an absolute majority of almost 58%, and Arturo Allesandri who gathered around 24.4%. Eduardo Frei took office in March 1994 and presided for a 6-year term, until 2000. During his term, it was not possible to judge any military for his role during the dictatorship, while large sectors of the Chilean society remained *Pinochetista*.

4.5 1998 Arrest of Pinochet in London and 2000 Election of Ricardo Lagos

Following an agreement between Pinochet and Andrés Zaldívar Larraín, president of the Senate, the latter voted to abolish the date of 11 September as a National Holiday which celebrated the 1973 coup. Supporters of Pinochet had blocked until then any such attempt. The same year, Pinochet traveled to London for an operation. Once there, he was arrested on the orders of Spanish judge Baltasar Garzón, provoking worldwide attention, not only because of the past history of Chile and South America, but also because this was one of the first arrests of a dictator based on the universal jurisdiction principle. Pinochet tried to defend himself by referring to the State Immunity Act of 1978, an argument rejected by British judicial system. However, UK Home Secretary Jack Straw took the responsibility to release him on medical grounds, and refused to extradite him to Spain. Pinochet returned to Chile in March 2000. Upon descending the plane on his wheelchair, he quickly stood up and saluted the cheering crowd of supporters, including an army band playing his favorite military march tunes, which was awaiting him at the airport in Santiago. President Ricardo Lagos, who had just been sworn in on March 11, said the retired general's televised arrival had damaged the image of Chile, while thousands demonstrated against him.

Representing the *Concertación* coalition for democracy, Ricardo Lagos had won the election just a few months before, by a very tight score of less than 200,000 votes (51,32%) against Joaquín Lavín (less than 49%), who represented the right-wing Alliance for Chile. None of the six candidates had obtained an absolute majority on the first turn held on December 12, 1999. Lagos was sworn in March 11, 2000, for a 6-year term.

In 2002 Chile signed an association agreement with the European Union (comprising FTA, political and cultural agreements), in 2003, an extensive free trade agreement with the United States, and in 2004 with South Korea, expecting a boom in import and export of local produce and becoming a regional trade-hub.

Meanwhile, the trials concerning human rights violations during the dictatorship continued. Pinochet was stripped of his parliamentary immunity in August 2000 by the Supreme Court, and indicted by Judge Juan Guzmán Tapia. Tapia had ordered in 1999 the

arrest of five military men, including General Pedro Espinoza Bravo of the DINA, for their role in the Caravan of Death following the 11 September coup. Arguing that the bodies of the "disappeared" were still missing, he made jurisprudence which had as effect to lift any prescription on the crimes committed by the military. Pinochet's trial continued until his death on December 10, 2006, with an alternance of indictments for specific cases, lifting of immunities by the Supreme Court or to the contrary immunity from prosecution, with his health a main argument for, or against, his prosecution. The Supreme Court affirmed in March 2005 Pinochet's immunity concerning the 1974 assassination of General Carlos Prats in Buenos Aires, which had taken place in the frame of Operation Condor. However, he was deemed fit to stand trial for Operation Colombo, during which 119 political opponents were "disappeared" in Argentina. The Chilean justice also lifted his immunity on the Villa Grimaldi case, a detention and torture center in the outskirts of Santiago. Pinochet, who still benefited from a reputation of righteousness from his supporters, lost legitimacy when he was put under house arrest on tax fraud and passport forgery, following the publication by the US Senate Permanent Sub-committee on Investigations of a report concerning the Riggs Bank in July 2004. The report was a consequence of investigations on financial funding of the September 11, 2001 attacks in the US. The bank controlled between USD $4 million and $8 million of Pinochet's assets, who lived in Santiago in a modest house, dissimulating his wealth.

2005 reform of the 1980 Constitution

Over 50 reforms to Pinochet's Constitution were approved in 2005, which eliminated some of the remaining undemocratic areas of the text, such as the existence of non-elected Senators (institutional senators, or senators for life) and the inability of the President to remove the Commander in Chief of the Armed Forces. These reforms led the President to controversially declare Chile's transition to democracy as complete. However, the anti-terrorist measures of it remained in force, and have been used against the Mapuches. Furthermore, the military still received money from the copper industry.

4.6 2006 Election of Michelle Bachelet

In 2006, the *Concertación* again won the presidential election: Michelle Bachelet, Chile's first woman president, beat Sebastián Piñera (Alliance for Chile), with more than 53% of the votes. Bachelet's first political crisis occurred with massive student protests, who were demanding free bus fare and the waiving of the university admissions test (PSU) fee, while the longer term demands included: the abolition of the Organic Constitutional Law on Teaching (LOCE), the end to municipalisation of subsidised education, a reform to the Full-time School Day policy (JEC) and a quality education for all. The protests peaked on May 30, 2006 when 790,000 students adhered to strikes and marches throughout the country, becoming Chile's largest student demonstration of the past three decades, a sure sign of the progress of the Chilean transition to democracy.

4.7 Traditions of Political Protest in Chile

Before the Pinochet dictatorship began in 1973, there was not a well-established tradition of significant grassroots social movements in Chile. This stemmed in part from the very strong political parties that existed at the time, because, "even if social movements arose, they were mobilized and sustained by the political parties." While this co-optation by political parties may have served to help make the movements stronger, it also meant that Chileans were not accustomed to initiating grassroots movements to fight for social change.

However, this changed completely when Augosto Pinochet came to power on September 11, 1973 in a bloody coup. His regime, supported by the Nixon administration, was determined to exterminate the effects of the previous president, Salvador Allende. the In addition to arresting and torturing its victims, the Pinochet regime exercised complete control over civil society, manipulating the press and outlawing political parties.

As a result, thousands of women started participating in grassroots social movements fighting for women's rights as well as basic human rights. In the early period, many women became involved in social protest networks or other grassroots organizations, many of which

revolved around immediate issues of day-to-day survival. Such survival organizations included workshops (such as the arpillera groups), "buying together" groups (enabling women to buy goods in large quantities at cheaper prices), and communal kitchens. Women also formed dozens of organizations such as Women for Life and the Movement for the Emancipation of the Chilean Woman. Additionally, thousands of women searched for their disappeared relatives and tried a variety of methods to pressure the government to release information.

4.8 Return to Democracy

Michelle Bachelet.

The Concertación coalition has continued to dominate Chilean politics for last two decades. In January 2006 Chileans elected their first woman president, Michelle Bachelet, of the Socialist Party. She was sworn in on March 11, 2006, extending the Concertación coalition governance for another four years.

In 2002 Chile signed an association agreement with the European Union (comprising FTA, political and cultural agreements), in 2003, an extensive free trade agreement with the United States, and in 2004 with South Korea, expecting a boom in import and export of local produce and becoming a regional trade-hub. Continuing the coalition's free-trade strategy, in August 2006 President Bachelet promulgated a free trade agreement with the People's Republic of China (signed under the previous administration of Ricardo Lagos), the first Chinese free-trade agreement with a Latin American nation; similar deals with Japan and India were promulgated in August 2007. In October 2006, Bachelet promulgated a multilateral trade deal with New Zealand, Singapore and Brunei, the Trans-Pacific Strategic Economic Partnership (P4), also signed under Lagos' presidency. Regionally, she has signed bilateral free-trade agreements with Panama, Peru and Colombia.

4.9 Chile: Overview

On May 11, 1983, the capital city of the South American nation of Chile explodes in protest. Santiago citizens march in the streets, blare their car horns, and clang pots and pans from apartment windows. The day marks an end to the decade-long acquiescence to the rule of General Augusto Pinochet, who had seized power in 1973 from the elected socialist government of Salvador Allende. The junta had declared the entire nation an emergency zone and imposed a state of siege that limited the rights of citizens and augmented the military's powers. It shut down three of the country's newspapers, placed universities under military administration, and prohibited singing in public.

In the ten years prior to the national protest, Pinochet's anti-communism and free-market economic policies won him the support of moderate politicians and middle-class Chileans, managed to all but silence his opponents. In the early 1980s, however, a recession – spurred by declining copper prices – sapped the country's prosperity. Working-class and middle-class citizens, in concert with leftist and moderate leaders, rallied behind a strike by the powerful copper miners' union and projected dissent into the promenades and avenues of Santiago. For the next three years, an eclectic mix of opposition groups joined to organize monthly "days of protest" and demand a return to democracy. Human rights organizations, unions, student groups, women's groups, and traditional political parties all take part, using a range of tactics that include strikes, work slowdowns, and school boycotts. By 1986, however, the radical left adds violence to the anti-Pinochet protest, discouraging middle class participation and justifying the dictator's continued repression.

When Pinochet decides to go ahead with a plebiscite (ordained by his own constitution) on whether he should remain in office, the opposition decides to challenge him at the polls. It deftly organises a determined and sophisticated campaign to defeat Pinochet. Led by Genaro Arriagada the "Command for No" movement coordinates an army of volunteers to register voters and persuade fearful citizens to participate. Also crucial is an influx of foreign funds that pays for opinion polls, media consultants, poll watchers, and computers, which allow the opposition to conduct its own vote count and circumvent electoral fraud by the regime.

Despite relentless harassment against "No" campaign operatives, on October 5, 1988, 55 percent of voters cast ballots to end Pinochet's reign of terror. Victorious, the "Command for No" movement evolves into a multiparty coalition that wins parliamentary elections the next year, completing the restoration of democracy in Chile after 15 authoritarian years.

Seen as the work of communist guerillas, the attack had the effect of confirming the autocrat's Cold War rhetoric. Worse, it gave him an aura of invincibility, and the opposition could see the chance for a negotiated return to democracy going up in the smoke of guns and rockets. Abruptly, they seemed to face two alternative disasters: their democratizing dream either would crumple under an invigorated military rule or would be incinerated in a riotous reprise of the Allende years.

But the events on the road from El Melocoton had spawned illusions on all sides. His escape from death had confirmed Pinochet in his sense of destiny and led him to believe he would be an unbeatable candidate in the 1989 plebiscite mandated by the constitution. As for his non-violent opponents, the ambush had reduced their options to the single one of participating in that plebiscite, which they found repugnant, and which they believed they would inevitably lose. And the leftist guerillas, having come within a whisker of getting their man, no doubt perceived the dawn of a cleansing civil war. These were all fantasies. Everyone was wrong.

4.10 Chile: Analysis

The Chileans who opposed Pinochet, like the mothers of the Plaza de Mayo in Argentina, did something very simple but absolutely essential if the people are to bring down a despot: they withdrew their willingness to let the government pretend that it had any genuine popular support. With one sanction after another, they created doubts at home and abroad about the regime's control of events, and when the regime's hubris created a narrow opportunity for the movement to succeed at the polls, they used the dictator's own procedures to separate him from his position. Then even the regime split, leaving the general stranded on the same shore of history that many other dictators had reached before him. Bullets only scratched him. Ballots sacked him.

However, this underestimated the effective mobilisation and strategies of a broad centre and left coalition that had emerged over the previous decade. Thus, many Chileans were reminded of the atrocities of the military coupe by the *Arpilleras*, the protesting women who wove traditional tapestries protesting the loss of their children spouses (Skidmore & Smith 2001, p132). The Catholic Church had also moved to condemn the human rights atrocities of the regime and to support reform (Hudson 1994). From 1983, in spite of oppressive clamp downs, massive protests were made publicly, lead in part by labour leaders (Hudson 1994). Likewise, the coalition of party used the strategies of social surveys, public relations campaigns, and community networking to mobilise a large part of the electorate, including those living in shantytowns (Paley 2001). This campaign also involved volunteer consultants on the election, including Chilean and U.S. volunteers, some from the National Democratic Institute for International Affairs (Paley 2001). A record 92% of the voting age-group actually registered to vote (Hudson 1994). When the opposition was for a short time allowed to advertise on television, it used positive messages appealing to unity, harmony, and a democratic Chile (Hudson 1994). The opposition also promised to continue the broad economic policies that had boosted growth, as well as promising an improved social welfare net (Paley 2001). Thus the fourteen party coalition (the Concertación) won with a decisive 'no' vote (55%) against Pinochet (who received a 43% vote for continuation of his rule). Badly shaken and surprised, Pinochet accepted the vote against him (Hudson 1994), perhaps because segments of the elite had begun to be unsettled by his continued autocratic style in decision making.

This did not lead to an immediate return to full democracy. The 1980 constitution still allowed a role for Pinochet as head of the armed forces (to be continued down till 1998), and with a number of appointed senators in congress, it also tended to favour conservative politics, although a large number of constitutional reforms, leading to a more open system, were approved in mid-1989 (Hudson 1994). Presidential elections in 1989 put the Christian Democratic leader Patricio Aylwin into power, supporting a centre and centre-left style government. Aylwin attempted to cautiously prosecute military offices for human rights abuses, but with the help of rightist elements in Congress this was not generally successful (Hudson 1994). In 1993, the Christian Democrats once again won the elections, with

Eduardo Frei becoming president. Chile during this period had strong economic growth (circa 6.7% growth in GDP), foreign debt was reduced, foreign investment came into the country, and poverty was reduced (Drake 2000) but the gap between rich and poor remained (Skidmore & Smith 2001, p135-136).

We can thus ask, is 'Chile entering the new century as an "untrammelled democracy . . . ?" (Drake 2000). The current government offers both continuity in general policies, but also has a major challenge: -

> It also offered Chile the opportunity to experience a Socialist presidency that promised to avoid confrontation and economic turmoil. The outcome confronted Lagos with the challenge of both modulating and meeting his supporters expectations, especially pent-up hopes from leftists (Drake 2000).

However, we should note that the current stability in part has been achieved by a certain convergence between the main parties, a relatively strong economy, and the ability to avoid a head-on conflict over the Allende and Pinochet legacies (Reuss 2001). Certain features of the democracy remain unusual: the lack of control over campaign funds (Drake 2000), the appointed senators, and the implicit recognition that the army does have a special political role in the nation, in part through the National Security Counsel - the Cosena, the fact that the President cannot directly dismiss military commanders (Hudson 1994), as well as retaining a certain degree of immunity, even if this is not invoked. Efforts have been made to reform these areas through 2000-2001, with moves to constitutionally remove unelected senators and to ensure presidential/civil control of the military (Bearman 2001, p72), but progress has been slow.

It should also be noted that after political reforms Chile joined the Rio Group (of 18 Latin American Countries) in 1990, playing 'an active role in promoting democracy within the inter-American system' (Hudson 1994; see further Atkins 1999). Chile was also active in the Latin American Free Trade Association (LAFTA), the Organisation of American States (OAS), and the United Nations (Hudson 1994), and later on negotiated fairly open trade relations with the U.S. and with Mercosur. Chile thus has a progressive foreign policy, even as it deals with political legacies at home.

During the Augusto Pinochet dictatorship, many Chilean women created complex tapestries depicting the harsh conditions of life and the pain resulting from the disappeared victims of Pinochet's repression. These tapestries, known as arpilleras, get their name from the Spanish word for the burlap backing they used. However, through their art they came to represent much more in the history of modern Chile.

Arpilleras came to symbolize women's protest against the brutal Pinochet dictatorship. Although these women worked quietly and used a traditionally feminine method, their arpilleras had wide influence within Chile and internationally. The tapestries and the art of making them preserved the memory of los desaparecidos (the disappeared people) and the dictatorship's brutality, as well as the unemployment, food shortages, housing shortages, and other hardships of daily life which were attributed to Pinochet's rule. Simply preserving this collective memory was itself an act of protest, but creating the arpilleras also empowered the women in other ways. Many women experienced cognitive liberation through their work in the arpillera workshops, and became involved in other protests against Pinochet's regime. They also began to confront machismo in their own homes and in society in general by claiming a wider role for women.

CHAPTER - V SUMMARY AND CONCLUSION

The driving force behind Allende's election was raising working class and peasant militancy, a militancy that both propelled Allende to power and also threatened his ability to placate the bourgeoisie. Frei's Christian Democratic government that ruled from 1964-1970 hoped through modest land and social reform to head off working class and peasant militancy. It had the opposite effect. In response to the only minimal implementation of Frei's Agrarian Reform Act, thousands of peasants simply seized the land and occupied it. Other peasants flocked to the cities in search of jobs, where they discovered that Frei's promise of industrial growth had proven just as empty as his promise of land reform. These peasants joined earlier waves of "rural migrants who had established themselves in the working class areas, building squatter towns on vacant plots. They had then begun to organise and fight for the right to housing land and basic facilities.

Even more threatening to Chile's rich, the urban working class stepped up the struggle in response to a drastic decline in real wages. The Chilean trade union federation (CUT), called a national strike in 1967 to protest Frei's demand for a no-strike clause in every new labour contract. The success of the national strike raised the confidence of workers to fight. The number of strikes jumped from an already impressive 1,939 strikes involving 230,725 workers in 1969, to an amazing 5,295 strikes involving 316,280 workers in 1970. The character of the struggle also changed. Workers began occupying the factories during industrial disputes. Factory occupations rose from five in 1968 to 24 in 1969; they then jumped to 133 in 1970, and leaped in 1971 to 339.

Allende's election in this political climate inevitably meant that workers would regard the Popular Unity government as their own. Allende himself excited workers to believe that Chile could achieve socialism by using the existing capitalist state to bring about change.

The international news media described Allende in November 1970 as "the world's first democratically elected Marxist president." In keeping with his commitment to

constitutionalism, however, Allende promised to implement only those reforms which were permitted under already existing legislation. He stated further that he would enact only those new measures which could win approval from the Chilean Congress, which was dominated by the right.

Chile once boasted a longer history of stable democratic rule than most of its neighbours and much of Western Europe. Now it is the last major country on the South American continent to return to civilian government after a wave of authoritarianism. Chile's transition to civilian rule has been remarkably smooth, despite several anxious moments. In a plebiscite on October 5, 1988, the people rejected Pinochet's bid to remain in power through 1997. The dictator conceded his defeat, opening the way for presidential and congressional elections, rather than clinging to power by force. Slowly the nation's tradition of democratic politics has reemerged, turning back the regime's attempt to uproot the system of partisan politics forever.

What explains this success? The credit goes not so much to Pinochet, who had become as addicted to power as Noriega or Duvalier, and had every intention of remaining in office for a quarter-century. But his ambitions were thwarted by two elements. First, Chile's deeply rooted democratic and law-abiding political culture has survived 16 years of repression. During the transition, government opponents across the spectrum have proved them capable of uniting for a common purpose and have resisted radical behavior that might jeopardize the return to civilian control.

Second, the armed forces have remained highly disciplined, professional and uncorrupted despite unprecedented proximity to power. Sworn to uphold the transition formula envisioned in their own 1980 constitution, they vetoed any suggestion of illegal or forceful intervention to retain political control when their own commander in chief was defeated at the polls.

Chile today faces a familiar situation: a government attempting to rule the country and implement its programme with the support of only a minority of the population. But the present case is different from the country's minority governments of 1964 and 1970, and far

more serious. First, General Augusto Pinochet has much less popular support now than was enjoyed by either previous government. Second, Pinochet's authoritarian government is seeking to extend his rule to 1997, and to ensure military control over future governments. The 1980 constitution, rejected by opponents and widely criticised by independents as undemocratic in substance and virtually unamendable, is invoked as the legal foundation and source of legitimacy of this official scheme to cripple Chilean democracy permanently.

Although the majority of Chileans originally backed the military government, Pinochet's scheme had since provoked mass opposition, which has erupted in widespread protests, strikes and unrest throughout the country. The international isolation in which General Pinochet's regime found itself and the worldwide repudiation that it had had to face also had done not a little to weaken its position.

Nevertheless, the Southern Cone of Latin America is not Central America, and political change in Chile will be brought about only insofar as the domestic conditions that will make it possible are present. Developments such as the conclusion of the "National Accord on Transition to Full Democracy", represents an important strengthening of democratic forces.

A Positive Outlook

Analysts writing on Chilean democracy and civil-military relations only a few years ago held an understandably pessimistic vision for the future. Almost the entire decade of the 1990s was marked by a stagnant antagonism between the unsubordinated military and the first two post-authoritarian Concertación governments. The arrest of Augusto Pinochet changed the attitudes of leaders on both sides of the civil-military divide and redefined the rules of civil-military interaction. The military began to come free of a burdensome legacy and new faces occupied the front lines of civil-military relations. Not only have civil-military relations pacified since Pinochet's retirement, but they have stayed "civil" amidst the prosecution of Pinochet and dozens of other retired officers on human rights charges. In a way not possible before the case of Pinochet began, the military institution and its relations with the civilian government are witnessing sweeping change.

In guessing the future direction of civil-military relations, the next five years of Lagos' presidency held several opportunities for continuing civil-military cooperation and consolidating democratic control over the armed forces. Some of the "safeguards" or artificial constraints emplaced by the military on the new democracy have gradually come to produce the opposite of their originally intended effects. While these prerogatives may have been a necessary negotiation tool in securing the military's cooperation in the transition, their sustainability is approaching an end. Just as the Concertación presidents converted the automatic minimum for defence spending into a maximum, other assurances of the military's political role are beginning to expire. Upon the completion of Lagos' term in 2006, the Concertación will have governed Chile for sixteen years. The Concertación has already consolidated a democratic system that will not soon be undone. With the passage of time and four sequential Concertación presidents have steadily reduced the vestigial Pinochet appointees and built up a base of Concertación officials that qualify for an eight-year term as a designated senator. As Lagos pointed out, "the Right is beginning to realise that the institutions they thought favored the status quo are now working against them. I can assure you that the Right would be very interested in seeing that these senators (desiganados) disappear and that I not name any."

Military reforms have the potential to fundamentally change not only army and the other armed forces, but also the way that the military interacts with the civilian government and the civilian population at large. These internal reforms and the careful negotiation and cooperation at the highest level between the administration and the high command ensure the consolidation of peaceful, democratic civil-military relations. The 1980 Constitution remains an issue, but the military prerogatives against absolute civilian control have not proved a hindrance to amicable civil-military relations, effective defence policymaking or Chilean democracy in general.

Misunderstanding and distrust will continue to plague the relationship between the military and civilians, particularly at street level. We should not expect these feelings to disappear, with the drama of the 1970s and 1980s a not-too-distant memory for most Chileans. But nevertheless, Chile holds on the right course, dealing with the past as it must and moving towards the future. In the sensitive and essential arena of civil-military relations this has meant staying sensitive to human rights questions while maintaining the military's goodwill and carrying out a broader policy program. Presidents and commanders in chief have plenty of other work to do in protecting and governing the nation besides trying to get along with each other.

Democracy is the only solution in Chile and all parties, including the military, have come to accept this fact. On the strength of this qualification we could easily consider Chile a consolidated democracy. Looking at the spectrum of military subordination, Chile's democracy has some room for improvement or further consolidation, but the Chilean case lies on the verge of full democratic control of the military. Evidence indicates that the elimination of the last undemocratic military prerogatives lies well within reach. Nineteen years since its rebirth, Chilean democracy is coming of age into a peaceful era unhindered by the past. In this consolidation of democratic process, the middle class role has been uppermost. This fact is more apparent keeping in mind that the elite of Chile still consider Pinochet as saviour.

Beyond creating a positive outlook for civil-military relations and Chilean democracy, the recent developments analysed here give reason to re-evaluate the treatment of the Chilean case by the canonical literature. The twists in the Chilean case during the last several years underscore the importance of leadership and the interaction of political elites during democratic transition and consolidation and reaffirm the efficacy of transitions. The Chilean case remains highly unique within the "third wave" of democratization, especially for its history of democracy, strong civil-society and high level of development. Nevertheless, the still evolving Chilean experience should instill analysts with greater caution in assessing democratic consolidation and civil-military relations in post-authoritarian democracies. We can not afford to treat militaries as unchanging black boxes. The internal

dynamic of a military institution, its level of professionalism and its institutional strength figures just as greatly in its return to the barracks as in its original intervention in power.

Chile in the 21st Century

Democratic systems continued to strengthen in Chile in the 21st century, and in 2000 Ricardo Lagos of the CPD was elected the country's first socialist president since Allende. Under Lagos's administration, the economy improved and numerous social reforms were enacted. Lagos was succeeded by another socialist, Michelle Bachelet, also a member of the CPD, who in 2006 became the first woman president of Chile. After taking office, Bachelet was faced with massive protests staged by students who were dissatisfied with Chile's public education and with strikes by copper miners and health workers. When Pinochet died in December 2006, Bachelet's government denied the former dictator a state funeral, although the armed forces gave him a military funeral with full honours.

This analysis of the history of Chile in the last four chapters demonstrates the importance of the historical context for understanding the political role of the middle class. In late industrialisation, as occurred in Chile, the new middle class had emerged as a significant social class, as capitalist class established its hegemony and industrial workers developed into an organised class. Neither of these two major classes was able to offer an ideological or organizational leadership to the middle class.

The Chilean case also highlights the significant role of the state in class formation. The predominant role of the state in economic and social development puts it at the center of major social conflicts. Social tensions and conflicts that emerge in rapid industrialisation are directly and indirectly related to the character of the state and the economic policies it implements. A high level of politicisation among the Chilean middle class members, not only among intellectuals but also among a large number of white-collar workers, is the product of last fifty years the authoritarian and the state's repressive control of civil society during this period. Both the nature of the Chilean middle class politics and its relationship with the working class formation has been shaped by the nature of state politics.

The role of the middle class in the democratisation process of Chile has been complex and variable, in part because of its internal heterogeneity and in part because of shifting political conjunctures in the transition to democracy. It would not make much sense, therefore, to characterise the Chilean middle class as progressive or conservative, because different segments of it were inserted into the shifting conjunctures of political transition differently. At the same time, it would be also unsatisfactory to characterise middle class politics as simply inconsistent or incoherent, because there exists some definite pattern in their behaviours.

This analysis suggests that political behaviors of different segments of the middle class can be explained in terms of their locations within the broad spectrum of middle-class positions between capital and labour and by the changing balance of power between the two major classes. This is to acknowledge the fact that capital-labour relations constitute the primary axis of conflict and that middle class politics must be understood ultimately in terms of this principal mechanism of class struggle. This is, however, not to assume that middle class politics is simply a terrain of struggle between the capitalist and the working classes, as many Marxist theorists do. To repeat, in certain historical contexts middle class politics can have an independent effect on the formation of the two major classes and the outcomes of struggles between the two.

The bloody coup in Chile took a toll on the left internationally. Millions of people who were inspired by Allende's "peaceful" road to socialism found it necessary to debate the lessons. Some like the Chilean Communist Party, who throughout the period prior to the coup had consistently denounced as "counter revolutionary' every expression of mass working class self-activity—concluded that the movement had gone "too far" and provoked the bosses. Nevertheless, the opposite is true. Chile's workers did not go far enough.

Chile's workers had shown that they had the power to beat the bosses. They created organizations with the potential to build a more genuinely democratic society. But the only way to fully realise that power was through a revolution that dismantled the power of the

ruling class. Such a revolution required political organisation—a party of workers who could argue for an alternative to reformism and win others to a revolutionary perspective.

The lessons of Chile 1973 remain as important today as they have been in the past. The state machine in even the most democratic bourgeois states is built on strictly hierarchic principles, with control over the activities of the army, the police and the civil service concentrated in the hands of the relatives and friends of those who hold economic power. And the ruling class will use this state machine to re-establish its own domination the moment it feels the balance of forces are favorable to it.

Despite the severe repression of workers and their organisations under Pinochet's dictatorship, it was a trade union—the copper workers' confederation (CTC)—that spearheaded the first major protest against the military regime in May 1983. Chile's labour movement slowly rebuilt itself throughout the 1980s, explicitly linking itself to the militancy of the old CUT, of the Popular Unity period, when it established the new Central Unitaria de Trabajadores in August 1988.

Certain patterns of political authority had developed in Latin America had developed from the 19th century: either landowners and social elites that keep control of government and create a limited 'oligarchic democracy' (as in Chile), or a tendency for dictator or strongman, often from the army, to seize control in the name of law and order, as the Porfirio Díaz regime in Mexico (Skidmore & Smith 2001, p46). However, through the early 20th century, labour groups and workers begin to able to organise, influence exports, and to claim a greater share in political and economic power, sometimes leading to partial reform, but in other cases to political conflict. In particular, urban, professional middle-class interest in liberal reform (Skidmore & Smith 2001, p51) does not always extend to effective rural reform for peasants.

Through the 1960s and 70s import substitution strategies did not lead to sustained economic growth, and this combined with increased unemployed and political crises led to the forceful intervention of the military which ran repressive regimes, e.g. Brazil 1964, Argentina 1966, and Chile 1973 (Skidmore & Smith 2001, p56). In turn, these regimes

created 'bureaucratic-authoritarian' states designed to clamp down on dissent, restore economic growth, and consolidate cooperate with international economic forces and transnational corporations (Skidmore & Smith 2001, p57). At the same time, many of these countries increased their borrowing and debt, e.g. Latin American debt rose from $27 billion in 1970 to $231 billion by 1980 (Skidmore & Smith 2001, p58). This led in the 1980s to a debt crisis in most of these countries, with high levels of debt servicing, and in many cases the intervention of the IMF (International Monetary Fund) to help these countries but only under stringent conditions of structural adjustment. This locked many of these countries more firmly into the global economy, but also reduced their ability to maintain social services and developmental programs.

ANNEXURE

Chile: Selected Political Timeline 1540-1994 (based on Hudson 1994)

1540- Pedro de Valdivia conquers Chile.

Feb. 12, 1541- Valdivia founds Santiago.

1603 - First army-like force, or militia, established in Chile.

1759-96- Bourbon reforms give Chile greater independence from Viceroyalty of Peru.

Sept. 18, 1810- Criollo leaders of Santiago declare independence from Spain.

Oct. 2, 1814- The Reconquest Spanish troops from Peru reconquer Chile at Battle of Rancagua.

Feb. 12, 1817- Troops led by Bernardo O'Higgins Riquelme, father of Chile, and General José de San Martín defeat Spanish in Battle of Chacabuco.

1817- O'Higgins (1817-23) becomes supreme director of Chile.

April 5, 1818- Chile wins formal independence after San Martín defeats last large Spanish force in Battle of Maipú.

August 1818- First provisional constitution approved in plebiscite.
1818-30 Period of civil wars.

April 17, 1830- Liberals defeated by Conservatives at Battle of Lircay.

1830-61- Period of Conservative rule.

1830-37- "Portalian State" initiated by businessman Diego Portales Palazuelos, who dominates politics.

1833- New Portalian constituteion implemented.

1836-39- Chile wages war against Peru-Bolivia Confederation.

January 1839- Chile wins war by defeating Peruvian fleet at Casma and Bolivian Army at Yungay.

1861-91- Period of Liberal rule.

1879-83- Chile wages war against Bolivia and Peru in War of the Pacific.

1883- Chile seals victory with Treaty of Ancón.

1891 -Civil war pits supporters of President José Manuel Balmaceda Fernández against Congress, which wins.

1891-1925- Period of Parliamentary Republic.

1925- Chile's second major constitution approved.

Sept. 4, 1970- Popular Unity's Salvador Allende Gossens wins presidential election.

Sept. 11, 1973-Military led by General Augusto Pinochet Ugarte overthrows Allende government.

Sept. 1973-90- Period of military rule under General Pinochet.

1980- New military-designed constitution is approved in a plebiscite.

1988- Plebiscite held on Pinochet rule.

1990- Transition to democracy begins with presidency of Patricio Aylwin.

March 11, 1994- Aylwin is succeeded by Eduardo Frei.

Table 1 Patterns of Change in Latin America (adapted from Skidmore & Smith 2001, Table 2-1, and Page 62)

	Economic Development	Social Change	Typical Political Outcome
Phase 1 1880-1900	Start of import export growth	Modernisation of elite, commercial sector, professionals	Oligarchic democracy or integrating dictatorship
Phase 2 1900-1930	Export-import expansion	Appearance of middle class, working class	Co-optative democracy
Phase 3 (1930-1960s	Import-substituting industrialisation	Formation of elite, growing working class	Populism or co-optative democracy
Phase 4 1960s - 1980s	Stagnation in import substitution, some export growth	Sharpening of political & class conflict	Bureaucratic-authoritarian regime
Phase 5 1980s - 2001	Economic crisis, neo-liberal	Increasing mobilis-	Incomplete electoral

	reform & gradual recovery	ation of middle & lower classes	democracy (with military veto)

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