



# EYES ON CHILE

ON THE BRINK OF DEPARTURE FROM  
NEOLIBERAL POLICIES?



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## INTRODUCTION

In the Chilean election of 1970, South America witnessed the first democratically elected Marxist president in the modern history of Latin America: Salvador Allende. At the start of his term, Allende began implementing policies looking to improve Chile's social infrastructure, namely through healthcare, education, and more (Barber, 1995). However, due to the abrupt implementation of these policies, the Chilean economy "mushroomed", as it was not prepared to adjust to these changes in such a short period of time (Barber, 1995).

In 1972, Augusto Pinochet ended the era of Allende's administration by staging a military coup intended to overthrow the Allende government (Barber, 1995). Through this, Pinochet sent his military into the streets of Chile, inciting a violent period in Chile's history. This included arresting Allende supporters, torturing people in the streets, and even turning the Estadio Nacional into a death camp (O'Shaughnessy, 2000). During his tenure, Pinochet worked closely alongside a group of economists from or trained by the Chicago School of Economics who are colloquially referred to as the "Chicago Boys" (Barber, 1995). With the help of the Chicago Boys, Pinochet's administration implemented several neoliberal policies, seeing trends such as the privatization of healthcare, pensions, and other social services (Taylor, 2006). Pinochet's regime lasted until 1990, when the country held a plebiscite to collect opinion on the issue of moving on to a different governance system (Barber, 1995). The Chilean people voted to end the Pinochet regime, almost twenty years after it had began.

The Pinochet administration was a catalyst for one of the most successful

periods of economic growth in the country. This growth would later grant Chile admission to the OECD - the first Latin American country to do so (OECD, 2010). However, this growth is highly nuanced. Chile's GDP skyrocketed - but interestingly enough, the social circumstances did not change for the country. With the inherent use of neoliberal policies, Chile also saw growing economic inequality. Today, Chile's poorest 50% have an average net worth of \$5,000 USD, while the wealthiest 10% averages around \$760,000 USD (ECLAC, 2018). The richest 1% of Chile accounts for 26.5% of Chile's net worth, while the poorest 50% sits at 2.1% (ECLAC, 2018). The legacy of Pinochet's regime is prevalent in the country - having been only 30 years ago, older Chileans can still vividly remember the Pinochet years. This era is incredibly relevant, as the aftermath of privatization has been a catalyst for class inequality and setting the context for contemporary Chilean issues. In recent years, international organizations, activists, and academics suggest that the legacy of the Pinochet policies is to be understood as a catalyst for the greater agitation towards the state of the country's governance today.

## CHILE DESPIERTA

With this context in mind, Chile is not unfamiliar with protests and demanding better from its governments. One recent example is that of the Chile Despierta protests in 2019. On October 4, 2019, the Ministry of Transportation increased the Santiago subway fare by thirty pesos, equivalent to roughly \$0.04 USD (Panel de Expertos del Transporte Público, 2019). On October 7, students began a fare evasion protest, which quickly gained momentum

and triggered mass fare evasions across Santiago. By October 17, these protests had escalated almost explosively and the protests spread to the rest of the country. Within days, Valparaiso and Concepcion experienced fires, barricades, and looting (UNHROHC, 2019). The protests triggered President Sebastian Piñera to declare a state of emergency in major cities, which spread to the rest of the country on October 18, 2019. Despite the state of emergency, the country still witnessed protests, which triggered bringing the military forces into the streets (UNHROHC, 2019). This struck a deep chord for many Chileans, as many recall the era when the military roamed the streets to torture its people.

## "It's not thirty pesos, it's thirty years"

The catalyst of these protests is not necessarily the subway fare, but rather this event can be understood as the straw that finally broke the camel's back. During the protests, Chileans chanted phrases such as "It's not 30 pesos, it's 30 years", suggesting that these protests are a result of two-tiered systems for services such as education, healthcare, and pension plans as a result of Pinochet's economic recovery measures (Ramos, 2020).

On October 23, 2019, Sebastian Piñera announced measures, in response to the protests including a pension increase, a guaranteed minimum wage of \$460 USD/month, hydro controls, higher taxes on those earning over 10,700 USD/month, and adjusted state funding for private services (Fraser, 2019, p.1698). While these are logistical adjustments, many Chileans feel that they are not sufficient for

sustainable change and that perhaps it is time for a strong message on what the role of the private sector should be in public services (Fraser, 2019, p. 1698).

Groups such as student unions, feminist groups, enraged citizens, and Indigenous activist groups all joined forces in La Plaza Italia - renamed la Plaza de la Dignidad by the protestors (Ramos, 2020).

This protest remains significant, as it was unusual for OECD countries to witness such a strong and violent uprising. A report published by the United Nations' High Commissioner for Human (UNHCHR) Rights in their mission to Chile notes several issues with the protests, which is ironic given that the current High Commissioner is the former President of Chile, Michelle Bachelet. The report notes that the use of state force during the protests have violated international standards, in that the police have consistently failed to distinguish between violent and non-violent protestors (UNHCHR, 2019). Even in the cases of violent protestors, the report explains that the police have not been actively fulfilling the principle of gradual and progressive use of methods of dispersion (UNHCHR, 2019). The mission's report also notes that there is an unnecessary and disproportionate use of less-lethal weapons, which have resulted in undue deaths, injuries, and torture at the hands of the police (UNHCHR, 2019). While this is an issue of social movements, the Chilean national police - *Los Carabineros* - have made themselves quite unpopular, calling for a reform in policing.

It is also important to note that these protests brought to light a solidarity among groups such as students, feminist groups, indigenous activists, the middle

class, and more (Ramos, 2020). These protests lasted from October 2019 until the COVID-19 pandemic ultimately forced protestors to go home in March 2020 (Ramos, 2020). The future of this movement will prove to be interesting as the country begins to open up once again.

### PLEBISCITE 2019

As a response to the 2019 protests, President Sebastian Piñera agreed to a plebiscite, allowing Chileans to vote on reforming the Chilean constitution (Ramos, 2020). Today, the constitution in use is still that which was created during the era of military dictatorship. In his study, Ramos speaks to activists, who are in agreement regarding the situation: a constitutional reform can be a solution, but ultimately the fight is against the neoliberal ideology on which the constitution is built (Ramos, 2020). Still, this constitutional reform can be understood as a win for the Chilean people.

The plebiscite is to be held in two phases: first, voting in October 2020 to vote on the question of constitutional reform and who should draft it. The second vote is scheduled for early to mid-2022, to either approve or reject the new constitution (Gobierno de Chile, 2019). The plebiscite was originally scheduled for April 2020, but was postponed until October 2020 due to the COVID-19 pandemic. On October 25, 7,562,173 Chileans voted in the initial election to either approve or reject a constitutional change (Plebiscito Nacional, 2020). This was the highest voter turnout the nation has ever seen, even despite the COVID-19 restrictions! The results were fascinating. In the initial vote, 78.27% of voters accepted a constitutional reform, whereas

only 21.73% rejected the adoption of a new constitution (Plebiscito Nacional, 2020). During the same vote, 78.99% of respondents voted in favour of an elected constitutional convention to draft up the new Constitution, while only 21.1% of respondents voted in favour of a "mixed" constitutional convention, which would have meant that congress leaders would automatically be involved in drafting the new legislature (Plebiscito Nacional, 2020). This is indicative of incredible strides for Chile as the country sheds itself of one of the greatest artifacts that remain of the military dictatorship.

What remains unclear is if a constitutional reform might be enough to address the concerns regarding mass inequality in the country. A new constitution under the current climate could indicate the beginning of a new era, fueled by a burning desire for economic and social equality. Some warn that a constitutional change may be a let-down – that radical change that the protestors are proposing may seem too radical. In his article, Ramos presents the work of Nicolas Rojas Pedemonte, a sociologist at the Universidad Alberto Hurtado, who advocates for student representation in the constitutional convention (Ramos, 2020). Ultimately, Pedemonte notes that radical groups, who tend to be the students and youth, are serious about their demands, the “vertebrae” of the movement, and are very well capable of inciting conflict (Ramos, 2020).

On the other hand, this is a hopeful, albeit complex move for Chile. Jose Cabezas, a political scientist at la Universidad Mayor describes the era of the plebiscite as,

“...building a new foundation. We don’t know the type of house we’re going to have, but it will be better... The public perception of the constitution will change because we were part of it. It is not written by people with blood on their hands” (McGowan, 2020).

Both accounts spark thoughts about what this might mean for the future of Chile. As discussed earlier, some scholars believe that this reformation may be the symbolic restructuring that Chile needs – a turning point in the neoliberal narrative that frees Chile from its poster child status for American neoliberal models of economic development.

### REFORMATION OF LOS CARABINEROS

Another major discussion in the country is that of reforming the Chilean national police, los carabineros. Los carabineros have had a long history of inappropriate, state-sanctioned violence, including having thrown a 16 year old boy off a bridge, having shot a 24 year old Mapuche protestor, and the thousands of violent accounts from the 2019 protests at their hands (HRW 2020; El Asesinato, 2019, Amnesty International, 2020).

The conversation about police reform is not new. In fact, it is in line with other major events happening around the world, particularly in the United States. Los carabineros have been a symbol of state-sanctioned violence in Chile for years and have even caught the attention of international organizations and human rights watchdogs. Again, this is slightly unusual for an OECD country (though not entirely impossible, as demonstrated by the violence at the hands of the police apparent in the United States).

Police violence has been recently spotlighted due to the high volume of

human rights violations during the Chile Despierta protests, but it is certainly not the first time that the police have been violent. Amnesty International has identified many faults with los carabineros. First, Amnesty International warns of the dangers that might occur when the police attempt to discourage the fundamental rights to freedom of expression and assembly (Amnesty International, 2020). Next, if demonstrations do become chaotic and the use of force is absolutely necessary, the police are required to introduce gradual, legitimate and appropriate responses to violence (Amnesty International, 2020). If it is absolutely necessary to use force, police must be actively seeking to minimize damage and honour the integrity of human life (Amnesty International, 2020). The Chile despierta protests demonstrate the ways in which los carabineros have acted entirely inappropriately and, by using force, have effectively made demonstrations dangerous. This threatens the rights to demonstrate and creates a deep distrust with the Chilean people. Amnesty International investigates specific cases of violence towards adults and youth alike, both men and women, and human rights abuses – ranging from force causing vision loss, to sexual assault and death.

This has also opened up global conversations on defunding or abolishing the police. Historically, the Chilean government has somewhat acknowledged reports from international organizations, as seen in the annex of the article “Contesting the Iron First: Advocacy Networks and Police Violence in Democratic Argentina and Chile (Fuentes,

2004). Fuentes' documentation is somewhat alarming. As mentioned earlier, the government of Chile "acknowledges" reports, but in other cases the government will contest the allegations of violence, or even dispute the grounds on which human rights violations are being called out (Fuentes, 2004). In 2001 and 2002, the U.S. Department of State had noted the police abuses, to which the President responded by denouncing "interference" in internal affairs (Fuentes, 2004).

Chilean locals do not require a report to understand that los carabineros do abuse human rights. Many Chileans either have a personal account of relations with los carabineros or know someone who has had a personal account with the police. Los carabineros have historically inappropriately escalated violence and, in doing so, have caused significant injury or death. The issue of police reform will be an interesting one to watch as the constitutional convention works to draft a new constitution with a forecast of an emphasis on human rights.

## CONCLUSION

Chile is a boiling pot waiting to spill over. The legacy of the military-era policies – such as neoliberal economic policies of decentralizing and instead privatizing social programs such as education, healthcare, and pensions – has, in most cases, resulted in a two-tiered system. For the everyday, middle-class Chilean, this means having access to basic social programs which have less than favourable results, especially when held to an OECD standard. For the richest Chileans, this means having the flexibility of opting for more favourable social services. In having the very option of choice, the Chilean upper classes have the luxury of not being

concerned with the quality of their health, education, and pension plans. Two-tiered systems for education, health care, and pension plans are a direct result of the military dictatorship era.

The Chilean people are demonstrating their discontent in the streets. In the past thirty years, Chile has been experiencing some of the most active political moments in the country's history. As such, it is no surprise that the social movements in Chile are more active than ever. Chile's student protests since 2005 have been an indication of strong organization for demonstrations, a general discontent from students, the middle class, and activists. The Chilean people are tired and are literally organizing mass uprisings to make their voices heard. The motivation behind the Chile despierta protests largely points to anger at the ideologies that run the country, the constitution that was born from these ideologies, and the policies and practice as a result of these ideologies in practice.

So finally, this manifests into today – which may be characterized as a turning point for Chile. Understanding the Chilean people's disappointment towards the systems they have been subject to and their resistance, the incoming process for the Constitutional reform is sure to be an interesting period to watch. Given that the Chilean people have been quite vocal in reimagining their country and doing so with an elected constitutional convention may be a major turning point for Chile.

Some of the main points of contention and frustration with the government are the ideologies underpinning the current constitution. Questions of why it has taken so long for Chile to make such changes in the first place have also been plaguing

activist circles. General discourse notes that reformation has not been previously pursued because it would threaten the status quo and threaten the stability and comforts of the ruling classes in Chile, which is largely composed of the richest families – many of which coincidentally currently hold high positions of power in politics.

Another interesting point to note is that the left-wing governments held office in Chile for twenty years following the Pinochet administration. In this time, leftist policies have attempted reform, but have clearly been unsuccessful. I believe this speaks more to the systems under which the political realm can operate and reveals the limitations of carefully curated governance that not even governments with left-wing intentions are able to penetrate.

In conclusion, contemporary Chile is fascinating - this moment in time is historic, and will serve as a case study in future years. Most interestingly, the events unfolding in Chile today will certainly disrupt dominant Western development narratives of economic growth. Chile in the past thirty years has witnessed the challenges and fertile environment for inequality through neoliberal policies that the Chicago Boys. Philosopher Nancy Fraser discusses the “crisis of care” phenomenon, which can be understood through capitalist societies (Ramos, 2020). In Fraser’s view, exploiting pre-existing social bonds (in the case of Chile, education, pension, and healthcare) is unsustainable, as the bonds will break apart under the tension in a matter of time (Ramos, 2020). As such, it begs the question: is this Chile’s departure from a state heavily influenced by neoliberalism?



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