A revolution in Chile. But where is it headed?

The following essay is an attempt to unify and contextualize much of the media coverage on Chile's protest waves throughout the end of 2019. Information was drawn from Chilean, Brazilian, and international English-speaking publications. After establishing a coherent timeline and narrative to the protests, I set out to understand the composition and dynamics of the protests. Finally, I explore possible causes and precedents to the Chilean crisis in education, healthcare, pensions, poverty and inequality.
This October was marked by protests all over Latin America. In countries such as Bolivia and Ecuador, they did not come as a surprise. After President Evo Morales` decision to run for a fourth term as president, many observers reported apprehension regarding Bolivia's stability. Indeed, Morales won, and the Bolivian middle class went to the streets, gaining support from both the opposition and, crucially, the armed forces. Morales' subsequent resignation triggered a massive wave of riots by indigenous groups and workers' unions associated with his Movement Towards Socialism (MAS). This was quite a similar scenario to the protests in Ecuador, where President Lenin Moreno tried to implement an IMF-recommended budget cut. In both cases, protesters used violent means and had concrete demands: in Ecuador, they pleaded for the return of diesel subsidy, while in Bolivia they sought to return Evo Morales to office. In Ecuador, when President Moreno gave in to their demands, protests ended. In Bolivia a call for fresh elections in exchange for concessions to Morales supporters managed to appease both sides as well.

This was not the case in Chile. From the very start the protests in Chile surprised observers with their huge size and often violent tactics. Despite a solid economic performance (above average in Latin America) and declining income inequality, a moderate increase in metro fares was able to unleash a profound social convulsion. For weeks high school students in Santiago had staged smaller, peaceful protests to little government response. Students would concentrate at the entrance of metro stations, right in front of the turnstiles, and then try to get into the train without paying the fare. Subway security eventually closed down multiple stations, forcing protesters out into the streets.

As protesters took to the streets, bystanders started joining in. In response, Piñera released the army to contain the protests, which led to a major escalation of conflict. As some protests turned violent, President Sebastian Piñera followed Moreno's example in Ecuador
and announced a reversal of the metro fare increase. However, he persisted with his law and order rhetoric and went on to declare “war” on violent protesters. All over Chile, ‘cacerolazos’ (Latin-American pan-banging protests) spread in support of the protesters.

On the following day, protests intensified. Realizing the gravity of the situation, Piñera conceded once more to protesters by proposing a series of measures to expand public spending and increase pensions. He also came out to apologize on national television. In response, Chileans staged the largest protest in the country's democratic history and the violence continued on both sides of police and protesters. At this point, there were 19 dead by police brutality and hundreds permanently blinded by ‘rubber bullets’ which were later found to contain lead.

The crisis had become bigger than Piñera’s government. To no avail, the president tried to control damage by replacing his entire minister cabinet and cancelling the state of emergency (which likely served as pretext for police violence). Hated by the public and investigated by public prosecutors, the Armed Forces abandoned their mission to contain the protests. Gradually, chaos became the norm in Chile.

A RETROSPECTIVE OF THE CRISIS

October 18th. First series of violent protests - 11 people dead and more than 1500 arrested. Piñera is spotted casually eating pizza with his family in Santiago.

October 19th. Piñera suspends the fare increase and declares a state of emergency. Protesters burn buses and metro stations. ‘Cacerolazos’ (pan protests) take place all over the country.

October 20th. Piñera’s declaration against the protests: “We are at war against a powerful enemy, implacable, who does not respect anyone or anything (...)”

October 23th. Protests complete their sixth day with an additional 4 dead and thousands under police custody. Piñera “asks for forgiveness” and announces new proposals to address protesters demands.

October 25th. Eighth day of protest reaches a
climax with 1.2 million people in marching in Santiago’s Plaza Italia. Four more people die, and thousands are arrested. The OAS (Organization of American States) attributes violent actions to groups financed by Venezuelan president Nicolas Maduro.

October 27th. Piñera’s approval rate drops to a historic low of 12%.

October 28th. In response to protests, Piñera announces a complete cabinet shift and declares the end of the state of emergency. The military refuses to further intervene in protests.

October 30th. Chilean government cancels two international conferences, the APEC summit and COP-25.

November 5th. Piñera gives an interview to the BBC, criticizing his own handling of the crisis and announcing the possibility for constitutional reform.

November 7th. Protests continue in Chile. Piñera announces new laws against violent protests.

November 11th. Piñera officially announces his intention to summon a constituent assembly.

November 12th. Unions stage a major strike which affects most cities in Chile.

November 15th. Congress officially announces a referendum on a new constitution.

December 4th. For the first time, Piñera admits ‘carabineros’ (national police) committed acts of unnecessary violence. Feminists stage their first large protest to the sound of “El Violador Eres Tú”, a provocative hymn against sexual violence.

There was a clear pattern to the demonstrations: after each concession, Chileans returned to the streets asking for more. Finally, Piñera proposed a referendum on a new constitution and protests stabilized - but did not end.

Piñera’s call for a new constitution was not just another concession by a beleaguered government. In fact, it marked a paradigm shift in their understanding of the crisis: it was not a political or economic crisis...
anymore, but a crisis of democracy itself. As protesters chanted, it was not “for 30 cents, but for 30 years” of a democracy constrained by the country’s dictatorial past.

Chile’s constitution dates back to 1990, when General Augusto Pinochet single-handedly approved it and handed back control of the state to civilians. Under constant threat of democratic breakdown and “market pressures”, Chileans had no choice for years but to accept a constitution approved by Pinochet despite its many failures and excesses. To cite a famous example: during the late 90s Pinochet himself had a permanent seat on the Senate. The state has undertaken piecemeal reforms in recent years, but protesters consider it “too little, too late”.

Protests were organized by independent movements composed of students, pensioners, workers, as well as a bulk of non-affiliated individuals who joined in later. However, once protests took hold many of these political movements decided to compose a united front to negotiate with the government – called Mesa de Unidad Social (MUS). This body now represents hundreds of unions, pensioners’ groups, student and professor unions, and collectives but there are those on the streets who criticize its legitimacy. Among independent groups, there are several indigenous groups and anarchist collectives.

The protests’ front line was led by the aptly-named Primera Linea, a masked leaderless collective that employs violent tactics in the face of police repression (much like the ‘yellow-coats’ in France, or Black Bloc groups elsewhere). However, much of the violence directed at storefronts was led by alleged criminal gangs which infiltrated the protests to loot.

Even now new forms of political mobilization are giving rise to a radical democratic experiment. All over Chile neighbors are organizing ‘asambleas populares’ (popular assemblies) where they voice the concerns, hopes and ideas for the country and the new constitution. Large-scale unions and political movements have issued manuals on how to organize these discussions, but the organization of ‘asambleas’ is led mostly by independent citizens. In less mobilized areas, the city councils and universities have taken matters into their own hands by establishing ‘cabildos’. These are a forum for discussion
between citizens and public officials, a remnant of Chile's colonial political structure which has been radically re-signified in recent years.

Chilean opinion polls registered most of protesters' concerns. In a poll from October ran by Activa Research, for example, citizens mention “workers' salaries”, “the price of basic services”, “economic inequality” as their main reasons for protesting. A poll run by Ipsos in the same month features two additional factors: “quality of healthcare” and “pension funds”. In summary, there are four central concerns: poverty and inequality, the pension system, education, and healthcare.

POVERTY AND INEQUALITY

According to some sources, poverty and inequality are in decline in Chile. However, its rate of decline is hardly any different from the rest of Latin America where the 2000s commodities boom led to increased social spending across the continent. Researchers point to the recent reversal of commodity prices as well as international interest rates as a potential cause of upheaval across region (Castiglioni & Zucco 2016). This is allegedly the same tendency which led Latin America to democratic breakdowns in the late 1960s and redemocratization processes in the late 1980s.

The question of whether Chile is particularly unequal (in comparison to Latin America) is also murky: some indicators rate Chile in the continent's mid-tier (GINI Index), while other measures point to it as one of the most unequal countries in the region. The latter indicator (World Inequality Database) points to wage stagnation and a (controversial) rise in inequality in recent years as a possible explanation to the crisis. Additionally, racial perception still plays a big role in the daily life of Chileans. People with indigenous background still lag far behind in wages and suffer considerable prejudice in the region (PNUD). This might contribute to the growing sense of unfairness and inequality in Chile.

EDUCATION

Under Pinochet's constitution, private enterprise substituted the state in most functions. To this day, all basic services (including water supply) are privately owned. Public education is very limited to poorer areas.
Large swathes of middle-class families rely on a voucher system which allows students to choose between private schools. Meanwhile, the rich afford their own education as elsewhere. The quality gap between these three tiers of education is notoriously huge. While non-subsidized private schools rank among Finland and South Korea in PISA assessments, subsidized and public schools in Chile lag far behind among developing countries in Africa and Central America.

On the university level, there are also serious obstacles. Low-income students from public high schools almost certainly cannot cut the grade to enter Chile’s high-quality public universities. In fact, about 80% of undergraduate students in Chile study in private institutions. These lesser-known private universities are often for-profit, a model which forces students to accrue incredible amounts of debt. These were the students at the frontline of protests in 2011 - dubbed back then as the ‘largest wave of protests in democratic Chile’ - with similar demands to today: affirming the universal right to education and rejecting its privatization.

The roots of Chile’s strong student movement go far back to before the military dictatorship, when student leaders featured among the core of Allende supporters. After the 1973 coup, student unions were banned in Chile and its leaders persecuted or driven into exile. It took more than a decade of transition to democracy for student movements to remobilize.

The first widespread protest to take an ideological stance against Chile’s neoliberal model of education was the 2006 “Penguin Revolution”, named after the black-and-white uniform worn by high schoolers who staged it. This was the clear precursor of the student protests against metro fares which sparked today’s social unrest.

**PENSIONS**

In the 1980s Chilean Junta brought liberal US-American economists (so-called ‘Chicago Boys’, due to their alma mater) to reshape the Chilean state in what turned out to be an ambitious political experiment*. Many of the ideas implemented were posited just years prior by liberal economist Milton Friedman. A national pension system based on capitalized private investment was a complete novelty but given the Pinochet's
liberal economic leanings iron hand over the state, the government was able to implement it successfully. At the time, it was expected that future pensioners would receive at least 70% of their median earnings as workers. The private nature of investment would relieve the state of a huge economic burden, opening avenues for discretionary spending.

However, 30 years later many Chileans claim the system has not yielded the promised results. Indeed, recent estimates show that 50% of Chileans who retired in 2018 receive up to 48,000 pesos (64 dollars) which is far less than the minimum wage in Chile. Among all Chilean pensioners, that figure goes up to 151,000 pesos (201 dollars – still about half of minimum wage).

As a result, no province in Chile offers a median pension above the poverty line. As of 2019, 8 out of every 10 new pensioners will receive an amount below the poverty line. It is worth noting that in similar countries where the state supplements private contributions, such as Brazil and Argentina, the median pensioner receives a comparable amount. Admittedly, these states are also in much more debt than Chile and have implemented pension reforms in recent years.

Another uncomfortable aspect of this system: it was imposed under military rule, but the military itself does not partake in it. Instead their pensions function under an entirely different system, with army officials earning a median monthly pension of 2 million pesos (2660 dollars). Even ordinary soldiers earn far above the general average at 806,000 pesos (1067 dollars) a month.

HEALTHCARE

In the current Chilean constitution there is no “right to healthcare” as in most other Latin-American countries. Instead, citizens have the right to choose between private and public insurance. In a similar way as the pension system, Chileans must dedicate at least 7% of their income on insurance. In Chile there are mostly ancillary public healthcare providers, namely urgent care and preventive health centers.

There are also public hospitals, but they are responsible for only a third of the total medical hours in Chile, despite serving about 80% of the population.
Its services are far from perfect: many Chileans suffer with long waiting lists for routine procedures, as well as absenteeism by doctors and staff.

CONCLUSION

Chileans have plenty of reason to be upset despite the country’s apparent stability and economic growth. However, the protests have taken a significant toll on the economy and the state. In many cities most public services have been stopped and public infrastructure has been damaged. In Santiago, for example, traffic lights are currently turned off, while metro stations are closed for repair. As result of months of protests and violence, international investors are seeking more secure markets elsewhere.

There are also political risks. Chile’s attempt to rebuild the constitution and renew its political class imply big risks for its democracy in a world where authoritarian populism is spreading fast. Some commentators fear that continued radical demonstrations in Chile might open the way for leaders on the political extremes to successfully run for president.

In Latin America there are precedents for upheavals shifting voters to both sides of the political spectrum. In Brazil, a wave of protests in 2013, which were triggered by a rise in metro fares, were the catalyst for center-left Dilma Rousseff’s ouster and the subsequent electoral win by far-right president Jair Bolsonaro. In Venezuela, intense grassroots mobilization contributed to the 2002 “Bolivarian” constitution which paved the way for far-left Hugo Chavez’ rise to political hegemony. Chavez’ heir, President Nicolás Maduro, has imposed a quasi-dictatorship in the country. Severe human rights violations, complete mismanagement of the economy, a break with democratic order rank among the incumbent’s achievements. Yet it is too early to say which path, if any, Chile will follow.
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