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EXPORTS, LABOR, AND THE LEFT:
AN ESSAY ON TWENTIETH-CENTURY CHILEAN HISTORY

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ABSTRACT

Exports, Labor, and the Left: An Essay on Twentieth-Century Chilean History

This essay is part of a larger comparative study which explores the relationship between export structure, labor organization, and the direction of national life in twentieth-century Chile, Argentina, Venezuela, and Colombia. I argue, contrary to much of the literature on the subject, that labor has exercised a decisive influence on the modern history of these nations. We have tended to slight that influence because we have looked in the wrong place. We looked at industrial workers (an appropriate focus in the industrial center of the world capitalist system) instead of at workers in export production (the locus of the function of peripheral economies within that world system).

Analysis proceeds on two levels. I look first at the structure of the export sector itself--its human geography, its vulnerability to changes in international demand and price, patterns of ownership, and characteristics of the labor force and the surrounding community. I explore the implications of the "givens" for life and work in export production. I try to uncover their meaning for workers' cultural autonomy and organizational potential.

Secondly, I examine the structure of the whole export economy. By that, I mean the entire peripheral society molded by specialization of economic function in a world economy over a long period of time. That experience molds the capacity for economic development in a changing world system, influences social structure and political developments, and shapes the cultural perceptions of members of all social classes. These "givens" set the objective conditions for class alliances between workers in export production, other elements of the working class, middle groups, and members of the national bourgeoisie.

Together these two levels of analysis help to explain the organizational fate of workers in export production. They reveal the influence of these workers on the evolution of the entire labor movement. And they uncover the wellsprings of the historical strength of the left in different Latin American societies.

If the modern Latin American labor movements are born into a structured world, they struggle creatively with the other social forces unleashed by export-oriented development to fulfill their promise for human liberation. This process is unpredictable in outcome and replete with the irony and paradox that are the stuff of human history.

EXPORTS, LABOR, AND THE LEFT:
AN ESSAY ON TWENTIETH-CENTURY CHILEAN HISTORY

Charles W. Bergquist
Duke University

La anatomía de Chile es fina y arbitraria...
En imagen y realidad, el Norte es la cabeza de
Chile.... ¡Bella y poderosa cabeza, la de nuestra
patria! Su erario dependió, magníficamente, del
sudor de los "ripiadores" y "paleros" de Tarapacá,
Antofagasta y Taltal. Chile sembró en sus "rajos."
Y en los "rajos" se rehizo el chileno, brotando
una faz aguerrida....

Andrés Sabella, Semblanza del
norte chileno (Santiago, 1955)

It is customary to begin studies of Chile with an emphasis on its distinctiveness. Its geography is unique and spectacular. More than 4000 kilometers in length, the country averages less than 180 kilometers in width. Chile's ecology ranges from the arid Atacama Desert in the north through the Mediterranean climate of the central valley (where most Chileans live) into the rainswept forests of the south. Bounded by sea and desert, and by the massive Andes on the east, Chile lies furthest of all Latin American countries from the North Atlantic centers of the Western civilization of which it forms an integral part. Yet, of all the Latin American nations, Chile's political evolution seemed, throughout the nineteenth and twentieth centuries, to most closely approximate political patterns in the industrialized nations of the North Atlantic basin.

Thus a second distinctive feature of Chile, one stressed tirelessly by observers both Chilean and foreign: its political stability and democratic institutions. Unlike its Spanish-American neighbors, Chile quickly stabilized politically following independence. During the nineteenth century it developed a relatively strong state and a vigorous party system. Periodic elections were held, and norms were established for the peaceful transfer of political power. In the twentieth century this process continued and, as the suffrage slowly expanded, Chile developed a very wide spectrum of ideologically oriented, mass-based political parties and a reputation for democratic pluralism. Finally, it distinguished itself in 1970 by electing the first Marxist head of state in the Western world.

The military coup of September, 1973, which ended that democratic experiment, and destroyed the political institutions which had made the election of a Marxist government possible, makes it easier to question the relative stability and democratic pluralism of Chilean political history. Looking back, the coups and attempted coups which dot Chilean history over the last 150 years now become more salient. The civil war of 1891, with its tragic parallels to

the events of 1973, takes on new significance. So also does the period of military intervention and extreme political repression and instability of the period 1924 to 1932.

In fact, paradoxical as it may sound, whatever is unique in Chilean political history is in large part the result of an important characteristic of Chilean social development which is shared by all Latin American nations: its dependence, since the middle of the nineteenth century, on exports of primary commodities to the industrialized nations of the North Atlantic. It is this characteristic, as much as the legacy of Western culture and Iberian colonialism, which justifies speaking of the whole of Latin America as an analytical unit in the modern period. And it is this shared characteristic--dependence on the export of a peculiar set of primary commodities--which largely determined which elements of Western culture (such as stable, democratic political institutions) grew and developed in Chile and which elements (such as economic and social structures) remained stunted or distorted.

Thus while much Chilean historiography emphasizes the importance of the role of great men and the early imposition of centralized political institutions in determining the political stability and economic growth of the nineteenth century,¹ reality is somewhat more prosaic. Although the relative cultural and social homogeneity of Chilean society and the absence of powerful regional interests outside the heartland of central Chile were important contributing factors, the single overriding determinant of early political stability was the fact that Chile, alone among Spanish-American nations, developed a viable export economy in the period 1830 to 1860. Expanding exports of silver, copper, and wheat forged a community of interest among a dominant class of exporters and importers in central Chile. Growing international trade provided revenue to build a strong, effective state.² Then, as the social and technical limits of Chilean agriculture and mining were reached, and the export economy ceased to grow (a crisis made much more serious by the worldwide depression of the 1870s), Chile was able to use the strength and resources of its early development to mount a successful war (1879-1883) against its weaker neighbors, Peru and Bolivia, and annex a new and exploitable export resource base, the nitrate fields of the Atacama Desert. There followed an enormous increase in the value of Chilean exports. And although much of the means of nitrate production would pass from Peruvian into British hands in the aftermath of the war, the Chilean state, from 1880 to 1930, reaped enormous revenues directly (through export taxes) and indirectly (through customs receipts) on the foreign trade generated by nitrate production. Meanwhile, Chilean agriculturalists, merchants, and industrialists benefitted handsomely as government nitrate revenues grew, and the whole economy, stimulated by the growth in the mining sector, expanded.

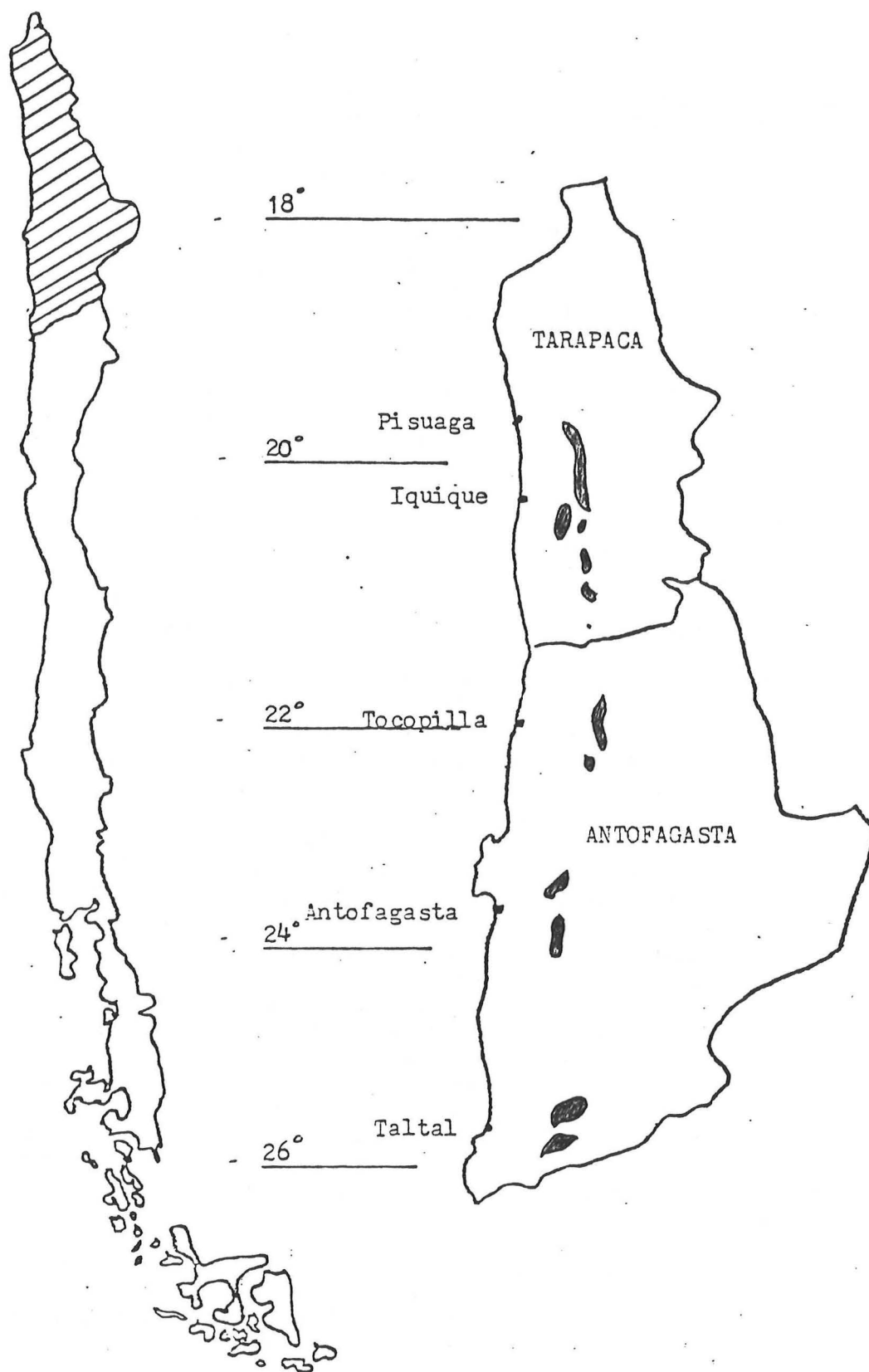
This new export economy transformed the dynamics of Chilean political distinctiveness. The issues of Chilean control of the nitrate enclave and the disposition of government nitrate revenues precipitated the breakdown of elite consensus and constitutional

norms in the short, bloody civil war of 1891. But nitrate expansion also underwrote the stability and form of the political arrangements which grew out of the war. The executive would not play a direct, developmentalist role in the investment of nitrate revenues. Nitrate revenues were too central to the economic life of the nation to leave them to the discretion of one man (the president) or to the party or parties in control of the executive. Rather, control of the state and its revenues would devolve into the hands of the parliament. There, all sectors of the dominant class and their foreign allies--their weight measured by their ability to control local elections and form party alliances--could struggle over the division and destination of the spoils. The social and political forces unleashed by the expansion of the nitrate economy in the half century following 1880 generated a third distinguishing characteristic, the most important of modern Chilean history: the rise of a strong, leftist labor movement. The implications of this development are systematically ignored in the liberal historiography which stresses the distinctiveness of Chilean political stability and democratic forms. But it is the labor movement which sets Chile's twentieth-century history off decisively from that of its Latin American neighbors. The rise of a class-conscious labor movement after the turn of the century destroyed the stability and consensus of Chilean politics by the 1920s. In the decades following the collapse of the nitrate economy in 1930, in an environment conditioned by a new extractive mineral economy, copper, the Chilean labor movement succeeded in pushing the entire body politic to the left. That process decisively influenced the course of Chilean political history and fundamentally altered the pattern of Chilean economic development.

It is the rise of a powerful Marxist labor movement, not the alleged democracy and stability of Chilean politics, which distinguishes modern Chilean history. If the early emergence of a viable export economy in central Chile largely explains the political distinctiveness of nineteenth-century Chilean history, it is the structure of the nitrate and copper export economies which mold that legacy in the twentieth century. It is through the labor movement that the complex relationship between export structure and Chilean economic and political development becomes clear, and the meaning for modern human history of Chile's unique geography is revealed.

The Development of the Nitrate Export Economy

The action of frigid Antarctic currents, prevailing westerly winds, and elevated daytime temperatures makes a desert of a long strip of the central west coast of South America. In the driest part of this desert, the 700 kilometers from roughly 19 to 26 degrees south latitude, lies a vast, elevated flatland, or pampa. Beneath the pampa's arid surface, in an area roughly 20 to 80 kilometers from the coast, lie shallow, discontinuous deposits of caliche, the raw material from which a natural fertilizer, sodium nitrate, can be extracted.³ Here, far removed from populous central Chile, a huge mining and industrial complex, the nitrate export economy, emerged in the last decades of the nineteenth century.

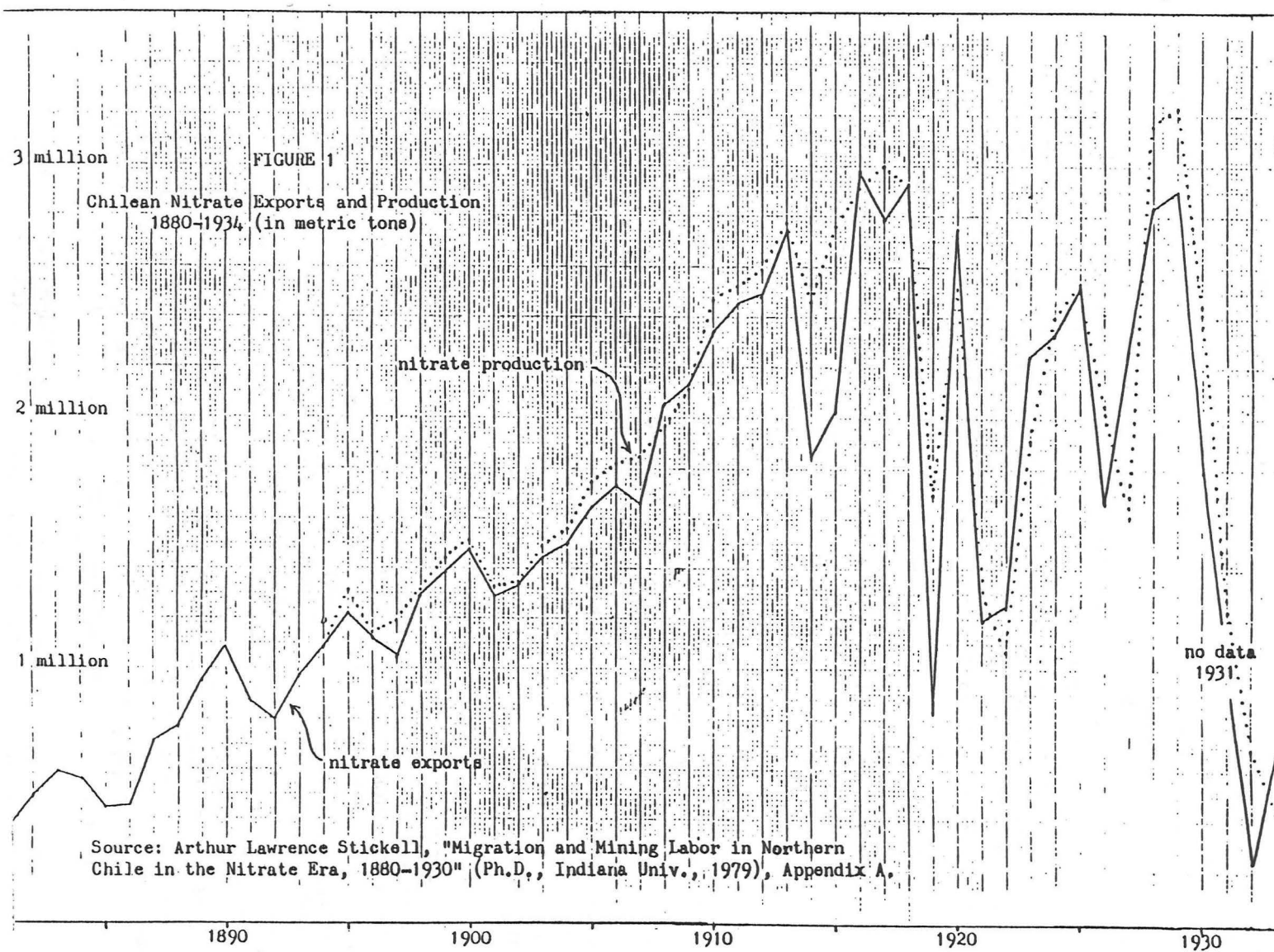


Source: Javier Gandarillas y Orlando Ghigliotto Salas, eds. and trans., La industria del salitre en Chile por Semper y Michels (Santiago, 1908).

Virtually unexploited until the nineteenth century, the nitrate fields of South America were developed in response to the changing needs and technology of an expanding European industrial capitalism. The spread of capitalist relations of production in European agriculture, the movement of millions of people off the land into cities and factories, and the explosive growth of population led to ever more intensive and scientific cultivation of the soil and a growing need for fertilizer. Guano, the fossilized bird excrement preserved on the easily accessible rainless islands off Peru's southern coast, was first tapped in the 1830s and 1840s to meet this need. But as supplies were depleted, demand continued to grow, and scientific understanding of plant nutrition broadened, the fertilizing qualities of sodium nitrate became widely appreciated. Nitrate was far less accessible and much more costly to produce than guano had been. But large capital investments and the application of the new European technology of steam and steel to production and transport systems made large-scale exploitation of nitrate deposits in the desert of southern Peru, Bolivia, and northern Chile possible after 1870. Although the bulk of nitrate production would always be used in fertilizer, nitrate served another need of the expanding capitalist nation-states of Western Europe. It furnished the raw material for gunpowder and explosives.⁴

The nitrate export economy, forcibly appropriated by Chile in 1880, would profoundly influence every aspect of Chilean society for the next half century. Part of that influence can be measured statistically. Figures on exports illustrate the expanding volume and cyclical nature of nitrate production. Information is also available on the number and nationality of workers employed in the industry in any given year. It is possible to estimate the contribution of nitrate production to government revenue, and gauge the influence of nitrate revenue on the pattern of government taxation and expenditures. Statistics can also sketch the evolving structure of ownership of nitrate production facilities. Estimates of production costs and profits suggest the contribution of nitrate production to national income and the process of capital accumulation in Chile. Finally, statistical means can reveal something of the impact of nitrate production on other sectors of the Chilean economy. Statistical and qualitative information on these broad structural characteristics of the nitrate export economy is presented and evaluated in the rest of this section. Much of the information and analysis is drawn from the excellent studies by Carmen Cariola and Osvaldo Sunkel.⁵ This exercise is a necessary first step toward an appreciation of the social and political implications of nitrate production in Chile.

Figure 1 provides information on the growth, crisis, and ultimate collapse of the Chilean nitrate export economy during the period 1880-1930. If the graph recalls a medical chart that records a patient's vital signs, the analogy is appropriate. Nitrate exports grew impressively, if a bit unsteadily up to World War I. Exports, which stood at 330,000 metric tons in 1875, topped 1 million tons in 1890, 2 million by 1908. In 1913, on the eve of the war, they peaked at 2.75 million tons. The war seriously disrupted trade



with Chile's major nitrate customers and exports plummeted in 1914 and 1915. By 1916, however, wartime demand in Great Britain and the United States (which had replaced Germany as Chile's primary nitrate market) pushed exports above the prewar level and they peaked again in 1918 at just under 3 million tons. In the decade following the war the industry experienced a period of widely fluctuating demand, triggered by cyclical trends in the world economy and violent postwar changes in the level of United States imports. Exports fell to only 804,000 tons in 1919, shot back up to 2.75 million tons in 1920, then fell again during the depression of 1921-22, when they averaged only 1.25 million tons a year. Another dramatic upswing was seen in 1923-25 with exports reaching 2.50 million tons in the latter year. After falling again in 1926 and 1927, in the final years of the decade nitrate exports approximated the all-time high level of 1918, just under 3 million tons. Then, with the advent of the Great Depression, the Chilean nitrate industry virtually collapsed. At the nadir of the depression in Chile, in 1932, nitrate exports amounted to only 244,000 tons, or less than nine percent of their 1929 level.⁶

Levels of nitrate production in Chile followed the fluctuations in nitrate exports closely. The information on production in Figure 1 reveals much the same pattern as the data on exports, but more closely records the level of economic activity in the nitrate sector which lags somewhat behind changes in export levels. To some extent, however, both sets of data graphed in the figure, based as they are on yearly averages, mask the extremely volatile nature of the nitrate economy, especially after 1913. Monthly highs and lows during periods of rapid change were even more extreme.

Long-term trends in the world fertilizer economy underlay these violent fluctuations and the ultimate collapse of the Chilean nitrate economy. Chile was always the only commercial source of natural sodium nitrate. But just as the changing demands and technology of the industrial nations of the North Atlantic brought forth the Chilean nitrate economy, these same factors would undermine and destroy it. By 1895 European scientists had succeeded in fixing nitrate by artificial means. At first, this process was prohibitively expensive, but as scientific knowledge grew, and the chemical industry using industrial by-products expanded, new and cheaper techniques were invented. Finally, under the political and economic pressures of war and worldwide depression, first Germany and then the United States and other industrial powers turned to domestic industrial suppliers of artificial fertilizers.⁷

The problem of wide fluctuations in world demand and price⁸ for nitrates led the largest producers to form cartels to limit production and insure steady profits after 1890. Although these efforts worked at cross-purposes with the interests of the Chilean state, whose nitrate revenues were tied to the volume, not the value of exports, they met with some short-term success before World War I. But with the rising importance of synthetics,

and the competition fostered by changing processing techniques within the Chilean industry itself--especially as United States capital and technology moved into the industry in the 1920s--efforts by producers to moderate violent fluctuations in world demand failed in the postwar period. Although the Chilean government attempted to subsidize stockpiles to cushion the effect on production caused by World War I, it was only with the advent of the Great Depression and the collapse of the industry that it moved to take a major role in the production and sale of nitrate.

Certain features of nitrate production as it developed in Chile made output in the industry especially sensitive to changes in world demand and price. Nitrate was an extremely bulky commodity. Its production was labor-intensive. Rather than invest in major storage facilities, nitrate companies found it easier and cheaper to simply dismiss their labor force and reduce or close operations during cyclical downturns. Several circumstances facilitated this classic capitalist response. First was the rapidity with which Chilean labor responded to renewed employment opportunities and higher wages in the nitrate sector during upswings in demand and production. Given the relative lack of employment opportunities in agriculture and manufacturing in the nitrate enclave, during short periods of economic downturn, nitrate workers simply hung on with working relatives or friends or crowded into the nitrate port towns to await renewed employment. When depression in the nitrate economy was more severe, nitrate workers were forced to leave the north by the tens of thousands and search for work in central Chile. But because, as we shall see, activity in all sectors of the Chilean economy was quickly affected by the fortunes of the nitrate sector, serious drops in nitrate production limited jobs all over Chile in public works, industry, coal production, and even agriculture. Widespread national unemployment and wage-cutting during these periods facilitated recruitment of workers in central Chile once labor demand revived in the north. By the turn of the century, moreover, the development of railway and shipping transportation facilitated the geographic mobility of workers anxious to improve their wages and conditions of work. Real wages were higher in nitrate production than in other sectors of the Chilean economy and workers responded avidly to the recruiting efforts of nitrate companies.

The Chilean state played an active role in insuring the free flow of labor in and out of the nitrate enclave. It provided free transportation to workers and their families out of the north during severe depressions in the industry. As the magnitude of fluctuations in production in the industry increased and the numbers of people involved grew larger, it began to provide food and shelter for the unemployed in nitrate port towns and the capital, Santiago. By 1913, the state was actively engaged in recruiting workers during upswings and trying to relocate and employ them during downswings.

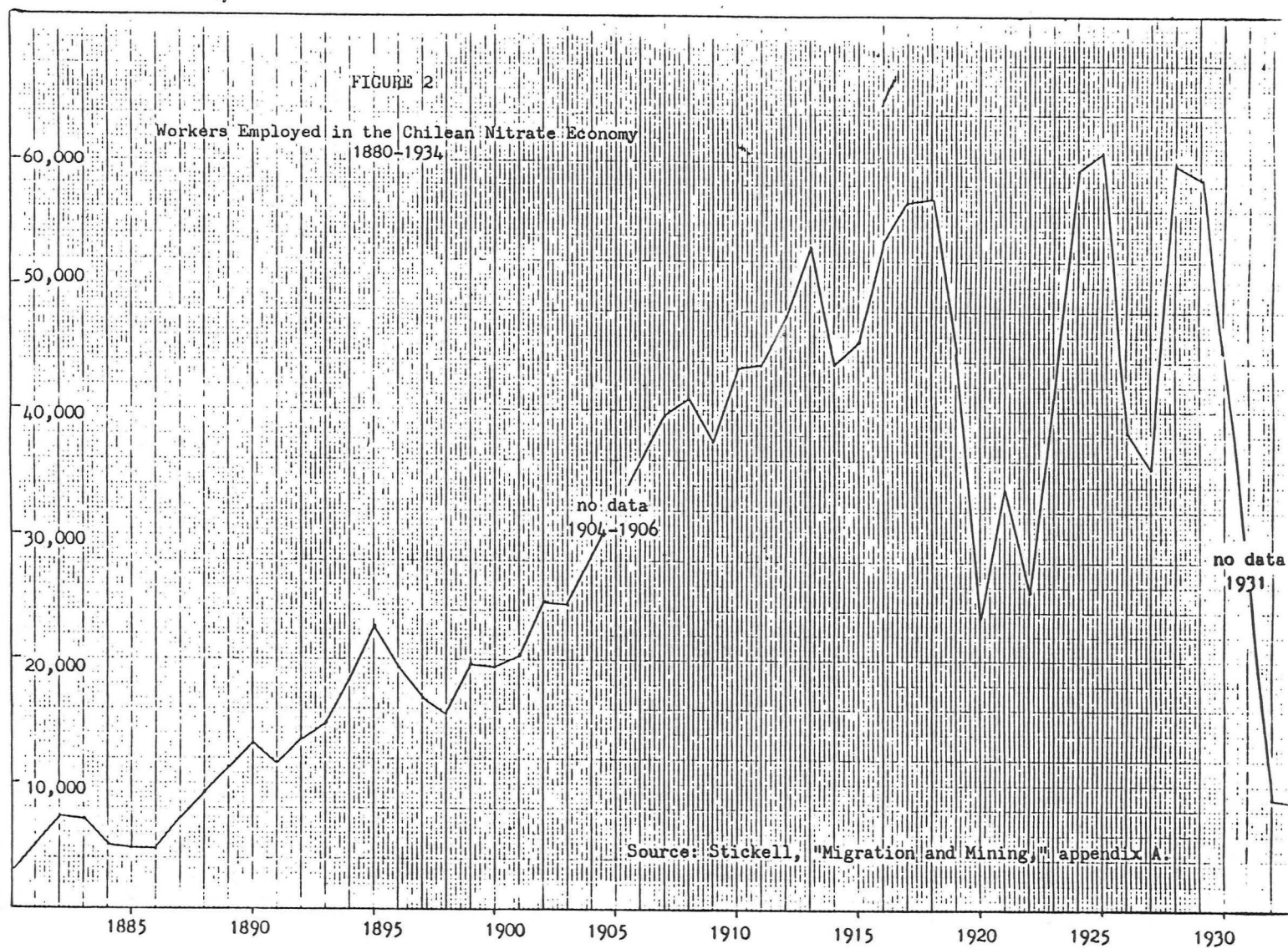
While the state thus expanded its functions to insure nitrate companies their labor force and diffuse social tensions during hard

times, it refused, until the labor reforms of 1924, to legislate procedures which would have shifted some of the burden during depressions from labor to capital. Until that date, nitrate companies were not required to give notice to workers they laid off, to pay them severance pay, or to contribute to the cost of their transportation out of the north.

Statistical information on expanding employment and the human cost of cyclical unemployment in the Chilean nitrate industry is graphed in Figure 2. During the early 1880s the work force ranged between 3,000 and 7,000, then expanded to a peak of over 13,000 in 1890. Employment reached another peak of more than 22,000 in 1895, declined in the late 1890s, then rose to almost 25,000 in 1902, to almost 41,000 in 1908, and to 53,000 in 1913. After declining sharply at the start of the war, the work force increased to almost 57,000 in 1918. Employment then fell precipitously to less than half that number during the postwar depression of 1920-22. It rose again to over 60,000 in 1925, fell back to only 36,000 in 1927, and then peaked again in 1928-29 when it averaged about 59,000 a year. Three years later, in 1932, only 8,535 people were employed in the Chilean nitrate economy.

The economic insecurity of the Chilean labor force in an economy tied to the boom-and-bust cycles of nitrate production was heightened by the inflationary policies of the Chilean state during the nitrate era. Paper money financed the War of the Pacific, and, but for a brief, abortive attempt to return to metallic-based currency in the late nineteenth century, the Chilean government adopted a policy of steady expansion of the paper money supply until the late 1920s. Although the economic effects of inflation and the motives of the political groups in control of Chilean monetary policy are debated in the literature,⁹ there is wide agreement over the depressing effects of moderate inflation on the real wages of workers in all sectors of the Chilean economy. Fluctuating exchange rates and falling real wages sparked some of the most significant mobilizations of workers in export production during the period 1890-1925.

As the nitrate economy expanded in the half century following 1880, so also did the revenues of the Chilean government. Before the outbreak of the War of the Pacific, the income of the Chilean state stood at less than 20 million pesos a year. By the early 1880s that figure had doubled. Then, in the 30-year period 1882-1912, revenue to the Chilean state expanded 18 times to more than three-quarters of a billion pesos. Revenue declined sharply during the First World War and the postwar depression to about half a billion pesos, but by 1922 it had climbed back to prewar levels. By 1924, it reached the billion peso mark and at the end of the decade it was approaching 2 billion pesos. Even if inflation accounted for almost half of this increase, the overall real expansion of government revenues during this 50-year period was spectacular.



The impressive growth in government revenues was due in large part to taxes generated by the nitrate industry. The most direct influence was the tax on exports of nitrate and iodine (a by-product of nitrate processing). This tax quadrupled during the War of the Pacific and by the early 1880s it contributed about 20 percent of the ordinary revenue of the state. That percentage rose quickly to around 50 percent for most years between 1890 and 1917, then declined to 40 percent or lower as the industry entered the protracted period of crisis and sharp fluctuations in demand in the postwar period. Acquisition of nitrate lands also provided an important source of government revenue. Nitrate capitalists claimed that they had invested 14 million pounds in such acquisitions up to 1903. This figure compared to only 4 million pounds invested in nitrate production facilities, and less than 3 million on railway and port facilities.¹⁰

At the same time the nitrate economy furnished government revenue indirectly. The volume of foreign trade expanded enormously after 1880 and government customs revenues on imports grew accordingly. Initially, this contribution of nitrate expansion to government income was greater than that of export taxes, but after 1890 it assumed a secondary role. Throughout most of the period 1890-1930, import taxes, much of them generated indirectly by nitrate expansion, provided between a quarter and a third of the ordinary revenue of the state.¹¹

These new and growing sources of revenue transformed the structure of state finance during the nitrate era. Internal sales, inheritance, and property taxes were reduced or eliminated in the 1890s and furnished miniscule contributions to government revenues until the 1920s. As late as 1916, during the wartime nitrate boom, only 4 percent of government revenues came from internal taxes, while 61.5 percent derived from export taxes, and 27.1 percent from import duties.¹²

As with the volume and sources of government revenues, the size and nature of government expenditures changed with the expansion of the nitrate economy. Increased revenue enabled the Chilean state to expand considerably its coercive apparatus and administrative control over Chilean territory. Military expenditures accounted for about 20 percent of the budget during the entire period. The largest increase in employees of the state came with the great expansion after 1900 of the police forces, the arm of government charged with preserving internal order. Administrative personnel for the growing state railway system and the number of telegraph operators and school teachers expanded as well. Growth of these last occupations reveals the significant efforts by the state to invest nitrate revenues in human and material infrastructure to promote development. Large quantities of public revenues were also spent on public works, primarily government buildings.

Government tax and expenditure policies, and the influence of nitrate expansion on national markets and labor systems, combined

to promote important changes in the development of Chilean agriculture and industry. During the nitrate era the rate of urbanization in Chile greatly increased. Nitrate expansion also altered the proportion of national population living in the north. According to census data, a little more than one-fifth of Chile's 1,819,223 people lived in towns of more than 2,000 people in 1805. Seventy years later, in 1875, that proportion had climbed slowly to about one-fourth of a total population of 2,075,971. Fifty-five years later, in 1930, just under half of Chile's 4,287,445 people were urbanites. Meanwhile, between 1885 and 1920, the two northern nitrate provinces (virtually all of which, given the nature of economic activity in the desert, should be considered urban) more than doubled their share of national population from 3.5 to 7.7 percent.¹³

The influence of nitrate expansion on the process of urbanization was powerful and complex. Clearly, the increase in economic activity in the north, the growth of the import trade and the coastal carrying trade, and the flow of nitrate revenue through an expanded state bureaucracy into public works and human and material infrastructure, all created economic opportunities for rural migrants in the cities, towns, and ports of northern and central Chile. In addition, the power demands of the expanding railroad and shipping network and Chile's growing cities stimulated an important domestic coal industry near the southern port of Concepción.¹⁴ But nitrate expansion also affected Chilean agriculture and industry in ways that both stimulated and responded to the urbanization process.

Cariola and Sunkel have persuasively challenged the idea, long accepted in the economic literature on Chile, that agriculture stagnated during the nitrate era. They have shown, on the contrary, that the whole period, at least until 1920, was one of growth, diversification, and rising labor productivity in Chilean agriculture. This process was a result of a series of effects closely related to nitrate expansion. First of all, agriculture expanded geographically. The strengthening of the state and the development of transportation networks helped push the Araucanian Indians further south and opened up new lands to wheat cultivation. Second, the growth of urban markets in central Chile and the mining north encouraged the diversification of agricultural production in the central valley. Finally, modernization of the whole society fostered the spread of scientific techniques and the use of agricultural machinery in agriculture. The growing productivity per person working in agriculture, demonstrated by Cariola and Sunkel, may also be a result of changes in tenancy and labor systems. Competition for labor generated by employment opportunities for rural workers in the nitrate zone and in manufacturing and services in the larger cities may have forced landowners to adopt more capitalist or more labor-extensive relations of production. Understanding of these changes must await further research. It is clear, however, that many landowners shifted from agriculture to ranching around the turn of the century. This response may reflect both the rising purchasing power (and meat consumption) of sectors of the Chilean

proletariat and the inability of landowners to retain, without concessions they were unwilling to make, their workers on the land. After the turn of the century, the government imposed taxes on Argentine meat imports to protect Chilean livestock producers. The meat tax became an explosive political issue around which export and manufacturing workers, and urban consumers generally, mobilized dramatically during the first decades of the twentieth century.

The relationship of nitrate expansion to the growth of Chilean industry during this period is somewhat better understood, thanks in large part to the pioneering work of Henry W. Kirsch.¹⁵ Contrary to previous interpretations, which date Chilean industrialization from the 1930s or World War I, he argues persuasively that after 1880 Chilean manufacturing moved out of the artisanal era. In the fifty years that followed the secondary sector developed rapidly. By 1915 the number of people working in manufacturing establishments employing five people or more stood at almost 53,000. By 1924 their numbers reached 85,000.

This process stemmed from the demand for manufactured goods stimulated by the War of the Pacific, the expansion of the nitrate sector itself and its influence on the rate of urbanization, and the growth of a communications infrastructure which integrated and expanded the national market. Kirsch emphasizes middle-class consumption as the main market for Chilean industry, but his data show that the largest branches of manufacturing provided such items as sugar, beer, glass, shoes, clothing, and matches for urban mass consumption. Kirsch demonstrates that the pace of industrial expansion was linked closely to growth and fluctuations in the nitrate export sector. He shows how the few basic industries (such as cement and locomotive production) that managed to emerge in the period found their markets in the mining sector or in the construction of public works made possible by nitrate revenues.

According to Kirsch, during the nitrate era, Chilean industry acquired the structural characteristics that define it in the decades following 1930. These are: (1) its concentration on light and durable consumer goods to provision a protected domestic market, (2) its highly concentrated, virtually monopolistic structure, and (3) its dependence on capital-intensive production techniques and reliance on capital goods and raw materials imported from abroad. He also found a high degree of foreign participation in Chilean industry. Almost half of the proprietors of manufacturing concerns during the period 1914 to 1925 were foreign-born. During the same period about one-third of total capital invested in industry was foreign.

Government policy fostered all these developments. Inflationary monetary policy, by making imports more expensive, provided blanket protection for local industry. Tariff policy after 1880, although aimed primarily at producing revenue, provided some protection and favored the importation at low rates of capital goods and industrial raw materials needed by domestic industry. Government

credit policy consistently favored large economic enterprises producing consumer goods. Small producers, even successful manufacturers of heavy equipment such as locomotives, were denied credit and incentives. Protected and favored by these kinds of government policy, light manufacturing provided rates of return on invested capital higher than agriculture and even mining and commerce. Kirsch finds no necessary antagonism between foreign and domestic export-import interests, agriculturalists, and industrialists. In fact, he shows how frequently they were the same people, families or financial groups involved in all sectors of Chilean economic and financial life, who used their control of the state to maximize short-term profits.¹⁶

Nitrate expansion thus exercised a powerful influence on Chilean economic development before 1930. Most of that influence was indirect, however, a consequence of jobs and demand opened up in the north and the impact of revenue funneled through the state. The state managed to capture roughly half of the profits made in nitrate production.¹⁷ Most of the rest, however, were destined to flow into the hands of foreign capitalists and be remitted abroad. The scope of foreign ownership in the nitrate zone seriously undercut the direct contribution of nitrate production to capital accumulation in Chile.

Contrary to what might have been expected, Chilean annexation of the nitrate zone in 1880 did not lead to control of nitrate production by Chilean nationals. At the start of the war, the bulk of nitrate production was located in the hinterland of Iquique in nitrate factories, or oficinas, owned by Peruvian capitalists. Chilean policy in the newly acquired nitrate territories was designed to foster uninterrupted production and maximize revenue to a state at war. The legal dispositions developed to deal with the issue of ownership of nitrate companies and land claims in the new Chilean provinces of Tarapacá (Peru's former territory) and Antofagasta (which had belonged to Bolivia) redounded to the benefit of economic interests with access to liquid capital and to the bonds with which Peru had compensated nitrate capitalists when it nationalized the industry on the eve of the war.¹⁸

Chilean and British capitalists had access to both. The Chileans were well established in the nitrate zone and Chilean banks in Valparaíso financed many of the reorganized nitrate companies in the years after 1880. Chilean capitalists also had preferential access to information and personal contacts with Chilean officials, a not unimportant advantage in the often corrupt process of entitlement and the sale of new nitrate lands during the entire nitrate era. British capitalists and merchant houses, which had financed the transport and commercialization of Peruvian guano and nitrates, were also in a privileged position. In many cases British speculators bought the greatly depreciated Peruvian bonds and drew on their connections in Valparaíso and in London money markets to meet the stiff financial requirements to legalize their status before the Chilean government. Alfred T. North, the British

"Nitrate King" who emerged to dominate production and transport in the Chilean nitrate zone in the 1880s and 1890s, was the most successful of these speculators.

But British dominance of the industry by 1895 was not so much a result of acquisitions made in the early 1880s as it was a consequence of access to capital needed to expand and modernize production in the postwar period. A potential obstacle to this process was eliminated by the political defeat of nationalist and statist forces in the civil war of 1891. Thus, the process which fixed British ownership of the bulk of nitrate production by 1895 was not the result of alleged cultural defects among Chilean entrepreneurs. Nor was it a consequence of ignorance or a special lack of patriotic sentiment on the part of Chilean government officials who designed and implemented the reorganization of the industry following the War of the Pacific. It was, rather, the logical result of assumptions about the best way to foment capitalist exploitation of the nitrate zone, on the one hand, and the privileged position of British entrepreneurs and commercial interests in the world capitalist system at the end of the nineteenth century, on the other.¹⁹

Table 1 suggests the changing pattern of ownership of the means of production in the nitrate enclave over the half century beginning in 1878. The table reveals that British capitalists displaced both the Peruvian and Chilean share of control over nitrate production by 1895. British and other foreign interests owned the lion's share of nitrate production facilities during the period of expansion of the industry up to World War I. But beginning at the turn of the century, and gathering force as a result of the war, Chilean capital recaptured an important share of ownership in the nitrate enclave. This trend was a result of a variety of factors. In the new century nitrate expansion focused not on the northernmost province of Tarapacá where British capital was most dominant, but on Antofagasta where Chileans exercised more control. The war brought the elimination of German ownership and hastened the decline of the hegemony of British capital in the world economy. Finally, introduction in the 1920s of a new capital-intensive technology for processing low-grade ores enabled United States capital, especially the Guggenheim interests, to capture a growing share of nitrate production. In some ways, however, emphasis on the issue of ownership slights the degree of foreign, and especially British, control and presence in the nitrate economy during the whole period. British capital built and controlled the bulk of the nitrate railroads and port facilities. British ships dominated the carrying trade to Europe. British and German commercial houses handled the sale of nitrate abroad and financed production within Chile. Moreover, British and foreign managers and technicians ran not only their own nitrate oficinas, but many of those owned by Chilean capitalists as well.²⁰

Table 1

OWNERSHIP BY NATIONALITY OF PRODUCING NITRATE COMPANIES IN
CHILE, 1878, 1895, 1926

	<u>1878</u>	<u>1895</u>	<u>1926</u>
Peruvian	52%	8%	1%
Chilean	22	13	42
English	12	60	41
German	7	8	--
Other foreign	7%	11%	16%

Source: Adapted from Stickell, "Migration and Mining," p. 27. Stickell's breakdown is based on different kinds of data: on productive capacity for 1878; on total investment for 1895; on actual production for 1926. Nevertheless, despite the problems of comparability (and some internal inconsistencies in his original table), his breakdown broadly suggests the changing pattern of national ownership in the nitrate zone during the period surveyed.

If capital and management in the Chilean nitrate enclave were largely foreign, labor was predominantly Chilean. Even before the War of the Pacific, a majority of workers in the Peruvian and Bolivian nitrate zone were Chilean. The migration of Chilean rural labor to the nitrate zone was part of a broader historical pattern. A substantial part of the rural labor force in Chile even in the colonial period was migratory, landless workers who moved with the harvest up and down the central valley. During the nineteenth century Chile exported labor to Peru and Bolivia to work in railway construction and the nitrate industry, to Argentina to work in the livestock industry in the south, and to California during the gold-rush years. Nineteenth- and twentieth-century observers alike stressed the abject material and social condition of Chilean rural workers, sharecroppers, tenants tied to the land, and landless migrants alike. These conditions help to explain the relative propensity of Chilean rural workers to migrate to cities and mines or even beyond Chile's borders in search of marginally better conditions of life. They also help to account for the high incidence of alcoholism among the working class and Chile's shocking infant mortality rate. In the early 1920s, out of every 1,000 live births in Chile, 250 would die within the first year. (Comparable figures are 100 for Argentina, 153 for Venezuela, 159 for Colombia.)²¹

Arthur Lawrence Stickell has studied most carefully the migration of Chilean workers to the nitrate zone. His data show that despite efforts by nitrate employers to discriminate against Chileans and recruit Bolivians and Peruvians who were willing to work for less, Chilean workers constituted the majority of the labor force during the entire nitrate era. Foreign workers enjoyed their greatest share of the nitrate labor force during the first decade of the twentieth century, when approximately one worker in four was foreign.²² The vast majority of foreign workers, some 80 to 90 percent, were Bolivians or Peruvians. A mixture of European nationals, many of them skilled workers, accounted for the bulk of the rest. The percentage of Chilean workers in the nitrate labor force increased slowly during the second decade of the twentieth century. By the 1920s Chileans comprised more than 90 percent of the work force. In its low incidence of foreign workers, the nitrate industry reflected a larger national pattern. Unlike the situation in Argentina, Uruguay, and southern Brazil, immigrant workers were never a large part of the work force in Chilean agriculture, manufacturing, or mining.

Life and Work on the Nitrate Pampa

In the context of the general economic and demographic conditions sketched in the previous section, the history of the Chilean labor movement took shape. If that movement was national in scope, the root of its distinctiveness lies in the special experience of workers in nitrate production.²³ Life and work on the nitrate pampa developed under conditions vastly different from those in other Latin American export economies. The location of nitrate production, the structure of ownership in the industry, the demography of the labor force, the nature of the work process, and conditions of life in nitrate oficinas and northern port towns provided workers intent on improving the conditions of their lives with unique cultural and organizational needs and opportunities. That these workers succeeded more than most in defining an autonomous working-class culture and in building progressive social and political institutions for their class must be understood not only in terms of the determination and creativity of their efforts, but the fertile conditions with which they worked.

The most striking of these conditions was the geographic mobility of workers in nitrate production. Part of that mobility, as we have noted, was involuntary. The cyclical nature of the industry, especially after 1914, forced tens of thousands of nitrate workers to leave the pampa and sometimes the north itself during periods of crisis. But workers were also extraordinarily mobile within the nitrate zone in good times as well. Stickell, who has studied company records, reports very high levels of labor turnover. Elías Lafertte's autobiography reveals that as a nitrate worker he was employed in more than a dozen different jobs in as many oficinas during a short three-year period in the early twentieth century. In periods of expanding production and high labor demand workers would frequently remain at a given job for only a

few days or weeks, then move on in search of better wages or living conditions. Employers frequently lamented their inability to keep their labor force and claimed that their problems stemmed from a "labor shortage." They devised ingenious schemes of credit and payment and required many workers to make deposits on their tools in their effort to retain workers on their oficinas by making it costly to move. Workers were paid only once a month. In the meantime they were advanced credit, in the form of scrip, or fichas, which could be spent for water, food, clothing, tools, and many other items, at the company store. Nitrate companies restricted commerce by outsiders and routinely expected profits from the company store to defray about 10 percent of their labor costs. At some oficinas this percentage was much higher. Especially in the early years, markups in the company stores on such items of basic consumption as bread could be as high as 50 or 60 percent. Workers could cash in fichas only at certain times, sometimes at a discount. Still, fugados, the name managers gave to workers who left without settling their accounts, were frequent, and the numbers of workers who cashed in their company scrip, even at a discount, in order to move on were numerous. All these credit and payment devices, which sought to retain labor, and served the needs of capital in other ways as well,²⁴ were a constant source of worker dissatisfaction and became targets for explosive collective action by nitrate workers during the entire period.

In moving from job to job nitrate workers took advantage of a series of structural conditions in the nitrate zone. In the northern desert, capital could not immediately tap a reserve of unemployed or lower paid workers. Virtually all economic activities in the north were nitrate-related and relatively highly paid. Nitrate capitalists individually, and collectively (through the Asociación de Productores del Salitre), recruited actively in southern Chile during periods of expansion in the industry. Early in the twentieth century they enlisted the resources of the state in these endeavors. These efforts were quite successful, but they were costly, and took time. Moreover, not everyone had the stamina or could acquire the skill for many jobs in nitrate production. Capitalists never succeeded in glutting the labor market during periods of expansion. If workers could not secure satisfactory employment in the north, they could not be absorbed into agriculture and few could find work in marginal urban activities. People came north to the desert to make money. If they did not, they were wont to return as soon as they were able to families and friends, and the less costly and benign living conditions, in the south.

Because the majority of nitrate workers were single males, they were more able to protest unfair or intolerable working conditions, more willing to move in search of better ones. Both company, and later, government recruiting policy sought to enlist men with families. The policy was explicitly designed to tie the worker to the oficina and reduce the power of his major bargaining chip, his ability to move and find better pay or conditions elsewhere. Despite housing incentives and the offer of free transportation for

dependents (defined in some cases to include more than the nuclear family), these policies met with only limited success. The Asociación de Productores del Salitre reported that in the first five years of its recruiting operation, from 1901 to 1905, it had brought 4,567 males, 751 women, and 276 children to the north. Stickell carefully surveyed the demography of the north and concluded that on average about half of the people in nitrate oficinas were single males; one-fifth were adult females. In fact, the whole demographic structure of the nitrate provinces was skewed in favor of males, who were roughly twice as numerous as females in the early years of the twentieth century. The preoccupation of nitrate workers with female companionship and sexual gratification found expression in a rich regional vocabulary. Andar al palo meant to be (or move about) without a woman. Casarse (to marry) was sarcastically used in the sense of sleeping with a woman. Hacer la cosita rica conveyed the pleasure of copulation. Hacer el favor was coined to express the decision by a woman to have sex. Nitrate miners used the verb tirar (to throw or shoot) to mean to copulate; cartucho (cartridge or stick of dynamite) to refer to a woman's virginity. Whorehouses were simply salones. The verb capotear (to tease or trick a bull with a cape) meant to gang rape.²⁵ Sex ratios in the north and the bachelor status of most nitrate workers thus worked in two ways to encourage labor to move about geographically. They made the consequences of quitting a job less overwhelming, and they impelled men deprived of female companionship to seek it elsewhere.

However strong their desire to move, it was the competitive and diffuse nature of nitrate production which made moving sensible. Although ownership and production became more concentrated in the industry over time, both were relatively widely dispersed throughout the entire period.²⁶ Even at the end of the nitrate era, in 1928, some 69 oficinas, owned by more than half as many different nitrate companies, were still in operation. The number in earlier years was much higher. Stickell lists 53 operating in 1895, 113 in 1908, a peak of 137 in 1925. After the war the number fluctuated widely: 125 in 1919, 53 during the depression of 1922, 96 during the boom of 1925. Most nitrate oficinas after 1900 employed a few hundred workers; some, by the end of the period, several thousand. The existence of many competing employers in a tight labor market made shopping for the best terms of work and living conditions attractive; it also limited the ability of owners to apply sanctions to workers who complained, broke rules, or joined with their fellows to secure better conditions.

The diffuse nature of nitrate mining was due in large part to the geology of caliche deposits. Of varying size and richness, these were scattered through hundreds of kilometers of territory. Until the late 1920s, when new technology made the processing of low-grade deposits possible, oficinas often had to close or relocate once the richest ore had been extracted. During periods of low world demand and prices, marginal producers closed down, only to reopen again once the profit margin allowed. In both cases

nitrate workers found themselves temporarily out of work and forced to move to find it.

Scattered production facilities led to the rapid development of communications networks on the nitrate pampa. Privately owned nitrate railways measured some 860 kilometers in 1887, twice that length by 1905. Mule trails, and later, roads for truck, bus, and automobile traffic, linked the scattered oficinas with each other and with the major nitrate ports. Workers used this transportation network, but until the 1920s many simply walked in search of work in good times, relief in the ports in times of crisis. Nitrate miners borrowed terms from the port and maritime workers with whom they formed close personal and organizational alliances to express their sense of constant movement on the vast pampa. Barracks in the nitrate oficinas were buques (ships). To sleep was to doblar el asta (loosely, to pull in the sails).

Nitrate workers developed an informal communications network of friends, relatives, and compadres all over the nitrate pampa and monitored conditions on the various nitrate oficinas. Although work and living conditions, as we shall see, were not good in any oficina, word spread when they were marginally better in one. Employers competing for labor kept wages and expenses on labor as low as they could, but they were constrained from going below a certain minimum and were acutely aware of the competitive nature of the labor market. Wages in the nitrate zone were relatively high, and nitrate workers, especially single males, could accumulate enough savings to allow them to search for alternative work relatively quickly. Single workers, untied by family obligations, could pack up their clothes and tools at the slightest provocation, word of better conditions elsewhere, or simply on a whim. Elías Lafertte captures all these ideas in a passage worth quoting at length.

In those days, the most characteristic phenomenon on the pampa was precisely that of emigrating from one to another oficina. Nobody put down roots and it was very difficult to find, as happens in the countryside, people who have grown old in the same place. No; the pampinos were nomadic, roving people, who didn't stay long at the same oficina. Fortunately, there was a lot of work and although the companies knew who had been fired for grave offenses, they didn't deny work to those who were simply restless. People used to take off and move at the drop of a hat. The oficinas would open then close then open again. The pampinos would change their place of work in order to earn a few pesos more, because they were interested in a woman in an oficina several kilometers away, because they found better housing, or because the food was better in another place. If anyone had taken a survey, they would have been astonished at the number of oficinas each pampino knew. I myself, by the time I was twenty, had already worked at a long chain of nitrate centers.²⁷

Nitrate workers collectively expressed the harsh realities of dependence on cyclical work and the limited independence of geographical mobility in the word they chose for the social activity which dominated their lives. A job, they said, was una pega. The noun derives from the verb pegar, "to stick or adhere to lightly."²⁸

The willingness, even compulsion, of nitrate workers to take advantage of the opportunities for geographic mobility in nitrate production, and move often in search of better material conditions and physical and spiritual release, was a powerful statement, made with the feet, about the nature of work and the quality of life in the nitrate oficinas. In the daily rhythm of life and death, of work and leisure, on the nitrate pampa workers contended with material and social conditions which sapped their physical and mental health and threatened their very existence. Under these corrosive conditions workers developed cultural attitudes and social institutions first to cope with, and then to change, the conditions of their lives.²⁹

The typical nitrate oficina was a noisy, smoking, smelly industrial company town set incongruously in the quiet grandeur of the Atacama Desert. Seen in daylight, from a distance, the oficina must have appeared as an inconsequential dot in the vast expanse of the pampa and the volume of the sky surrounding it. At night, however, the electric lights and the rumble of the ore crushers could be perceived from great distances through the dry desert air. At those times, even from afar, the nitrate oficina conveyed an image of power and significance.

The nucleus of the nitrate oficina was dominated by the máquina, or processing plant, a black metal maze of tall smokestacks, crushing machines, boilers, huge processing tanks, and drying pans. To a practiced eye the size of the slag pile behind the máquina revealed the age of the oficina. Beside the processing plant was the coal storage area and nearby, the maestranza, or machine shop, where skilled workers repaired the heavy railway and processing equipment and sharpened the hand tools of the miners. A bit further on sat the compamento, the barracks-like housing for production workers, and still further, segregated from workers' dwellings, the more substantial houses for managers and technical personnel. The central part of each oficina also contained the pulpería, the company store. Some oficinas also featured a company-run restaurant and bar where single men could take their meals and drink. Some also contained a one-room school, sometimes funded by management. Only a few had a chapel.

Stretching out into the pampa, beyond the processing plant and living quarters, lay the oficina's ore reserves and the overturned remains of mined areas. Mining operations consumed the bulk of the oficina's labor force and wages for the miners alone constituted about half of total operating costs.

The mining of nitrate ore began with the work of the barretero, who mapped a section of the deposit by digging a grid of widely spaced holes into the surface of the pampa. Caliche usually lay between one and three meters below the surface and it was generally necessary to blast away the desert floor to uncover it. The barretero, using a variety of iron bars with sharpened or spoon-like ends, dug a hole through the deposit. The hole was wide enough for a small boy to slip down and scrape out a chamber in the rock below the caliche to accommodate an explosive charge. "Opening" a caliche deposit involved settling on a line of advance, then exploding a series of charges to open a rajo, or trench. Then the nitrate miner, or particular, could enter the trench to separate, break up, and load the caliche into a mule-drawn cart for transport to the oficina, where the quality of the ore was judged before it was dumped into the crusher. Meanwhile the barretero, who serviced several particulares, advanced a few meters and dug a new line of holes parallel to the rajo. Once the particular had removed the caliche uncovered by the previous detonation, he set charges in the new holes and the process of excavation could begin anew. Barreteros and particulares both owned some of their tools and were among the highest-paid workers in the oficina. Their earnings were determined on a piece-work basis, at rates which varied according to the hardness of the ground and the ease of the extraction of the caliche. Disputes between these workers and management over rates of payment and over the quality and weight of the ore delivered to the oficina were common. Success at the back-breaking, dangerous work of barreteros and particulares involved much practical knowledge and considerable skill in the use of the poor-grade and unreliable explosives manufactured at the oficina and sold to miners at the company store.

Boys of different ages, often relatives of adult workers, filled niches in the mining work process. In addition to the destrazadores, the 8- to 10-year-olds who dug the chambers for the explosives, there were matasapos, 10- to 12-year-old boys who helped particulares break chunks of ore too large to carry and load. Young teenagers worked as herramenteros, who carried tools to workers on muleback. Older teenagers might load or drive carts, or begin doing a man's work in mining. All workers who labored in mining operations in the sun on the open pampa, the asoleados as Lafertte referred to them, were paid on a piece-work basis.

Processing of the caliche involved crushing the ore, dissolving the sodium nitrate within it in water, then allowing the solution to crystallize and dry in the desert air. To this basic process, known to man in pre-Columbian times, the nitrate oficina applied mechanical power, fossil fuel, and a technology which greatly increased the efficiency of the dissolving process. Water and ore were steamed in a series of dissolving vats called cachuchos. Operations in the processing plant were, nonetheless, very labor-intensive.³⁰ Laborers shoveled the caliche into the crushers by hand. Ripiadores entered the hot drained dissolving vats to break

loose and remove the tailings. Workers turned the drying nitrate powder in the sun and shoveled it into burlap bags sewn by boys and women. Loaders carried the incredibly heavy 139-kilogram bags onto freight cars for shipment.³¹ Almost all workers in the processing plant were also paid on a piece-rate basis, determined by the skill required and the difficulty of performing a given task and by production in the plant as a whole. Rapiadores, whose task had to be accomplished at great speed under conditions of extreme heat, were generally the most highly paid.

Most nitrate processing plants ran 24 hours a day every day of the year except September 18, Chilean Independence Day. Shifts were 12 hours long with a total of 2.5 hours set aside for lunch and rest periods. Sometimes workers, who generally labored in gangs charged with a specific task under the direction of a foreman, would work an additional half shift. Stickell found that workers often labored long hours in concentrated spurts of several days, then took off a day or more to rest. He found, however, that most workers averaged more than six days a week.

Work schedules and supervision on the nitrate pampa were less rigid. The particular was more or less free to come and go as he pleased and generally worked 7 to 9 hours a day. Supervisors were primarily concerned that he thoroughly extract the caliche. When the ore was of low quality or difficult to mine, particulares sometimes had to be contracted on a daily-wage basis. A Bedaux time-work study done in 1930 found that nitrate miners set informal production levels for a fair day's work and pay. When time cards were introduced workers slept for a time in the trenches so as not to exceed these levels.

Work in nitrate processing, as in nitrate mining, was dangerous. It was also unhealthy, disagreeable, and strenuous. Workers had to contend with constant dust from the crushers, mud from the dissolving process (Lafertte called processing-plant workers the embarrados), noxious fumes, and the ever-present heat from boilers and steam lines and the sun of the desert. Machinery was often in very poor repair and safety regulations and protective devices almost nonexistent. The parliamentary commission sent to investigate conditions in the north in 1904 found safety and health conditions especially shocking at the older oficinas. While injuries to miners resulted primarily from cave-ins and the use of unpredictable explosives, plant workers had a high incidence of lung infections and were often mutilated or burned operating the machinery. Hospital facilities and doctors on the pampa were in very short supply. A single hospital existed on the entire nitrate pampa in 1912. In that year it serviced 1,026 patients, 326 of them classified as suffering from industrial accidents. Of these, 83 were particulares, 44 rapiadores. Most of the patients were single males between the ages of 15 and 40. Most industrial accidents were not reported and were treated in primitive facilities in the oficinas. Workers usually had to contribute one peso a month toward the service. Company compensation for accidents was

infrequent. Workers early organized mutual aid societies to sustain injured or sick members and consistently resisted the one-peso health fee deducted by management from their wages. The need for minimal safety standards, especially protective grates over the cachuchos, figured among the earliest collective demands by nitrate workers.

Once off work, the nitrate worker had little to look forward to. Workers were assigned to miserable company housing. In the early period these structures were usually windowless hovels built of rock and tailings. As the twentieth century advanced, housing constructed of corrugated iron became common. These buildings offered little insulation against the sweltering days and very cold nights on the desert. Single workers slept several to a room. Workers with families were usually given two-room structures. Sanitation facilities in the campamento were limited to latrines set at the end of each row of housing. Workers bought their own water, which was usually delivered in barrels by the company.

Although food and drink were more expensive in the north than in central Chile, the real wages of workers in nitrate production were higher than in comparable jobs elsewhere. Single men, especially, who did not have to pay rent or feed other mouths, could save significant amounts of money. Nitrate workers ate better than most other Chilean workers. They usually had meat two or three times a day and Semper and Michels believed their diet was superior to that of German workers.

Nitrate workers were almost entirely dependent on their money income for their sustenance. Even family men were denied the possibility of a garden, although some families did raise fowl and pigs which they could carry with them if they left the oficina. Women often provided meals for single miners, but the possibility of opening a small store or bar was often prohibited by company policy. All of these conditions of life in the nitrate oficina contributed to the nomadic propensities of nitrate workers. "There are no inhabitants [of the north] rooted in the soil by [the ownership of] houses, gardens or other reasons that constitute a love for a fixed place," wrote the manager at Oficina Humberstone in 1915. "[T]herefore, a worker has no more reason than his convenience to fix his residence in one or another oficinas...."³²

Despite the harsh conditions of work and life on the nitrate pampa workers managed to construct a meaningful social life. They traveled to visit friends and relatives. They participated in funerals. They attended political rallies in port towns and some made money voting. The gaudiest centers of social life for nitrate workers grew up outside the oficinas in small pampa towns generally situated along a rail line near the larger oficinas. Here workers drank, gambled, visited prostitutes, bought supplies from merchants, and talked about common needs and aspirations. Here labor organizers, often barred from the private property of the oficina, could meet and speak with workers and distribute radical pamphlets and newspapers.

Important social institutions developed in the oficinas as well. Lafertte acquired many of the skills he would need as a labor organizer in the sports, drama, music, and dance clubs he participated in at various oficinas. We do not know very much about these and other social institutions in the nitrate oficinas. It is not clear how fully workers participated in the activities Lafertte mentions, many of which seem to be management-inspired and dominated by white-collar employees. Some of them, however, were clearly worker-inspired and -controlled.

Mutual aid societies, often called filarmónicas, spread north from central Chile and existed in many oficinas. In these institutions workers taught themselves how to play musical instruments and learned to dance; some also provided night classes in elementary education. The quiet decorum of these cultural oases which the workers constructed to develop their minds and social skills stood in stark contrast to the noisy, physically exhausting environment they worked in, and to the loud and bawdy atmosphere of the bars and whorehouses where they sought release and escape from the reality of their working lives. Alcohol was prohibited in the filarmónicas and even the sexual incongruity of all-male dance instruction proceeded in an ambiance of great seriousness and formality. A sympathetic middle-class journalist reacted with a mixture of condescension and awe to his dance with a well-washed, formally attired member of a filarmónica in 1904. "My partner was extremely polite, and possessed of such strong muscles, that instead of leading 'her,' 'she' led me as if I were a feather."³³ Some of these institutions were quite large, with memberships of several hundred workers at the larger oficinas. Workers contributed two to five pesos monthly to mutual aid funds administered by filarmónicas, sports, and drama clubs to sustain injured and sick members, and to pay funeral expenses and help support workers' families for a short period following the death of a member.³⁴

Organizations of this kind were essentially defensive. Through them workers sought to sustain themselves spiritually and materially under the destructive social conditions of life and work in the nitrate oficina. Soon enough, however, nitrate workers began to form cultural and social institutions which sought to change the position of workers as a class. These institutions were noisy, creative, and combative. They have left a deep imprint on the historical record.

Labor Organization in the Nitrate Economy

All over Latin America attempts by workers in export production to organize themselves to improve their economic and social position encountered virulent private and public repression. The reasons are clear. Given the importance of the export sector to national economic and fiscal health, worker organization in the export sector, with its potential to reduce capital accumulation, paralyze production in the most dynamic and important sector of the economy, and stop the main generator of government revenues had to be avoided

at all cost. When one looks at the history of labor organization in the Chilean nitrate economy during the period 1880 to 1930, however, one finds that despite the savagery and intensity of the repression, attempts by workers to organize themselves, ally themselves with other sectors of the working class, and build a labor and political movement capable of exerting a major influence on national political evolution, were remarkably successful.³⁵

As in other Latin American export economies, the first workers to organize and force concessions from employers in Chile were not those directly engaged in production of the export commodity, but those in the transport infrastructure (maritime, port, and railroad workers) which grew up to service export production. These workers were more skilled and better off materially than were most workers. They also experienced relatively earlier exposure to radical working-class ideologies. But in Chile these transport workers early found support among, and in turn supported, workers in production in the nitrate sector itself. The offspring of this happy marriage was a unique Chilean working-class institution of the early twentieth century, the mancomunal.

Part mutual aid society, part resistance society, part vehicle for the creation and extension of working-class culture, the mancomunal responded to the objective needs and subjective aspirations of workers in the nitrate economy. These organizations appeared suddenly in the major port towns of the nitrate zone in the first years of the twentieth century. Built around a nucleus of port workers, and often initially led by lancheros, whose task it was to ferry nitrate in small boats from the docks and load it on ocean-going ships, the mancomunal quickly brought in artisans and service workers in the ports and spread to the railway and nitrate workers on the pampa itself. Mancomunales also spread south and developed into powerful, very militant organizations in the coal-mining zone near Concepción. As its name implies, the mancomunal was a regional entity, grouping skilled and unskilled workers from a host of different activities into an umbrella organization to pool resources and coordinate activities.

The strike activities of these militant organizations have received considerable attention in Chilean labor historiography. Julio César Jobet, for example, has written a fine summary of the strikes they undertook after 1900 which culminated in the massive general strike in the nitrate zone in 1907.³⁶ That strike ended in the worst massacre in Chilean labor history at Iquique on December 21, 1907. Because the nitrate strike of 1907 conveys so starkly and dramatically the nature of early Chilean labor struggles, because it reveals so clearly the importance of nitrate workers in the development of the Chilean labor movement and the left in general, and because it became a symbol of the struggle of the Chilean people against foreign capital and domestic conservative forces, it has inspired a stream of newspaper articles, histories, even novels by leftists and nationalists up to the present day. The massacre and the general repression of labor which followed that

strike virtually destroyed effective labor organization in the north for the next few years and ended the era of the nitrate mancomunal proper. Very soon, however, structurally similar institutions reappeared in the nitrate ports and pampa. These organizations also led strikes, but they concentrated even more on the cultural, ideological, and organizational activities which had played such an important part in activities of the earliest mancomunales. It is these activities, as well as the dramatic mobilizations of nitrate workers around strike issues, that are the main legacy of the nitrate mancomunal in the Chilean labor movement. The mancomunal never succeeded in establishing enduring worker organizations at the plant level to protect and advance the interests of Chilean workers. It did something more important. It helped workers to forge an independent vision of the world around them.

The cultural and social activities of the nitrate mancomunales seem quaint to some later observers, their targets and instruments of cultural warfare, exaggerated and impractical.³⁷ But through these creative, often experimental, daily activities--however incompletely and imperfectly--nitrate workers developed autonomous tools of organization and socialization and cracked the cultural monopoly of the Chilean ruling class.

The nitrate mancomunal, and its successor organizations in the north, continued and extended the mutual aid functions of earlier working-class organizations. Members contributed to different funds to sustain themselves in the event of injury or sickness, and to pay funeral services and legal fees. Formal educational programs included night classes in elementary skills and sewing instruction for women. Some of these organizations went further and established consumer cooperatives. The socialist group in Iquique pursued the audacious idea of a producer and consumer cooperative, and, for a six-month period before it failed (victim of a price war and internal mismanagement), it provided the city with much of its daily bread.

In the early years of the twentieth century worker organizations in the north developed a variety of cultural and social activities aimed specifically at undermining the cultural values of the larger society. The drama groups sponsored by these organizations took on explicitly proletarian subjects and themes. Most of these plays were written by Spanish anarchists and Chilean militants. Chilean activists mounted press campaigns and organized public meetings and debates to discredit capitalists, conservative politicians, and the Church. They built on the indifference of males in Spanish culture to formal religious activity, and on anticlerical currents sanctioned within the dominant culture, to encourage workers to deprecate extra-worldly solutions to the problems they faced. This radical task was facilitated by the limited presence of the Church on the nitrate pampa, where, as one congressional commissioner lamented, priests were "very scarce indeed." Although most workers probably harbored some Catholic

religious sentiment, many began to ridicule openly the practice and symbols of the faith. One woman responded positively to a query about her religiosity from a journalist who toured several nitrate oficinas in the early years of the century. She was, she said, a devotee of the Virgen del Carmen. Asked why she did not display the Virgin's image in her house, she explained that she had hidden it away, "because if the others see it, they'd make fun of me and my husband."³⁸

Unlike anarchists and anticlericals, Socialists soft-pedaled the issue of the Church and concentrated instead on redefining the terms of patriotism. Workers in the nitrate economy had begun early to perceive and to stress the structural dichotomy between foreign capital and Chilean labor. The workers' organization of Tarapacá reminded a congressional commission in 1904 that in the north "capital in its entirety is foreign." Foreign capital, they insisted, consistently pursued a style of action that was "arrogant and provocative." They went on to link their interests as a class with the larger, national issue of Chilean economic well-being in the future.

It is a fact that the nitrate pampa still owes Chile many millions of pesos, that wait to be transported abroad, if patriotic legislation does not remedy the many flaws that deprive workers from obtaining the part of this wealth, which migrates out of the nation rapidly and without a single obstacle.³⁹

Socialists systemized and elaborated these perceptions and carried them to their logical, radical conclusions. At a debate with a prominent Conservative journalist in Iquique in 1913 or 1914, the leader of the fledgling socialist party cast the British capitalists who controlled the nitrate economy, and corrupt, antilabor public officials as antipatriots. It was the workers who produced the wealth of Chile and the revenue of the state who were the real patriots, he claimed. Aided by an irreverent audience packed by sympathetic workers, the socialist, according to Lafertte, "won" the debate and was carried out of the hall on the shoulders of cheering workers.

In their press, public demonstrations, and weekly organizational meetings, anarchists and socialists translated their doctrinal opposition to capitalism into terms made meaningful to workers through daily experience. They talked about the abuses of the ficha payment system and linked them to the evils of private property in general. They called for the abolition of classes through a reorganization of production based on cooperative worker control. Socialists wanted to begin the process of socialization with nationalization of the nitrate economy. More immediately, they advocated distribution of income through progressive taxation and social welfare programs. Both anarchists and socialists outlined the spiritual qualities of the new society where love and freedom would prevail. Drama and revolutionary songs reinforced these themes and became an integral part of all these public functions.

All of these political, social, and cultural activities coalesced around the working-class press. This was especially true of the activities of the socialists of Iquique, who held public functions in the large building which housed their newspaper. The nucleus of the party, militants of both sexes, lived in the building as well. They ran their newspaper as a cooperative and relied on outside printing jobs more than advertising and subscriptions to pay the bills.

The importance of the working-class press to the organizational and cultural goals of the labor movement was perceived by most activists. But it was Luis Emilio Recabarren who became the most dedicated and effective practitioner of working-class journalism. A typesetter who emerged by 1920 as the greatest leader of the Chilean workers' movement, Recabarren went north as a young liberal reformer to found one of the first working-class newspapers in the nitrate zone in 1903. He was radicalized through his experience in the nitrate mancomunales and spent much of the rest of his life founding and editing working-class newspapers. "Recabarren had a compulsion to found newspapers," wrote Lafertte, who edited many of them. The list of almost a dozen includes El Trabajo (Tocopilla, 1903-05), El Proletario (Tocopilla, 1904-05), El Socialista, later El Comunista (Antofagasta, 1916-27), and Justicia (Santiago, 1924-27). The most significant, and long-lived was El Despertar de los Trabajadores (Iquique, 1912-27). Its name, "The Awakening of the Workers," reveals its fundamentally cultural purpose. El Despertar, like the other working-class newspapers of the nitrate zone, provided workers in ports and oficinas with an alternative source of information, a different view of the world. Its pages were filled with exposures of unacceptable working and living conditions, information on strikes and cultural and social activities, transcriptions of texts by European anarchist and socialist thinkers, and summaries of major speeches by Chilean militants attacking the cultural values and political monopoly of the dominant class.

Some historians have concluded that, given the high rate of illiteracy among nitrate workers, the emphasis of early labor activists on newspapers was misguided. I do not think it was. Many nitrate workers could read and local militants probably read aloud to their friends or passed on information they had gleaned from the press in their own words. Given the respect with which illiterate and poorly educated people are taught--through painful daily experience in the dominant culture--to behold the printed word and those who can manipulate it, a worker press must have been a source of pride, an instance of successful manipulation of dominant institutions and symbols for working-class ends.⁴⁰

Through the working-class press, moreover, militants built on earlier, more informal, contacts between workers in nitrate ports and their nomadic friends and relatives on the pampa to build a radical communications network across the whole nitrate zone. Newspapers had representatives in some nitrate oficinas and radical itinerant merchants carried newspapers, flyers, and pamphlets to

others. Militants like Recabarren used these contacts to organize frequent speaking tours over the entire nitrate pampa. Nitrate workers often walked 25 kilometers or more to hear him speak and used the occasion to pick up radical papers and pamphlets on display. In the first years of the century activists like Recabarren often traveled by horseback, their radical newspapers and literature strapped behind the saddle. By the mid-1920s these tours were made in automobiles flying the huge red flags of socialism as they crossed the pampa. By then, rallies were often held on the open pampa at the very entrances to the major oficinas.

In all these ways (and doubtless many others hidden in the historical record) the cultural and social activities of the working-class institutions of the nitrate zone gradually provided numbers of workers with the cultural tools, organizational skills, and confidence to commit themselves to collective action to change their lives. The depth of this commitment varied. Most workers, like most members of most classes most of the time, sought to avoid the sacrifices and risks of full-scale, and especially radical, social and political involvement. What distinguishes the history of Chilean nitrate workers from that of most other sectors of the working class in Chile and in other nations is that significant and growing numbers of such committed workers emerged.

One unimpeachable indication of the growing cultural autonomy of nitrate workers is the reaction of employers in central Chile to the nitrate workers they employed during periods of crisis in the industry. Employer attitudes toward los pampinos were recorded in letters of complaint filed with the Office of Labor, which managed to relocate thousands of nitrate workers in jobs in public works and agriculture after 1914. Stickell surveyed these letters and found many employers uneasy with the nonconformist, assertive, and politically radical northern workers. Nitrate workers tended to refuse customary arrangements for wages, food, and conditions of work. Employers frequently expressed fear of political contamination of their labor force. As they struggled with this problem, bureaucrats in the Office of Labor found themselves impaled on a three-pronged dilemma. Fear of massive disorders impelled them to bring unemployed nitrate workers south. But to re-employ them in the south risked contamination of the work force there. Yet to leave them in government-run hostels in Santiago was to risk political contamination of the urban unemployed and the possibility of alliance between radical nitrate workers and militant organized workers in the capital itself.⁴¹

Another indication, albeit a more problematic one, of the growing cultural autonomy and political radicalization of nitrate workers is the rising strength of reformist and radical political parties in the north. All of these parties, Radicals, Democrats, and eventually Socialists, found proportionately greater support in the north than elsewhere. And although most nitrate workers could not vote, and most who did probably voted for left-wing Radical and Democratic candidates, the Socialist Party (Partido

Obrero Socialista) founded in Iquique in 1912 managed to elect six municipal councilmen in 1915, and two national deputies by 1921. After that date, until the repression of 1926 and 1927, the electoral and congressional strength of the communist successors of the Socialist Party expanded rapidly. Much of this electoral success, no doubt, was due to the votes of Radicals or Democrats who entered into local electoral pacts with the Marxist parties to maximize the power of each in different electoral districts. Nevertheless, electoral data point to the existence in the north of hundreds of Marxist militants by the mid-1920s.⁴²

It is, of course, difficult for historians to discover directly what most nitrate workers thought about their lives and their efforts to improve them. The majority of nitrate miners were illiterate--as late as 1927, 60 percent of those hired in the industry could not read and write. In any case, unlike their class antagonists in the nitrate oficinas, workers had neither a cultural tradition of recording in written form the nature of their daily problems and the shape of their hopes and dreams, nor the time and energy to do so. The closest thing we have to a memoir of a nitrate worker is Elías Lafertte's remarkable autobiography. Unlike the stylized autobiographies of communist labor leaders in some other countries, Lafertte's book does not attempt to press the experiences of his early life on the nitrate pampa into an ideal, linear account of progressive radicalization and growing class consciousness. His book is honest, complex, and richly detailed. Nevertheless, Lafertte's autobiography, like the worker press, party programs, pamphlets, and essays which have survived from the nitrate era, was written by a literate, highly politicized, radical leader of the working class. Consequently, all these sources are open to the criticism that the attitudes they reflect are those of a tiny minority, far removed from the cultural values, social concerns, and political views of the mass of workers they claim to speak for.

It is thus better to leave these sources aside for a moment, move back in time to the beginning of the century, and pursue the question from a different angle by looking at what workers actually did in their efforts to improve and change their lives. We have already discussed two early strategies pursued by workers on the nitrate pampa. They moved around a lot shopping for better conditions, and they organized mutual aid societies to enrich their lives and buffer themselves and their families from natural forces beyond their control. Both of these activities implied a set of cultural values and attitudes which began to distinguish nitrate workers from other sectors of the Chilean working class, especially rural workers which nitrate producers recruited for their labor force. Through their nomadic culture nitrate workers learned they could reject unsatisfactory conditions and, within limits, defy authority successfully. They also learned to trust in themselves, their friends, and their relatives in their search for a better life. In their mutual aid societies workers taught themselves to pool resources and collectively confront and manage serious matters of education, health, injury, and death no individual could handle by himself.

It is ironic that the second (and more collective) strategy met with the approval and even encouragement of owners and managers of nitrate oficinas, while the first (more individualistic) strategy encountered decided opposition from capitalists. As we have seen, nitrate managers devised schemes of payment and credit--work by the piece, payment once a month in scrip, tool deposits, and credit at the company store--to restrict the movement of their workers and the bargaining power and challenge to authority that movement entailed. But these schemes never fully accomplished their goal. Moreover, each tended to intensify conflict between workers and management and to focus the demands of individual workers in collective ways. And while mutual aid societies seemed to channel worker energies into innocuous cultural and social pursuits--and shouldered much of the social welfare burden which capital would later be forced to assume--the skills, confidence, and trust which workers acquired in working together helped prepare them for the time they would start to work collectively to overcome the man-made conditions which threatened their livelihood and embittered their lives.

Nitrate workers became involved in such collective actions on a large scale as early as 1890. Strikes, sometimes at individual oficinas, sometimes enveloping the entire pampa, punctuated the next four decades. Many of these actions, even the large ones, began as spontaneous mobilizations. Most involved protests against procedures for determining pay, discounts on fichas (or the exchange rate of Chilean pesos to pounds sterling), prices and false scales in company stores. These worker grievances, and those more formal and general demands articulated in the first great strikes to envelop the pampa, have been called expressions of an "enraged liberalism" by one historian.

They were liberal only in a superficial sense. In the fateful strike of 1907 workers demanded that (until the scrip system was totally abolished) fichas from each oficina be redeemed without discount at all oficinas. Moreover, they wanted fichas exchanged at a rate to pounds sterling higher than the current official international exchange rate for Chilean pesos. They also wanted "free commerce," adequate safety devices, free night schools, and two-weeks' notice for workers fired for any reason. But the logic of their protest and actions also led them to demand immunity for those engaged in collective protest, and legal, public recognition of the organization they had formed to press their demands. Each one of these demands, however, implied a challenge to the liberal principles of capitalist enterprise in general, and to the specific arrangements (often not so capitalist) through which capitalists sought to maximize their control and exploitation of their labor force in the nitrate zone in Chile. Universal exchange without discount of fichas for Chilean pesos at a rate above the going international exchange rate not only threatened a major mechanism used by capital to hold its labor force on the nitrate pampa and undermined the use of inflation to cut capital's wage bill; it violated the liberal principle of an international gold standard.

Free commerce on the nitrate pampa threatened the capitalists' ability to recover through the company store part of their wage bill. It also denied capital, as the head of the Nitrate Producers' Association later put it, "the sacred right of property assured to us by the Constitution." That document recognized capitalists' right to exercise "absolute dominion [over] our properties." Ambulatory merchants, he assured the Parliamentary Commission five years after the Iquique massacre, who sold liquor, engaged in subversive propaganda, "which they were wont to do," or tried to lure workers away from the oficinas to other jobs, had to be sternly dealt with and expelled from the oficinas. It was hard for capitalists to publicly deny the importance of safety devices, but if workers were to decide where and when they were installed, they challenged the supreme authority of capital to decide how best to invest capital and to dictate the way work was organized. Schools might be provided at the discretion of individual capitalists, but they were primarily the business of the state, not private enterprise. Finally, insistence on striker immunity and recognition of worker organizations challenged the most fundamental principle of all--the "freedom of work," by which capital meant its exclusive right to purchase labor on the market and contract with individual workers as it saw fit.

The anticapitalist logic of what may seem to the mid-twentieth-century mind as liberal aspirations was inexorable. Capitalists immediately recognized what was at stake. They refused to make any concessions on principles. They sought to break worker organizations at all costs. They employed spies and established blacklists. They locked workers out. When all else failed they called on the forces of the state to protect their interests. Carabineros, the police force which was partially funded by capital on the nitrate pampa, handled smaller protests by breaking up strikes, raiding the worker press, and jailing the most militant workers. When protest grew too large for the police to handle, the state was called upon to transport hundreds of workers out of the north or to send the army and navy to massacre striking workers by the scores, the hundreds, the thousands.

Slowly, perhaps, large numbers of workers also began to understand what their anarchist and socialist leaders already knew. Their modest efforts to better the conditions of their lives involved radical principles which challenged the basis of capitalist enterprise. Perhaps, I say, because given the immense risks involved in collective protest, workers, like their leaders, whatever they thought about the implications of their demands, had to be cautious, practical men. They had to couch their inherently radical aspirations in the liberal language of the dominant culture. They had to get what they could without losing their jobs, their personal freedom, or their lives. While workers through individual protest and collective action gradually forced concessions in the nitrate oficinas, the degree of repression to which they were exposed through the whole era must have disillusioned and disheartened many. But it radicalized many others. The single document prepared by a

workers' organization published in the Parliamentary Commission's report of 1913 declared that five minutes of official gunfire against the peaceful striking nitrate workers in Iquique in 1907 had done more to destroy their patriotism and respect for government authority than "a half century of systematic propaganda by a thousand anarchists."⁴³

Despite the entrenched strength and pull of liberal assumptions, and the great risks involved for workers who participated in radical politics, significant numbers of nitrate workers became anarchists and socialists. They did so because those radical ideologies coincided with workers' perceptions of the world they lived in and offered meaningful solutions to workers' personal needs and aspirations. Society in the north was divided into two classes. Each was clearly distinguishable. One bossed, the other worked. One was wealthy, the other poor. Not only was each ethnically and culturally distinct (a condition met in Chilean agriculture and manufacturing), but capital was foreign, while labor was Chilean. Capital in the north systematically exploited labor, as any worker who had had his caliche wrongly assessed, exchanged fichas at discount, seen a friend maimed by an unsafe machine, or paid exorbitant prices for falsely weighed goods at the company store well knew. Capital and labor were locked in an inexorable struggle in which capital, assisted by the state, gave no quarter. Nitrate workers knew that they were totally dependent on the sale of their labor; they and their families had no way to sustain themselves during depression in the industry. Improvement in the condition of their lives would have to come through collective action by the workers themselves. Workers could move about as individuals during good times, but no capitalist would sustain them in bad. Parliamentary commissions studied conditions and congressmen debated reform, but conditions in the nitrate zone changed little. Capitalism was irrational. One month there was too much work, the next, thousands were unemployed, homeless, helpless. But capitalism was not only bad for workers, it was bad for Chile. Foreigners were scooping out the irreplaceable wealth of Chile at great profit to themselves. Little nitrate workers saw could be said to redound to the nation's benefit.

It was on this last point, and the issue of political action to enlist the support of the state to meet working-class needs, that anarchist and socialist ideology diverged. While anarchists insisted on the worldwide unity of the proletariat, early Chilean socialists were more apt to stress the unity of working-class goals with the aspirations of other patriotic Chileans. This position allowed socialists to countenance collaboration with progressive sectors of other classes in efforts to better the position of the working class.⁴⁴ The socialists combined in electoral coalitions with parties with reformist, nationalist aspects to their programs. They sought to promote legislative solutions to working-class problems at the national level. Anarchists were adamantly opposed to petitioning the state, and to forming political parties to contest for state power. To do so was to legitimize the capitalist state

and the electoral procedures it used to validate its monopoly of political power. Given the fact that many nitrate miners owned their own tools and maintained significant control over the work process, the anarchists' emphasis on individual freedom and spontaneous grassroots action found a natural audience. Moreover, because most nitrate miners could not vote and electoral abuses (fraud, vote-buying) were in any case widespread in Chile in the early twentieth century, it is not surprising that anarchists were initially much stronger than socialists in the nitrate zone. It was they, for example, who led the great nitrate strike of 1907. But given the systematic repression of workers on the nitrate pampa and the relative failure of direct action in the workplace to win concessions and establish enduring organizations there, anarchist influence gave way slowly to that of socialist militants.⁴⁵

Had capitalism in the north led to diversified economic development and the emergence of a complex structure of intermediate classes, had it led to rising real income and widespread property ownership by the mass of workers, liberal notions might have exercised more consistent appeal. Workers came to the north to make money and improve their station in life. Individualist aspirations were encouraged by the piece-rate system and the dominant values of Chilean society. But the export economy of the north did not lead to capital accumulation and an expanding, diversified economy there. Profits were remitted abroad or distributed through the state in the south. All the government commissions to the nitrate zone concluded that very little of this money found its way into improvements in the north. Even in the large port towns which housed the mansions of the rich and the luxurious social clubs of the foreign community, public water, sewage, health, and educational systems were grossly deficient. Savings by nitrate miners could not be invested in property. Educational opportunities were limited. Periodic crises in the industry consumed what workers could save and left them helpless unemployed victims of economic forces beyond their control.

It is true that by the 1920s conditions of life and work on the nitrate pampa had improved, especially in the larger, newer oficinas.⁴⁶ But these improvements probably did not significantly change the structural opportunities available for ambitious individual workers. In any case, they came too late. Some workers had already developed a vigorous, autonomous vision of the world which was successfully competing with a dominant liberalism among members of the working class. Anarchist and socialist leaders had proven their commitment and courage in defending working-class interests through more than three decades of systematic repression. Moreover, improvements in the condition of workers appeared as the nitrate export economy ceased to grow and began to experience the violent convulsions which further radicalized workers and culminated in the virtual collapse of nitrate production in 1930. Finally, most of the improvements nitrate workers could look forward to came in the 1920s as a result of the direct action and militant politics of national working-class institutions and parties. The most important

of these organs of the workers' movement were dominated physically and ideologically by socialist leaders whose power base lay in the north. These institutions played a large role in the insurgency of nitrate and transport workers, urban workers, students, and white-collar workers in the period following World War I, which forced the Chilean ruling class to make concessions and adopt a new strategy of labor control. In 1924, at the cost of a total breakdown of its cherished political system, the Chilean ruling class became the first in South America to abandon the failed policy of simple physical repression of organized labor. It tried instead to curb labor's revolutionary potential through legislative means by integrating it into the institutional life of the nation. It is to that remarkable story, and its unforeseen--and tragically ironic--implications for subsequent Chilean history that we can now turn.

Consolidation and Institutionalization of the Workers' Movement

The economic and ideological forces unleashed by the First World War deeply affected the strength and orientation of national labor movements all over the world. The conflict for world dominion between two blocs of the major capitalist industrial powers stimulated enormous demand for machines, ammunition, food, and raw materials. Workers took advantage of conditions of full employment and labor organizations expanded rapidly. With the armistice in 1918 pent-up civilian demand pushed prices up rapidly. Real wages lagged far behind. Labor responded by using its new organizational strength to unleash a wave of strikes unprecedented in scope and power. By 1920, however, wartime demobilization and flagging consumer demand plunged the world capitalist economy into depression. As unemployment spread, labor all over the world saw its organizational strength compromised, its ability to strike effectively impaired.

The war which generated these economic trends also undermined the liberal philosophical foundations of capitalism and, among workers, reinforced anticapitalist ideologies of the left. The war featured the spectacle of the major capitalist powers in the core of western "civilization" harnessing their liberal political systems, their new science, technology, and industrial might, in a barbaric war to totally destroy their adversaries. The outbreak of the war created an ideological and political crisis within the world labor movement. But if proletarian unity broke in the face of national demands and loyalties, especially among the social democratic parties of the Second International, the war enabled the first socialist revolution to consolidate power in Russia. As it undermined liberal assumptions, then, the war provided Marxists within the labor movement (including, initially, anarchists) with ideological inspiration and renewed confidence in their ability to forge a socialist future.

This volatile mix of favorable economic conditions and positive ideological forces in the immediate postwar period exploded in a

massive mobilization by the left. It created a perception, shared by radical labor leaders and the political leaders of the ruling class alike, that social revolution was imminent. As revolutionary groups within the labor movement experimented with new forms of struggle to realize this goal, ruling classes searched for new devices to avert it.

Chile, more fully than any other South American nation, participated in this worldwide drama of war and worker mobilization. Its nitrate export economy, as we have seen, was intimately affected by the changes in trade, demand, and technical innovation generated by the war. Following the severe depression of 1914 and 1915 at the start of the war, nitrate production reached an all-time high in the period 1916-1918, then plummeted into the disastrous depression of 1919-1923. In terms of fluctuations in the demand for labor, postwar price inflation, and the length and severity of the postwar depression, Chile's economy was affected more seriously by the world economic forces of the period than any nation in South America.

Because of the structure of its nitrate export economy, and because of the relative development of autonomous anticapitalist thought and organization among Chile's urban, transport, and mining workers, the ideological forces unleashed by the war affected political life and the labor movement more profoundly in Chile than in the other nations of the continent as well. Although statistics on strike activity, and on membership in radical unions and political parties are much discussed in the literature, all are hopelessly incomplete and unreliable. All estimates agree, however, that a wave of strikes of unprecedented proportion enveloped the main cities and ports and the nitrate zone after 1918 and reached its peak in late 1919 or early 1920. Dues-paying memberships in radical labor organizations and political parties probably expanded several-fold in the late teens and early twenties. Far more important than the absolute numbers of such activists, which may have reached 20,000 or so by 1920, were the numbers of workers ten times that size which organized militants were able to mobilize in public demonstrations and general strikes in the postwar era.⁴⁷

All anticapitalist labor organizations grew in size and broadened their influence over parts of the Chilean labor movement during the postwar period. Socialists dominated labor organizations in the nitrate zone, anarcho-syndicalists were preeminent in Santiago, and the Chilean chapter of the Industrial Workers of the World came to predominate in the port of Valparaíso. Each group had considerable influence in the area of the labor movement dominated by the others, however. And although anarchists, wobblies, and socialists competed with each other in efforts to expand their influence among organized and unorganized workers alike, all cooperated to excellent effect in mobilizing the working class as a whole for public demonstrations and general strikes in the immediate postwar period.⁴⁸

But it was the socialists who moved to institutionalize their strength and influence in national labor and political organizations. For this task they were best prepared by ideology and experience. Years of struggle in the nitrate zone had convinced socialists that a solution to the problems of the working class would have to be a national one, achieved through access to the power of the state. The importance of nitrate production to national economic and fiscal life had meant repression by capital and the state so severe that maintenance of enduring organizations at the plant level in the nitrate zone had been impossible. Socialists understood by second nature how cyclical fluctuations in the nitrate economy created national problems of inflation and unemployment, how foreign ownership deprived the whole people of Chile of the wealth labor produced in the nation's most important industry. Labor leaders and organizers in the nitrate zone, like the nomadic labor force they appealed to, had built personal and political communications networks all over northern and central Chile. In the first years of the twentieth century these contacts were expanded south to the coal-producing zone, and further, to the militant enclaves of sheep-herders and meat-packers in the distant south.

The vehicle chosen by socialists to institutionalize themselves nationally was the Gran Federación de Obreros de Chile. That timid, reformist organization, founded by railroad workers in 1909, enjoyed the toleration of government officials and possessed the rudiments of a decentralized national organization. Growing militance among rank-and-file workers, especially in the regional section in Valparaíso, had led to a bitter strike and a change in national leadership in 1916. The next year, the FOCh held its first national convention since its founding and opened its ranks to all workers. Socialist delegates enlisted the scores of worker organizations they controlled. Steadily, over the course of the next two years, the FOCh was transformed into a militant, revolutionary labor organization, the most powerful labor central in the country. This accomplishment, complete by the end of 1919, was made possible by the numerical strength and national importance of the working-class organizations in the nitrate zone led by the socialists, by the contacts, organizational skill, and national prominence of the socialists' leadership, and by the logical appeal of the socialists' ideological and political position.

At the December, 1921, FOCh convention held at Rancagua, near the huge new American-owned copper mine El Teniente, socialists voted to affiliate the FOCh with the Red International and to tie its membership politically to the socialist party, the Partido Obrero Socialista. The next month, socialists voted to change their party's name to the Communist Party of Chile and join the Third International. Affiliation with the international communist movement caused some dissent, especially from reformist elements within the FOCh. But given the ideological trajectory of the socialists, and the enormous prestige of the Soviet experiment at the time, it was probably inevitable. The most serious defector from the FOCh was the organization of railroad workers, but even

these skilled and better-paid workers sought affiliation with the Red International after the split.⁴⁹

In the changing economic and political climate of the postwar period radical labor organizations pursued a variety of tactics to expand their influence and consolidate and defend their economic and organizational gains. During the period of booming nitrate exports and high employment immediately following the war, militant labor organizations concentrated on job actions and organization within the working class itself. De Shazo found that in contrast to the earlier periods he studied a greater percentage of these strikes were successful. He also discovered that at this time strike demands were much more likely than in earlier years to center on measures to establish and protect labor organizations and control the work environment. At the same time, radical elements within the labor movement began to forge contacts with other urban groups, especially those who were hurt by the economic dislocation of the postwar period and were potentially sympathetic to leftist ideological currents.

This second strategy became more important after 1919 as the nitrate economy turned down and the postwar depression began in earnest in 1921. Spreading unemployment in the private sector and cutbacks in public spending not only eroded the bargaining position of industrial workers, but threatened white-collar workers and professionals as well. Price inflation, stimulated by government advances of paper credit to nitrate producers and emissions of paper pesos to make up in part for lost nitrate revenues, hurt all consumers.⁵⁰ At the end of 1919, on the initiative of the FOCh, organized workers mobilized a broad coalition of urban groups in an effort to pressure the government to reduce food prices and enact tax and educational reforms. These issues were vital to a large spectrum of urban groups who joined in massive street demonstrations of 60,000 to 100,000 people in Santiago in late 1919 and mid-1920. If the immediate demands of these coalitions were moderate, the analysis of the situation provided by the anticapitalist orators who addressed the crowds were not. Meanwhile, white-collar workers and students were organizing and becoming more militant themselves. Teachers established a union as early as 1918 and radical students with ties to anarchists and the IWW organized in Santiago in 1919.

Into this volatile situation streamed thousands of unemployed nitrate workers in 1921. Faced with the growing threat posed by masses of unemployed workers in the north, the government rented warehouses and established hostels in the nitrate ports and Santiago and transported thousands of workers south. During 1921 and 1922, according to De Shazo, there were 20,000 unemployed nitrate workers and their families in hostels in Santiago. The FOCh organized these workers into unions, and despite the best efforts of government officials and police--and reports by government spies within the hostels--unemployed nitrate workers served as mobile shock troops for strike actions and the protest rallies of the period.

Although activities of this kind spread the radical vision of anarchists, wobblies, and socialists to other sectors of the working class and to elements of urban middle groups, the deepening of the depression and growing public and private repression gradually mined the strength of working-class institutions. Congress passed a residency law in 1919 which enabled government officials to deny entry to or expel foreign radicals. Since there were few such people in Chile, the government relied primarily on police actions, state-of-seige powers, and private paramilitary groups on the right to jail labor activists, break strikes, silence the working-class press, and terrorize workers and students.

Meanwhile, labor organizations tried valiantly and creatively to defend workers' jobs and preserve their institutions. A huge port strike in Valparaíso to maintain an innovative work-sharing system devised by the IWW-affiliated union was finally broken by scab labor and government repression. A protracted, intermittent coal strike to avoid pay cuts and massive layoffs in an industry deeply affected by the downturn in purchases by nitrate oficinas and by other sectors of the economy, was supported by FOCh revenues and a general solidarity strike, but ultimately ended in failure. Nitrate workers laid off at oficina San Gregorio in 1921 refused management's offer of one-day's pay and passage south and declared they would run the oficina themselves. When police attempted to eject them, they killed the manager and frightened off the police with dynamite. Two days later, a full-scale military operation launched from the coast forced their submission. They were robbed by the troops and 130 were bound and dragged across the pampa to jail in Iquique.

The repression eventually broke the postwar strike wave and temporarily shattered workers' organizations. But with the upswing in the economy in 1923 workers began to mobilize in the work place and the streets once more. Dues-paying members of the FOCh doubled to more than 10,000 between 1923 and 1925 and the number of workers it led and influenced was several times that number. Anarchist and IWW unions and influence, especially that of the latter, also expanded, although their effective memberships were certainly smaller than that of the FOCh. Strike activity revived from the nadir of 1922 to reach unprecedented levels by 1925. The Office of Labor counted 19 strikes in the former year, 86 in 1924, 114 in 1925.

Judging from its strength and activities in the nitrate zone, the labor movement was stronger in 1924-25 than it was even in the immediate postwar period. Large-scale mobilization and a strike wave in the north in March resulted in the first collective contract in the nitrate industry. It included significant improvements in hours and pay, established severance conditions highly favorable to workers, and recognized the FOCh as the legal representative of nitrate workers. For the first time labor unions won the right to hold meetings within the nitrate oficinas.⁵¹

Meanwhile, the ideological influence of radical labor organizations was spreading. White-collar workers in private industry, who first organized in the north, held a national convention in 1924 and adopted statutes which defined themselves as a "salaried class" and called for the nationalization of commerce and industry.⁵² One passage of that document reveals the clear influence of Marxist ideas:

Labor is the base of capital; the emancipation of employees must be the work of employees themselves; physical and mental work should not be a simple commodity; the exploitation of man by man is a crime....⁵³

Even organizations of medical doctors and school teachers, whose formal statutes were not radical, occasionally revealed "tendencies opposed to the present organization [of society]," the head of the Chilean Labor Office wrote in 1926.

During the mid-1920s, the political influence of the Communist Party expanded dramatically. The party helped to organize a coalition of working-class and middle-sector groups in a National Assembly of Wage Earners to contest the presidential election of 1926. Its progressive platform called for quite radical social and economic reforms in the short run and contemplated as a future goal the socialization of the means of production and exchange. The coalition's candidate, a military medical doctor, captured 30 percent of the vote. That portion, as Valenzuela notes, was almost the share won by similar leftist coalitions until the 1970s. In the congressional elections held the same year the Communist Party elected five deputies and one senator.

Faced with seemingly chronic economic disruption and threats to capitalist control in the work place, confronted with a growing challenge to its ideological and political hegemony and means of social control, the Chilean ruling class cast about for effective solutions to worker insurgency in the early 1920s. Capitalists organized themselves more effectively on the economic front by establishing an Asociación del Trabajo de Chile in 1921 to coordinate resistance and propaganda against radical labor. Government tolerated the activities of anti-labor paramilitary groups. The repressive apparatus of the state was beefed up and its legal powers extended.

But simple repression had its limits. When it had to be used repeatedly on as broad a scale as it was in Chile in the postwar period, repression undermined the legitimacy of class rule at home and tarnished the carefully constructed image of Chile as a progressive, stable society abroad. By the 1920s some elements of established groups began to contemplate dealing with the labor problem through reform. Some members of the traditional parties advocated new laws designed to tame the classist thrust of organized labor through material concessions and institutions of control managed by the state. Others sought to accomplish the same end by working through new reformist parties which appealed to, and won support

from, the growing middle class and labor.⁵⁴ The most important of these new parties was the "Liberal Alliance" led by Arturo Alessandri. It managed to gain control of the lower house in congress for a time in 1918 and win the presidency after a violent, popular campaign in 1920. Alessandri, dubbed the "Lion of Tarapacá" by supporters disproportionately drawn from the nitrate provinces, made concerted appeals to workers during the campaign of 1920. If the small number of workers who voted did not make the difference in his narrow and fiercely disputed electoral victory, street demonstrations in his favor probably assured his inauguration. Alessandri made labor reform an important part of his campaign and in 1921 he introduced a comprehensive package of labor legislation to the congress.

Alessandri's labor reform, like most of his economic and social initiatives, was opposed and stymied in the congress by conservative elements both within his own party coalition and in the conservative parties which opposed him. Conservatives themselves had become alarmed by the strike wave and the growing influence of anticapitalist ideologies within the working class in the years following the war. In 1919, at the zenith of the postwar labor mobilization, they had introduced a package of labor reforms of their own.

The conservative and liberal proposals for labor reform both sought to limit the economic power, organizational autonomy, and revolutionary political potential of organized labor in Chile. Both tried to do so by granting labor certain economic and organizational concessions. For example, both outlined codes to improve working conditions, envisioned profit sharing, and granted labor the legal right to organize and to strike. Both sought to institutionalize labor conflict through schemes of conciliation and arbitration. Both would bring labor organizations under the close supervision and control of the state through systems of inspection, legal constraints on the use of union funds, and carefully circumscribed conditions under which strikes could occur.

Yet the means each chose to achieve these common goals were philosophically distinct and programmatically different.⁵⁵ The conservative proposal was inspired by Catholic, corporatist philosophy and blatantly favored capital. Unions would be corporate entities formed in each separate company and could participate in profits. Once a certain proportion of workers in a given establishment voted to form a union, membership would be obligatory for all. Voting for union officers would be weighted, with employees of long standing having twice as many votes as new employees. Conciliation, performed by a panel of two representatives from labor and three from capital, would also be obligatory, as would arbitration in the event workers rejected the conciliatory compromise and chose to strike. Arbitration, performed by a government body, would be final. Workers who did not accept the outcome would be fired without indemnification. A capitalist who did not accept the outcome could be punished, but if he thought the settlement was economically prejudicial to his activities he could ignore it and lock workers out. The president of the nation could dissolve any union guilty of infringing on the right to work or of altering the public order.

The liberal proposal was more subtle, and more favorable to labor. It combined individualist and statist principles in ways symptomatic of the philosophical transformation through which nineteenth-century liberalism responded to twentieth-century social pressures. Membership in unions was to be voluntary. A union could be formed either by workers or by employees doing similar or related tasks. Federations of unions could be formed and could engage in collective bargaining. Public employees, however, could not organize unions. Leaders would be elected by two-thirds vote of the membership. Unions could be dissolved by the president for the same reasons established in the conservative proposal. Profit-sharing benefits would go to individuals, not to the union. Conciliation and arbitration procedures were voluntary. For a strike to be legal, the union had to go through a protracted procedure of meeting, considering, and rejecting mediation and arbitration alternatives.

Many observers have commented on the hybrid nature of the composite labor reform which was hammered out by a special congressional committee in late 1921 and finally made into law under pressure by the military in September, 1924. It is true that the result contained both corporatist and liberal features, but what is most striking is how it faithfully combined the most viable restrictive features of each of the original proposals. Thus, the corporate features of obligatory unionism, weighted voting by workers with seniority, compulsory arbitration, and the prohibition on industry-wide federations in the conservative proposal were combined with the ban on public employee unionization, division of workers into separate industrial and employee unions, and meticulous state control of union elections, finances, and strike procedures drawn from the liberal proposal.

However onerous the economic and political controls on labor established in the compromise labor reform (some of which would backfire and redound to the organizational purposes of the radical left in subsequent years) this legislation entailed concessions to labor which individual capitalists and their interest groups were loathe to make and risks which they were adverse to take. Congress debated the issue, turned the proposals over to committee, and failed to take action. The repression and depression of 1921-23 seemed to have broken the back of radical labor organization. But the renewed militance of labor and the need to apply repression once more brought the issue of labor reform to the fore once more in 1924. Congress once again proved unable or unwilling to act on the labor bill and other complementary reforms, including a bill designed to blunt the growing militance of white-collar workers by extending them a series of social welfare measures. Finally, in September, 1924, the military intervened and pushed the labor legislation through congress.

The motives of the military officers who intervened in politics in 1924 and gradually, under the leadership of Carlos Ibáñez, consolidated control of the Chilean government after 1925 were

complex. They sought individual promotions and better pay, modern equipment, and more prestige for the military. They were appalled by the corruption and inefficiency of the Chilean political system. Most fundamentally, they were alarmed by the repressive role they were forced to play in maintaining that system and feared that militant, classist worker organizations threatened to destroy the Chilean social system and the military's monopoly of force. By the mid-twenties, wrote one general loyal to Ibáñez at the close of the nitrate era, communist influence, especially in the nitrate zone, had succeeded in perverting

the consciousness of all workers, awakening in them feelings of greed and vengeance, stirring the lower instincts of the popular masses.... [T]he Chilean proletariat was on the verge of rising up, like the Russian, to destroy through blood and violence the social system of the Republic.⁵⁶

It is symptomatic of the collective concerns of the military that it was Carlos Ibáñez who consolidated political control within the military movement after 1925. Ibáñez was intimately aware of the problem of internal labor control. He had headed the School for Carabineros in 1918 and left that post to serve as Prefect of Iquique in 1919-1920. There he was forced to contend with classist labor in the heart of the nitrate zone during the tumultuous labor mobilization of the postwar years.⁵⁷

Neither labor nor capital was happy with the labor legislation imposed on them by the military in 1924, and most of the reforms remained a dead letter for several years. Anarchists denounced the whole idea of institutionalizing the labor movement within the apparatus of the capitalist state. But Communists who controlled the FOCh counseled labor militants to take advantage of the benefits of the law and work to change or abolish the negative features of the reform.⁵⁸ The benefits included the legal commitment to better working conditions, the legal right to organize unions and to strike, the possibility of a dues checkoff system and a union share of profits of the firm. Reflecting in 1926 on the attitudes of capital and labor toward the new legislation, the head of the Labor Office claimed that owners were beginning to recognize the necessity of labor organization. There is an appreciable element, he wrote, in favor of the new social laws, "especially the industrial union, which eliminates, within industry, free, semi-revolutionary unions." At the same time, he noted, the attitude of workers was "curious." They continued to belong to their semi-revolutionary unions, but, at the same time, called for legal unions to get the benefits of the new legislation. By 1926, he said, 200 of the new unions had been organized.⁵⁹

Proponents of the labor legislation had assumed that the FOCh would oppose the legislation. Instead, the Communist Party forged alliances with groups of private employees to pressure for implementation of selective aspects of the new laws. The mobilization

and electoral successes which followed help to explain the increasingly repressive stance of the military-dominated governments beginning in mid-1925. During the next two years, as control of the government passed more fully into the authoritarian military hands of Ibáñez, the repression of workers and their militant organizations by army troops and police grew steadily more systematic and thorough.

This offensive against classist labor, the most savage and effective yet seen in Chile, was kicked off in the nitrate zone in June, 1925.⁶⁰ There workers organized by the FOCh threatened to halt production if the terms of the collective contract signed three months earlier were not implemented. Owners reacted with massive layoffs of militant workers. Faced with the likelihood of another general strike in the nitrate zone, the government opted for repression. A full-scale military operation was launched against militant workers at La Coruña on June 4, 1925. Estimates of the number of workers killed in this last of the great nitrate-worker massacres and the general repression which followed run into the hundreds. Hundreds more, most of them anarchist and communist militants, were jailed or exiled, many of them to Chile's remote Pacific islands.

In the years that followed, Ibáñez sought to implement the new labor legislation through formal corporatist means. He created a pro-government labor central, installed friends in the labor movement in the leadership positions of government-controlled unions, and attempted to insure the loyalty of the leadership and rank and file by extending them palpable material benefits. Compared to the scope of similar efforts made by Perón in Argentina 20 years later, Ibáñez' efforts seem modest and half-hearted.⁶¹ But in the environment of political repression and economic expansion underwritten by foreign loans (which made United States' investment in Chile greater than in any South American country by 1930), Ibáñez' labor policy seemed to be effective. By 1928 the left was broken, its once powerful union and political organizations virtually destroyed. Few could have predicted that within a decade the left would build a successor to the FOCh, more powerful than its predecessor, construct two mass-based Marxist parties far more influential than the Communist Party in the mid-twenties, and enter into the left-center coalition called the Popular Front which won control of the national government in 1938.

The Paradox of Modern Chilean History

Review of the labor reform proposals of the 1920s--and the tumultuous twelve-year period from 1919 to 1932 in which they were drafted, fused, enacted, and enforced--reveals how the postwar insurgency of Chilean labor forced the ruling class to grant painful concessions and redefine the channels and limits of class struggle. That process involved a total breakdown of Chile's "democratic" political system, the writing of a new constitution which greatly strengthened executive power, and the creation of a

series of new labor institutions. Within the boundaries of this new institutional order, the four decades of Chilean history which culminated in 1973 were played out. The struggle between capital and labor codified in the labor legislation of the 1920s resulted in a historic compromise neither side could fully control and whose consequences neither could fully predict. Although each side was able to turn parts of the settlement to its class advantage, each was compromised in ways that only became clear much, much later.

Two main trends define the four decades of Chilean economic history after 1930, each deeply influenced by changes in an evolving world capitalist system.⁶² First, worldwide depression and war destroyed the nitrate economy which had propelled Chilean development for a half century, then helped consolidate in its stead a new, and structurally similar mineral export economy, copper. Second, the breakdown in the international division of labor, 1930-45, stimulated the process of domestic industrialization in Chile. By the end of the period manufacturing had become the most important sector of the national economy. Both of these changes occurred within a context of agricultural stagnation, a feature of the Chilean economy which dates from the 1920s, if not earlier. During the first two decades of the period, or until about 1950, the value of export and manufacturing production rebounded from the nadir of the depression. By 1950 per capita production and consumption finally surpassed the level reached in the late 1920s. During the next two decades, 1950-1970, as population continued to grow, the whole economy stagnated. Copper exports leveled off, and growth in manufacturing was slight. These trends revealed the inability of the Chilean economy to respond favorably to a new phase in the evolution of the world capitalist system.⁶³ In the post-World War II period, the world economy entered into an unprecedented era of expansion led by United States capital. A new and more complex international division of labor emerged. As multinational manufacturing corporations established branch plants in peripheral economies to supply consumer goods to the domestic market, primary exports continued to provide the foreign exchange to purchase imports of capital goods, technology, industrial raw materials, and food. Primary exports also underwrote the service on the large foreign loans peripheral economies needed to cover chronic balance-of-payments deficits and to provide material and human infrastructure for the deepening process of capitalist development. Finally, primary exports continued to generate a large share of public revenues which allowed government to expand to coordinate an increasingly complex economy and provide social services to an ever more urban, and organized, civil society.

The four decades after 1930 also define a complete historical period in the evolution of the Chilean labor movement. The whole era is characterized by the resurgence of classist labor organizations and by the growing electoral success of the parties of the Marxist left. These political trends were molded by changing political and ideological currents within the larger world system.

As in the economic sphere, they developed in two distinct phases, separated by a historical watershed at mid-century.

In the first phase, labor organization expanded under the restraints and opportunities of the complex institutional framework set up in the 1920s. By and large, the legislation proved effective in curbing the economic power of Chilean labor. This was accomplished, primarily, by the features of the laws which restricted organization and collective bargaining to the level of individual companies, separated blue- and white-collar workers into distinct kinds of unions, and limited the legal use of the strike. Weakness in the private economic sphere impelled labor to seek redress in the public political sphere, a strategy made increasingly viable by the national electoral gains of leftist parties sympathetic to the interests of organized labor. At the same time, in the face of organized groups of committed Marxists within the labor movement, several of the corporatist features of the labor legislation were used by the left to broaden the organizational base of labor and insure the control of unions by Marxists. Compulsory unionization (once 55 percent of the work force in a given plant voted in favor), dues check off, and profit sharing aided organization. Bloc and weighted voting for leadership positions favored control of unions by organized, disciplined groups of workers. These organizational and political gains of labor and the left proceeded at some cost to the militance of leaders and rank and file. Commitment to the complex system of industrial relations socialized workers into a vast and bureaucratic system of labor law, procedures, and institutions. Successful manipulation of this system required detailed knowledge of the law, patience, tact. Those demands sapped the energies and resources of unions, impelled them into dependence on expertise supplied by middle-class professionals of the Marxist parties, and selected for a kind and style of leadership which proved resistant to innovation (such as worker control) when opportunities finally arose under the Marxist government which came to power in 1970.⁶⁴

Meanwhile, consistent with larger geopolitical and ideological trends in the world after 1930, the Marxist parties allied themselves electorally with elements of the national bourgeoisie and the middle classes. The program of this Popular Front coalition and its immediate successors revolved around state support for industrial growth and expansion of social services. For a decade after 1938, Marxist parties enjoyed a minority share of government power. Initially, they were able to use this access to the state to expand the institutional base of organized labor and to promote both national industrial development and the material well-being of their urban working- and middle-class constituency. The number of unions expanded from about 635 to 1,880 between 1935 and 1940 while their membership went from 78,000 to 162,000 in the same period. In 1939 the Popular Front managed to establish a state development corporation, CORFO, to coordinate and promote economic development. CORFO was planned and supported by the left, but the original idea of promoting heavy industry and funding the agency

through copper taxes was diluted by United States' opposition and financing through the Export-Import Bank. Government support for higher wages and extension of social services for urban groups helped expand the internal market for national industry during the early 1940s.

The Marxist parties accomplished these goals at great ideological, political, and economic cost, however. As they competed with each other, compromised in coalition politics, adopted clientelist electoral methods, and succumbed to the attraction of government jobs, they compromised their revolutionary credentials and appeal. They began by sacrificing the organizational and material interests of rural workers (at that time still the largest element in the Chilean working class). In 1939, under pressure from their conservative senior partners in the electoral coalition, they halted a major organizational drive in the countryside. They ended by compromising the material interests of their own electoral base as income distribution worsened in the 1940s. This phase culminated with the postwar worldwide capitalist ideological and political offensive against organized labor and the left. That campaign split the Marxist labor and political institutions in Chile and ended with the systematic repression of the Communist Party.⁶⁵

During the second period, the left rebuilt its institutional bases and recaptured its revolutionary ideological and political trajectory. It qualified its commitment to the legal strictures of the labor relations system. Illegal strikes far outnumbered legal ones. Many public employees were organized in defiance of the law. The left retained its commitment to industrialization and an electoral road to socialism. But it eschewed fundamental compromise with the dominant sectors of the capitalist system. It moved vigorously to organize the rural working class and began to stress the importance of agricultural transformation to achieve its developmentalist and redistributive goals.

The new militance of the left precluded vigorous dependent capitalist development paced by foreign investment in Chile after 1950. The United States-owned copper companies, faced with militant Marxist unions which constantly escalated demands for wage and fringe benefits, and confronted by ever higher levels of direct and indirect state taxation, insisted on a "new deal" for big copper as a condition for new investment. Government policies to lighten the tax burden on copper companies became an explosive public issue in the 1950s. As pressure from the left for nationalization of the industry increased in the 1960s, the copper companies proved willing to divest under generous government offers for joint public-private control or "Chileanization." Meanwhile, the industrial sector of the economy stagnated as well. The left mobilized massive demonstrations and general strikes to protect or increase workers' real wages in a stagnant, inflationary economy and to resist policies dictated by international monetary organizations as conditions for new foreign loans. Under a withering political

and ideological offensive by the left against capitalism in general, and foreign capitalists in particular, investors took their money elsewhere.⁶⁶

As the militance of organized labor and the Marxist parties jeopardized dependent capitalist development, it won increased support for their policies among workers and the electorate. During the 1960s, Marxists pushed the entire spectrum of Chilean politics further to the left. In 1970 they dominated the Popular Unity coalition which managed to elect Socialist Salvador Allende to the presidency. That victory allowed them to implement many aspects of the statist, nationalist, and social welfare program first formulated in the 1930s. They encouraged unionization, presided over a significant rise in real wages, and greatly expanded some social services. They nationalized the mineral export sector, the large manufacturing firms, and the banks. These measures initially stimulated production and greatly increased the material well-being of the bulk of the Chilean people. But increased demand outran the productive capacity of the nation as domestic and foreign capitalists divested or sabotaged production, and worker demands for wage hikes, control over the work process, and access to the land disrupted production. As problems of distribution and inflation eroded the government's popular support, it found itself besieged by the right, wracked by internal division, and stymied by constitutional, legislative, and judicial constraints on its initiatives.⁶⁷ But the majority of the Marxist leadership clung to the precepts of constitutional legality until the end. Their class antagonists did not. The government was overthrown by a military coup backed by elements of all the non-Marxist parties, foreign and domestic capitalists, the United States government, and a large part of the Chilean middle class in September, 1973. In this tragic way four decades of Chilean history seemed to end where they began under the government of Carlos Ibáñez: in military dictatorship, savage repression of the left, and a return to the economic and social policies of orthodox liberalism.

Review of economic and political trends since 1930 thus unveils a central paradox of modern Chilean history. It was the very strength of classist labor and the left which spawned and nourished its great weakness: the commitment to a bourgeois legal and institutional order and the belief in an electoral road to socialism. The terms of the paradox were framed by the human forces called forth by export structure. The nitrate economy enabled workers in export production to forge an autonomous, classist vision of the world they lived in. At the same time it made the vision compelling to many other groups in Chilean society. It was the appeal of that vision, embodied in a powerful insurgent labor movement, which forced major concessions from capital and a restructuring of the political institutions of the nation in 1924-25. During the next half century classist labor and the Marxist left engaged all their energies to turn that historic compromise to the advantage of the working class. They persisted in this formidable endeavor because, despite the compromises and the setbacks, they were successful at it.

The success of classist labor and the Marxist left after 1930 hinged on their ability to turn post-1930 economic and political trends to the organizational and ideological advantage of the working class. When collapse of the nitrate economy after 1930 plunged Chile into a depression more serious than that suffered by any nation in the hemisphere,⁶⁸ the left was able to mount a telling ideological and political offensive against the hegemony of liberal thought and the legitimacy of the traditional parties. By 1932, as Paul Drake has so persuasively and thoroughly documented, the whole Chilean body politic began a fundamental shift to the left. Even Conservative, Liberal, and Radical party leaders proclaimed their "socialism," a term they used vaguely and indiscriminately to express the bankruptcy of liberal thought and policies in dealing with the crisis, and a general commitment to principles of statism, economic nationalism, and social welfare they adapted from the philosophy and program of the left. Meanwhile, middle-class activists and intellectuals founded new "socialist" parties of the left and right which coalesced in 1933 in a new political party destined to play a major role in subsequent Chilean history. The Socialist Party adopted an explicitly Marxist ideology and a radical program of economic nationalism and social reform, although, as Drake has shown, strong corporatist ideological currents, and "populist" styles and strategies characterized the party's leadership through the 1940s. Beginning as a middle-class movement with significant support in the military, the Socialist Party expanded its working-class base by capturing many of the struggling legal unions set up under Ibáñez, and by attracting anarchist and left-wing communist labor leaders into its fold. After 1950, the party overcame the corporatist reformist elements within it and adopted a more consistent Marxist stance which often placed it to the left of the Communist Party.

The collapse of the nitrate export economy dealt a final radicalizing blow to the Chilean labor movement. It undermined the legitimacy and viability of the legal, corporatist unions Ibáñez had coddled. It cast thousands of radicalized miners into the volatile ranks of the working- and middle-class unemployed in central Chile. Given the disarray with which the FOCh and its classist unions emerged from the repression of the dictatorship--and the desperate economic straits in which workers found themselves--organized labor played little direct role in the tumultuous political events (which included a short-lived Socialist Republic) of the early 1930s. Once economic recovery began, however, labor organizations quickly revived, and workers trusted the leadership positions of the vast majority of them to Marxist militants.

Recovery from the depression, well on the way by 1935, was paced by expansion of copper exports and the manufacturing sector. The first of these developments reinforced the radical ideological and institutional legacy of the nitrate era, the second greatly expanded the importance of urban industrial workers in national economic and political life.

In many important respects, the copper industry was similar, structurally, to the nitrate export economy. Very capital-intensive and dependent on a highly sophisticated technology to process low-grade ores, the Chilean copper industry was even more completely dominated by foreign capital than nitrate production had been. It was also much more concentrated. In the decades following 1930 three United States-owned mines accounted for about 90 percent of Chilean copper exports. In the same period, copper exports furnished more than half of Chile's foreign exchange and, directly or indirectly, about one-fourth of government revenue. Although copper workers organized into powerful, Marxist-led unions by the late 1930s and played an important role in the labor movement and the political life of the nation, Marxists used the radicalizing influence of the copper export economy most effectively in their appeals to other social groups.

The copper export economy, even more than the nitrate economy, was a foreign-owned, extractive mineral enclave. It exploited and exported an exhaustible natural resource. It exercised little positive, direct influence on the process of economic development. Because of its capital-intensive nature, foreign ownership, and relatively small labor force, it fostered neither capital accumulation nor economic diversification in Chile. Those goals were achieved through harnessing the earnings of the industry through schemes of government taxation generated by leftist-influenced political coalitions. As foreign capital reacted to these impositions on its profits by curtailing investment and demanding economic concessions from Chile's governments, the nationalist, socialist solution to the crisis of Chilean development proposed since the 1920s by the Marxist left grew more logical and attractive to a broad spectrum of Chilean society.

These ideological and political trends were stimulated by the growth of the manufacturing sector after 1930 and its stagnation after 1950. The Marxist left took advantage of these developments to broaden, deepen, and radicalize the organized labor movement. Whereas the FOCh in the 1920s organized and united nitrate and transport workers in the export sector, successive stages of labor unity and strength first brought manufacturing and finally white-collar workers into the organized labor movement. Thus the CTCh (Confederación de Trabajadores Chilenos) linked mining and transport workers with labor in the growing manufacturing sector in the late 1930s and 1940s. Finally, the CUTCh (Central Unica de Trabajadores de Chile), founded in 1953, brought in many white-collar unions (especially from the public sector), expanded organization in mining and manufacturing, and by the 1960s moved to incorporate agricultural workers.

The organizational success of Chilean labor after 1950, like the electoral gains of the Marxist parties, was fostered by the failure of the export economy to promote capitalist expansion and economic development even indirectly. As export production stagnated, and the limits of import-substituting industrialization

were reached--processes which directly reflected the strength and radical classist stance of organized labor and the left--more and more social groups were predisposed to share the Marxist vision of national problems. These perceptions were strengthened by growing foreign control of the manufacturing sector of the Chilean economy after 1950. As a result, when the Popular Unity government proposed nationalization of the copper industry as a first step to recover national control over the economy and foster economic development, so great and wide was the consensus in support of the plan that not a single senator in a chamber still dominated by non-Marxist parties dared register a negative vote. And when Popular Unity proceeded to nationalize a substantial part of the manufacturing sector, it enjoyed wide popular support.

In these ways, after 1930, the left succeeded in manipulating the institutional compromises and concessions of the 1920s to the political advantage of the working class. As it did so it undermined the hegemony of liberal economic thought and undercut the potential for dependent capitalist development in Chile. But it accomplished this feat at the expense of reinforcing the legitimacy of Chile's liberal democratic political system. After 1970 the left moved to consolidate control over the economic and political life of the nation, and seemed certain of turning the historical compromise of 1924-25 to the full advantage of workers. In doing so, it forced capital to jettison the liberal political system and institutions which, in the absence of sustained capitalist development, were the major source of ruling-class legitimacy.

In failing, then, the Chilean working class and the left took a momentous, albeit uncertain, step toward the goal of social transformation envisioned by small groups of militant nitrate workers in the early years of the century. In September 1973, the great paradox of the development of the Chilean labor movement was starkly and tragically revealed. But it was also eliminated. If the central weakness of the Chilean left led it into a suicidal trap in that year, the structural reasons for the left's great historical strength remain largely intact. Although the copper export economy continues in the hands of the state, foreign control of the Chilean economy, especially over nontraditional exports, manufacturing, and banking, has increased.

In the 1980s, the fate of the Chilean left will depend, as it has in the past, on its ability to use the powerful cultural and institutional legacy bequeathed by workers in the nitrate era to mold domestic economic and political forces to the advantage of the great majority of the Chilean people. Success in that great project will depend in large part, as it has in the past, on the health and structural tendencies of the world capitalist system. At the start of the 1980s the health of that system is in serious doubt, while structural trends threaten to turn much of the Chilean economy into a foreign-owned economic enterprise analogous in many ways to the mineral enclaves of the past. It is in this sense that, although presentists and pessimists predict a bleak future for the socialist project of the Chilean working class and the parties of the left, students of the history of the Chilean labor movement in the context of a world economic system can allow themselves to be much more optimistic.

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¹In more vulgar cultural-racial interpretations, nineteenth-century Chilean political stability, economic growth, and military success are the result of a felicitous mixture of selected regional varieties of Spanish blood and culture, a sparse and proud Araucanian Indian population, and the vigorous genes and world view of northern European immigrants. The biocultural offspring of this happy marriage became the "Prussians" or the "English" of South America.

²The point is not that there were no sectoral economic and ideological interests contending within this broader class framework. Issues like free trade, centralism, and the role of the Church divided the social elite into parties and precipitated several attempts to bypass constitutional and political norms to impose programs, and enjoy the spoils of the state. But these divisions were neither as sharp, nor their partisans as desperate, as in other Latin American countries. Political debate developed within a broader and deeper elite consensus in Chile, a consensus backed by the greater legitimacy and coercive capability of the state. Each of these distinguishing political characteristics was fostered and maintained by a viable export economy.

³Javier Gandarillas y Orlando Ghigliotto Salas, eds. and trs., La industria del salitre en Chile por Semper i Michels (Santiago, 1908). The Chilean editors translated and augmented this detailed and lavishly illustrated report by two scientists sent to Chile in 1903 under the auspices of the German government and an organization of beet-sugar producers. The origins of nitrate production are thoroughly examined in the classic work by Oscar Bermúdez, Historia del salitre desde sus orígenes hasta la Guerra del Pacífico (Santiago, 1913).

⁴Mirko Lamer, The World Fertilizer Economy (Stanford, California, 1957), ch. 3.

⁵"Chile," in Roberto Cortes Conde and Stanley J. Stein, eds., Latin America: A Guide to Economic History, 1830-1930 (Berkeley, 1977), pp. 273-363; "Expansión salitrera y transformaciones socio-económicas en Chile: 1880-1930," unpublished manuscript. I wish to thank Mr. Sunkel for sending me this paper.

⁶Following the depression there was slow recovery in the industry. By the 1950s production again hit 2 million tons, the level first reached in 1908. But the nitrate economy after 1930 never regained its central role in Chilean economic development. Struggling to maintain its 5 percent share of the world fertilizer market, the industry could contribute relatively little, proportionately, to foreign trade and government revenue. Meanwhile mechanization cut its labor needs in half.

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⁷Cariola and Sunkel, "Expansión salitrera," Cuadro 16 charts Chile's declining share of the world nitrate fertilizer market, 1913-1924. Lamer, World Fertilizer Market, p. 38, describes the changing technology of artificial fertilizer production.

⁸Prices for Chilean nitrates closely paralleled changes in world demand. Except for exceptionally high prices at the end of World War I, nitrate prices fluctuated between 40 and 90 U.S. 1960 dollars per metric ton. The all-time high was 144 dollars in 1920. Cariola and Sunkel, "Expansión salitrera," Cuadro 9.

⁹Albert O. Hirschman first challenged the orthodoxy that chronic inflation in Chile during the nitrate era was a result of the single-minded policy of landowners in control of the state; "Inflation in Chile," in his Journeys Toward Progress (Garden City, N.Y., 1965), pp. 215-296.

¹⁰Manuel Salas Lavaqui, Trabajos y antecedentes presentados al supremo gobierno de Chile por la comisión consultativa del Norte (Santiago, 1908), p. 606. Payments for nitrate lands acquisition appear as extraordinary revenue in Chilean budget accounts; extraordinary revenue fluctuated widely from year to year, ranging from virtually nothing to more than half of ordinary government revenues.

¹¹The value of Chilean exports expanded from 81 to 525 million pesos (18 d) between 1890 and 1920 and nitrate exports accounted for between 60 percent and 80 percent by value of these exports during the same period. The data on government revenue in these paragraphs are taken from Cariola and Sunkel, "Expansión salitrera," Cuadros 6, 7, 22, 25, and 26.

¹²Brian Loveman, Chile (New York, 1979), p. 230. The best single volume on Chilean history, the book contains an excellent survey of the nitrate era.

¹³Cariola and Sunkel, "Expansión salitrera," Cuadro 2.

¹⁴The direct stimulus of the nitrate zone on domestic coal production was not great. Nitrate carriers often used coal for ballast on the return trip from Europe. In the early twentieth century about one-fifth of the coal consumed in the north was Chilean. It was of lower quality and usually mixed with imported coal. As the century progressed, imported oil steadily replaced coal in the nitrate zone.

¹⁵Industrial Development in a Traditional Society (Gainesville, Florida, 1977).

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¹⁶I have deleted from this discussion Kirsch's unwarranted emphasis on the cultural defects of Chilean capitalists to explain this dynamic. In fact, his data and analysis show that foreign entrepreneurs acted like Chilean ones. Both responded to the profit maximization opportunities which control of the state afforded an economic elite constrained by the structural features of capital markets and consumer demand from following patterns of investment more common in the very different economies of the North Atlantic basin.

¹⁷This is Cariola's and Sunkel's estimate; "Expansión salitrera," p. 27.

¹⁸The Peruvian government, having almost exhausted the revenue-producing potential of its guano reserves, and hardpressed by its British creditors to service its public loans, had nationalized the oficinas within its borders. It had also signed a secret defense treaty with Bolivia, wary of the reaction of Chilean and British capitalists. These interests played an important role in the events which led to Chilean occupation of Iquique which triggered the war.

¹⁹This issue has generated much heat in Chilean historiography. A recent review of the debate, which develops the most common-sensical and persuasive explanation of the failure of Chilean capitalists to control the means of production in the nitrate enclave following the war, is Thomas O'Brien, "British Investors and the Decline of the Chilean Nitrate Entrepreneurs, 1870-1890" (unpub. Ph.D. diss., University of Connecticut, 1976).

²⁰Again, the predominance of foreign managers and technicians in industry is not surprising, nor is it a product of alleged Chilean cultural defects. It reflects the realities of the distribution of technical and commercial knowledge in a world capitalist system, characterized in this period by a stark division of labor into wealthy industrialized nations and underdeveloped producers of primary commodities. Toward the end of the period, Chilean managers and technicians became much more common in the oficinas.

²¹Arnold J. Bauer, Chilean Rural Society from the Spanish Conquest to 1930 (London, 1975). Nicolás Sánchez-Albornoz, The Population of Latin America (Berkeley, 1974), p. 200.

²²This excellent dissertation, a social history of nitrate labor, based on heretofore untapped company and government records, provides much statistical information on the recruitment and demography of the nitrate labor force, wages and prices in the north, and health facilities and housing on the nitrate pampa. I have relied on much of the information in this and the following section. The immigration policy of the Chilean government and the recruiting programs of nitrate companies are also treated in Miguel Monteón,

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"The Enganche in the Chilean Nitrate Sector," Latin American Perspectives 7:3 (Summer, 1979), 66-79. Monteón traces the response of organized workers to capitalist efforts to undermine labor unity and bargaining power by encouraging foreign and domestic immigration to the north.

²³The argument pursued here does not deny the importance of other sectors of the Chilean labor movement. Nor is it meant to slight the significance of earlier, nineteenth-century developments in working-class organization and attitudes. Rather, it calls attention to characteristics which distinguish Chilean labor history from that of other Latin American nations.

²⁴In addition to profits made at the company stores, use of scrip and the extension of credit made large shipments of cash to meet payrolls at isolated oficinas unnecessary. Deposits on tools, which usually amounted to more than a man's daily wage, could furnish, especially at large oficinas, important sums of interest-free operating capital. Finally, restrictions on commerce reduced contact by workers with peddlers and merchants in pampa towns. Oficina managers correctly denounced peddlers as sources of information on conditions at other oficinas and as conduits of radical ideas.

²⁵Sabella, Norte Grande.

²⁶Producers of over 1 million Spanish quintales accounted for 9 percent of total production in 1913, 30 percent in 1929. Producers of 1/2 to 1 million Spanish quintales accounted for 21 percent of total production in 1913, 37 percent in 1929. Meanwhile medium-size firms producing between 100,000 and 500,000 quintales accounted for 62 percent of total production in 1913, only 26 percent in 1929. Small producers contributed only 8 percent of production in the first year, 7 percent in the last. Stickell, "Immigration," pp. 221 and 249.

²⁷Vida de un comunista, pp. 38-39.

²⁸Ariel Dorfman provided me with this last shade of meaning.

²⁹Although descriptions of life and work on the nitrate pampa are many and varied, I found the following four previously cited sources most useful in preparing this section: the autobiography of Elías Lafertte; the meticulous manual for prospective nitrate entrepreneurs by Semper and Michels; the report of the congressional committee on conditions in the north edited by Salas Lavaqui; and the excellent unpublished dissertation by Stickell. I have also relied on another congressional report, that of the Comisión parlamentaria encargada de estudiar las necesidades de las provincias de Tarapacá y Antofagasta (Santiago, 1913).

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³⁰Semper and Michels explained: "Se rechazan de ordinario instalaciones mecánicas que economizan brazos, porque debido al alto precio del carbón, no se obtendría ninguna economía respecto al trabajo manual i porque en el Desierto las instalaciones complicadas pueden dar lugar a perturbaciones perjudiciales en la marcha del trabajo." They explained the labor intensivity of mining operations in the same way, adding that the extensive nature of the process and the often soft surface of the desert made movement of machines difficult, pp. 80-81, and 47.

³¹Bags of this average weight were used until the early twentieth century. Semper and Michels noted that to carry them, Chilean workers did not place them on their shoulders as European stevedores did. Rather, they bent over, had the bag placed on the small of their back, and held it as they walked with their arms thrown back. Part of the early organizational success of stevedores in Iquique, they went on, lay in the fact that few workers could handle the weight of nitrate bags. In the early twentieth century, under pressure of complaints by European consumers and regulations by the Chilean parliament, the weight of bags was reduced to 100 kilograms, La industria del salitre, p. 90. In 1904, however, a workers' committee complained to congressional investigators that no bags weighed less than 120 kilograms, some 150; Salas Lavaqui, Trabajos, p. 588.

³²Quoted in Stickell, "Immigration," pp. 295-96.

³³Salas Lavaqui, Trabajos, p. 865.

³⁴The mancomunal of Tocopilla provided care and treatment to injured and sick members in a facility of its own which contained "several beds" and handled around 10 in-patients a month in 1904.

³⁵I have relied in this section primarily on the following published works: Hernán Ramírez Necochea, Historia del movimiento obrero, siglo XIX (Santiago, 1956) and Origen y formación del Partido Comunista de Chile (Santiago, 1965); Julio César Jobet, "Movimiento Social Obrero," in Desarrollo de Chile en la primera mitad del siglo XX (Santiago, [1953]); Julio César Jobet, et al., Obras selectas de Luis Emilio Recabarren (Santiago, 1972); Luis Vitale, Historia del movimiento obrero (Santiago, 1972).

As noted in Chapter One, these studies, and others by these authors, are built on classical Marxist assumptions about the revolutionary trajectory of Chilean workers. These studies demonstrate the great influence of labor, especially nitrate workers, on twentieth-century Chilean history. But because their assumptions are largely borne out in Chilean history, and because their work does not concern itself with the very different pattern of other Latin American labor movements, they tend not to subject these assumptions to critical historical analysis.

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Three unpublished dissertations were also very helpful. Michael Patrick Monteón, "The Nitrate Miners and the Origins of the Chilean Left, 1880-1925" (Harvard University, 1974); Peter De Shazo, "Urban Workers and Labor Unions in Chile, 1902-1927" (University of Wisconsin, 1977); and J. Samuel Valenzuela, "Labor Movement Formation and Politics: The Chilean and French Cases in Comparative Perspective" (Columbia University, 1979). Monteón provides a narrative account of the period and on analytical questions he combines a strong emphasis on the traditional culture of Chilean elites and workers with a negative evaluation of the strategies and accomplishments of the Chilean left. De Shazo's primary research on anarchists in the labor movement in Santiago and Valparaíso serves as a corrective to accounts which exaggerate the role of nitrate workers and socialists within the labor movement of the period. Valenzuela's study involves an intelligent, sustained effort to explain the leftist drift of the labor movements in both France and Chile in terms of national political structures and Weberian organizational theory. All of these approaches are very different from mine.

³⁶"Las primeras luchas obreras en Chile y la Comuna de Iquique," in Torquato di Tella, ed., Estructuras sindicales (Buenos Aires, 1969), pp. 57-67.

³⁷These were part of the burden of the attacks on recabarrenismo made within the Chilean Communist Party in the mid-1920s. They also find their way into the conclusions of Monteón's dissertation, cited above.

³⁸Salas Lavaqui, Trabajos, p. 867.

³⁹Ibid., p. 652.

⁴⁰The same could be said of Recabarren's and other activists' dress, which Monteón criticizes. They did not dress as nitrate miners, but instead (with the partial exception of Lafertte, who confesses he had a weakness for fine hats) wore modest dark suits, symbols of education and culture. Anyone who has seen photographs of workers of the era during public demonstrations will know that those workers who could afford it dressed the same way on those occasions. To attempt to dress as a member of the educated middle class was to affirm one's dignity. Good sources for photographs of worker mobilizations in the north can be found in the collection "Nosotros los Chilenos," especially, Patricio Manns, Las grandes masacres (Santiago, 1972) and Mario Bahamond S., Pampinos y salitreros (Santiago, 1973). See also Enrique Reyes N., El desarrollo de la conciencia proletaria en Chile (el ciclo salitrero) (Santiago, n.d.).

⁴¹Stickell, "Immigration," Ch. IV, passim.

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⁴²Valenzuela, "Labor Movement."

⁴³The quotations from the Commission's report here and above are from pp. 81-82 and 137.

⁴⁴This is true despite the prohibition of pacts with "bourgeois" parties in the platform of the POS in 1912. Perhaps that ban was a vain attempt to stifle what was already a logical tendency, given the electoral strategy and ideological position on patriotism within the party.

⁴⁵Anarchist influence was much more enduring, especially among artisans, in the manufacturing establishments of Santiago. In several industries, most notably shoe manufacture, they were able to establish very effective organizations at the plant level. Although socialists had some success in organizing textile, tram, and construction workers, anarchists predominated in the organized urban labor movement until the end of the nitrate era, as De Shazo has effectively shown. J. Samuel Valenzuela has elaborated the political implications of the contrast in effective plant-level organization in the mining and manufacturing sectors of the Chilean economy.

⁴⁶Stickell goes to great lengths to make this point.

⁴⁷All these statistics, which range from official counts published by the Office of Labor to later estimates based on research by scholars like De Shazo, are collected and carefully analyzed in J. Samuel Valenzuela, "Labor Movement Formation," Ch. VII.

⁴⁸De Shazo, "Urban Workers," provides a wealth of information on all these themes.

⁴⁹In contrast to the argument presented here, Valenzuela places more emphasis on the personal influence of Recabarren in the takeover of the FOCh by the POS, Monteón on the divisiveness of the affiliation decisions.

⁵⁰Frank W. Fetter, Monetary Inflation in Chile (Princeton, N.J., 1931), Ch. IX.

⁵¹The agreement, signed under the auspices of government officials, was soon broken by capital and a massive government offensive against the FOCh ensued. El Comunista (Antofagasta), March 24 and 25, 1925. El Despertar de los Trabajadores (Iquique), April 19, 1925.

⁵²Ramírez Necochea, Origen y formación, pp. 102-03.

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⁵³ This quotation and the following one are taken from Moisés Poblete Troncoso, La organización sindical en Chile y otros estudios sociales (Santiago, 1926), pp. 50-52.

⁵⁴ The appearance of these reformist parties and groups in Chile was part of a regional phenomenon, a product of greater social complexity generated by expanding international trade, foreign investment, technology transfer, and European immigration after 1880. The whole process is analyzed and given comparative Latin American treatment within a liberal framework in the classic study by John J. Johnson, Political Change in Latin America: The Rise of the Middle Sectors (Stanford, Calif., 1958). Of Alessandri's coalition, Johnson says: "The objectives of the leaders varied. A few were dedicated reformers. Some sensed that the moment had arrived when it was politically expedient to institute reform measures. Others desired simply to win office by getting out more votes than the landed aristocrats and their allies could muster. They had little concern for or faith in the working group." P. 77.

⁵⁵ This discussion of the labor law projects depends on information provided in James O. Morris, Elites, Intellectuals and Consensus (New York, 1966).

⁵⁶ Carlos Harms Espejo, Los grandes problemas de la zona norte de Chile, p. 134. Fortunately, Harms Espejo went on, the "magna reforma estructural" of the military governments had imposed cooperation on capital and labor thus stopping "el carro de la nación en el borde mismo del precipicio, evitando que cayera al abismo."

⁵⁷ Ernesto Wurth Rojas, Ibáñez: Caudillo enigmático (Santiago, 1958), p. 18.

⁵⁸ As soon as the Ibáñez dictatorship fell, communists once again advocated this course. El Despertar de los Trabajadores, June 2, 1925. Justicia, March 2, 1932.

⁵⁹ Poblete Troncoso, Organización sindical, pp. 76-77.

⁶⁰ In preparation, the government had set up an Oficina Central de Servicio de Informaciones Sociales. The new intelligence service instructed local police officials to send in lists of all organizations who participated in "actos sociales, huelgas o movimientos obreros" and all members and directors of such organizations "con indicación expresa de los que sean extranjeros y de los que se dediquen a la propaganda de ideas contrarias al orden establecido haciendo indicación especial de los sindicalistas revolucionarios, de los anarquistas, soviéticos rusos y peruanos, etc." El Despertar de los Trabajadores, May 14 and 31, 1925.

⁶¹ René Montero Moreno, Confesiones políticas (Santiago, 1959), pp. 53-54.

⁶² Structural changes in the world economic system after 1930--and the worldwide social, political, and ideological trends which accompanied them--are treated more systematically in the chapter on Argentina, and in

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more detail in the chapters on Venezuela and Colombia. In those countries labor in export production exerted its primary influence on the course of national life after 1930.

⁶³ I have relied for much of the economic information in this section on Aníbal Pinto Santa Cruz, Chile, un caso de desarrollo frustrado (Santiago, 1959) and Markos J. Mamalakis, The Growth and Structure of the Chilean Economy (New Haven, Conn., 1976).

⁶⁴ This evaluation of the effects of the legislation closely follows that of Alan Angell, Politics and the Labour Movement in Chile (London, 1972). On worker control under the Popular Unity government, see Juan G. Espinosa and Andrew S. Zimbalist, Economic Democracy, Worker Participation in Chilean Industry, 1970-1973 (New York, 1978).

⁶⁵ Much of the information on politics in this section is drawn from Paul Drake's impressive study Socialism and Populism in Chile, 1932-52 (Urbana, Ill., 1978). Brian Loveman, Struggle in the Countryside (Bloomington, Ind., 1976) develops the issue of rural unionization with particular force. A powerful synthesis of the postwar United States-led offensive against classist labor in Latin America is Hobart Spalding, Organized Labor in Latin America (New York, 1977), ch. 6.

⁶⁶ One study done in the late 1960s concluded that Chilean economic stagnation after 1950 was not primarily a result of small market size, severe inflation, lack of capital, price controls, or bureaucratic regulations. All these were contributing factors, but the heart of the matter was that "Chilean businessmen act on the belief that the private enterprise system (capitalism) is struggling for survival." Stanley M. Davis, "The Politics of Organizational Underdevelopment: Chile," in Stanley M. Davis and Louis Wolf Goodman, Workers and Managers in Latin America (Lexington, Mass., 1972), p. 286. On copper workers, see Jorge Barriá S., Los sindicatos de la Gran Minería del Cobre (Santiago, 1970); on copper policy, Theodore Moran, Multinational Corporations and the Politics of Dependence (Princeton, N.J., 1974).

⁶⁷ The Popular Unity government is the subject of hundreds of books and articles, but perhaps the most successful in capturing and conveying the achievements, style, and weaknesses of the regime was one of the first. See New Chile, published by the North American Congress on Latin America (Berkeley, Calif., 1972).

⁶⁸ By 1932, the value of Chile's exports stood at one-eighth the level reached in 1929, its imports at one-fifth that level. The value of nitrate exports alone fell from over a billion Chilean pesos (at 40 to the pound sterling) in 1929 to less than 60 million pesos in 1932. Copper exports, which had risen since World War I to account for more than half of the value of nitrate exports in the late 1920s, fell to about one-fourth of predepression levels in the early 1930s. A careful study of economic, fiscal, and monetary trends during the 1930s is P. T. Ellsworth, Chile: An Economy in Transition (New York, 1945).