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Neoliberalism and class struggle today in Chile

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An interview with Chilean Marxist economist Rafael Agacino. Interview conducted by Franck Gaudichaud.

Franck Gaudichaud - How would you characterise Bachelet's economic programme, its main axes and her relations with the employers?

Rafael Agacino – So far as content is concerned, the centre of gravity is located in what have been called "deep reforms": reform of education and taxes and the new Constitution. As for the first, and solely because of the student mobilisations, the new ruling bloc has been obliged to give way and broaden the social framework of the consensus. For the two others, disagreements continue.

If the governments of the Concertation practiced an opportunist policy — remember the constitutional reform of 2005 which was at the origin of the "Lagos-Pinochet Constitution" or the new general law on education of 2009 which replaced that of the dictatorship — this time the manœuvres will be on less solid bases. For two reasons: first because after 40 years the model imposed by the neoliberal counter-revolution has developed new contradictions specific to a mature model of accumulation. Second because the neoliberal project has not succeeded in generating a political institutionalisation, complementary to the market, capable of dealing with the contradictions, whose scale exceeds the possibilities of arbitration between the main actors of the market.

The social composition of the recent struggles as well as the character of the demands shows that there are fissures in the existing model. The social explosion of recent years in Chile is different from the mass explosion in Argentina in 2001, nor does it resemble the massive struggles of workers in Greece subject to the structural adjustments of the current crisis. The extreme neoliberal utopia applied in Chile supposes the dissolution of the political, of the collective, and has thus disarmed and rendered illegitimate the system of representative political parties, capable of anticipating and treating social malaises before they are transformed into collective demands; it is the market which is supposed to play this role. The most remarkable aspect of the current situation is that while the two main political parties of the right are going through a very serious crisis, the employers, the "economic right" continue to function without problems, working both with the outgoing government and with Bachelet's coalition.

At the same time, although still embryonic, ever broader layers of workers and popular sectors directly confront capital, without the mediation of political parties or the state. And the government — when it interrupts its function as repressive policeman — plays more of an ideological role and is not capable of realizing agreements according to the rules of a conventional political system. The

real de facto policy both for the bourgeoisie and for the popular sectors and organised workers — strangers to classic trades unionism — seems to avoid the institutions and rely on direct negotiation.

These two characteristics of an over ripe neoliberal model create a context of uncertainty, which the intelligentsia of the ruling bloc have still to explain and structurally respond to. There is no project of a post-neoliberal or neo-neoliberal Chile. It is then necessary to adjust to the policy of "everything must change in order to remain the same": a son et lumière with bread and circuses for the masses while a strategy is defined for the new cycle which is opening up. The decoration will be provided by the leadership of the CP, which has entered the new coalition government.

What is the situation of the workers today in Chile, in particular in the CUT and the trade union movement?

Classic trades unionism, which was created and developed under the developmentalist model preceding the neoliberal counter-revolution, has for some years faced the reality of a very different industrial organization and labour market.

Productive fragmentation due to the extension of the maquilla free trade zones and subcontracting, as well as increased labour market flexibility (employment, wages, skills), have generated a great mass of the labour force which circulates without fixed employment between jobs, skills, enterprises, branches and even territories as never before. This high mobility is reflected by precarious employment very different from the classic employment around which classic trades unionism under the form of company-based unions developed in the last century. One of the notable differences is that the legal work relationship has been separated from the economic relationship of exploitation, so the guarantees of employment law are virtually useless. Subcontracting means that those exploiting labour power are not the same as those who recruit it or those who draw up the contractual relationship, making employment law practically useless. The same goes for the fragmentation of enterprises into dozens of legal units which nonetheless act in a centralized manner under the same economic directorate. Thus the right to unionise and negotiate collectively no longer means much to subcontracted or contractual workers.

Classic trades unionism, whether in the CUT or other federations has difficulty in fitting its organisational forms with the new structural conditions of Chilean capitalism. Thus the CUT has lost its influence in the world of labour and paradoxically it maintains itself through associations of branches in the public sector with a weak presence in the private sector where jobs are concentrated. In the private sector, the most active layers of workers, generally outside the CUT, adopt innovative organisational forms, in their tactics of struggle and are also characterised by a significant involvement of youth.

There is an exemplary case, that of the dockers organised in a federation who by overcoming all the objective difficulties posed by illegal strikes and appeals for negotiation have forced big capital which uses port services without being the direct employer to participate in the negotiation of wages and work conditions. Big capital, subject to the intelligent and decisive action of workers' organisations, has given the order to the enterprises to negotiate and resolve conflicts. The government as administrative entity was only able to ratify the agreements signed. These practices — even if they were favoured by a whole series of specific conditions — tend to be reproduced in other sectors and have above all become an example for many sectors of workers, especially the most precarious.

Classic Chilean trades unionism is also characterised by a virtually total influence of political parties over its internal life. Such relations between parties and unions were based on a radical separation between demands and politics, it being understood that the parties are the representatives of trade union demands in the political sphere. However this separation has been slowly overcome by the practice of certain layers of workers who assume their own representation and avoid mediation.

Thus we can say that the current situation of the workers' movement is generally weak as a result of forty years of neoliberalism and the persistence of an erroneous vision of the leadership of classic trades unionism. In this general context there begin however to emerge sectors of organised workers who test out new forms of organisation, tactics of direct action and negotiation which could open the road to a new movement of workers adapted to the conditions of a mature neoliberal counter revolution. In this process, the leaderships of the CUT have played a secondary role when they have not played a restraining role. That is why — with the exception of the tireless struggle of the Mapuche people — it is not astounding that it is the students, the collectives of struggle and not the working class who have opened this new cycle of social mobilization.

What are the notable social struggles from your viewpoint which could herald a new cycle of conflict under the new government?

First of all the struggles of secondary level students expresses a very deep fissure. Whereas the university students demand better conditions of financing and access to higher education, the secondary school students demand free education and better material conditions, and their real demand is against community schooling, against the school, because every day in their institutions, they face authoritarianism, mediocrity and a good number of teachers who are past it; here, there is the permanent pressure for success, and individual competition. Thus it is this movement and not the student movement which has been the basis of this explosion, which has broken the consensus of the dominant classes and the social peace which was projected to the world as the Chilean model.

There is a deep contradiction here: these are the children of a mature neoliberalism, a model which has generated a deep crisis of the school against which they have reacted spontaneously and systematically since the "mochilazo" of 2001 and the "revolucion pinguina" of 2006. This fissure will grow because the new government lacks any educational project which could resolve this crisis.

Also we should follow closely the emergence of a new workers' movement, as we have already indicated. This will be on bases totally different from those of classical trades unionism. One of these will be taking into account that the workers' movement is not limited to the trade union movement. Trades unionism, with branch or enterprise unions has been a specific form of organisation typical of developmentalism. Before there were mutualist and other forms which in the absence of any employment legislation organised great masses of workers and confronted capital by establishing the bases of the rights which have been incorporated into employment legislation after the development of classic trades unionism.

Another important basis is that faced with an 'extended capital", that is which has penetrated and subjected to its rationality activities previously outside of capitalist production, there appears the necessity of conceiving an "extended working class". That means that neither the wage form nor the contract form — direct or indirect, part time or full time, temporary or permanent — or the material or immaterial character of the work or its result can be a criterion for defining the working class. What matters is the social relation. If capital has transformed previously public services into productive activities, or subjected other activities to the logic of accumulation, then all those who sell their labour to capital in its activities are part of the working class.

This was rejected by classic trades unionism gripped by the aesthetic of the mining and industrial workers of the 20th century. However the practices of organisation and struggle of the precarious layers of whom we have spoken have advanced by breaking down discriminatory barriers inside the working class. We know that this is a long process, but this trend towards the objective and

subjective reconstitution of a new workers' movement on these bases will continue and maybe accelerate, either through success in struggles or by the aggravation of the conditions of precariousness of an economic model which must meet increased costs to maintain its expansive dynamic.

P.S.

* <u>http://www.internationalviewpoint.org/</u>

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