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Liberating Forestry:
Forestry Workers, Participatory Politics, and the Chilean Nation

By

Jennifer Adaline Baca

A dissertation submitted in partial satisfaction of the

requirements for the degree of

Doctor of Philosophy

in

Geography

in the

Graduate Division

of the

University of California, Berkeley

Committee in charge:

Professor Nathan F. Sayre, Co-chair
Professor Gillian P. Hart, Co-chair
Professor Nancy L. Peluso
Professor Thomas Miller Klubock

Spring 2015

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Abstract

Liberating Forestry:
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In 2011, the eruption of the Chilean student movement broke open a nation-wide questioning of Chile's current democracy centering on the ongoing influence of General Pinochet's seventeen-year dictatorship. My dissertation illuminates central elements of Pinochet's legacy and points toward possible changes necessary for a more democratic Chile in the present. Many studies examine the continuity and change between the dictatorship and the restored democracy and argue that the democratic potential of Chile's present is bound by the political-economic inheritances from the authoritarian regime. This explanation, while accurate, stops short; the political-economic model of the dictatorship not only was installed by force, it was installed by force *to eradicate a more participatory politics*. As such, my research focuses on the contentious relationship between the Chilean path to Socialism and the military coup and subsequent dictatorship to elucidate the contents of this participatory politics and specify the tools of its eradication.

Liberating Forestry is an historical ethnography of a territory of forestry estates in the Southern Andes that Pinochet came to call his government's most conflictive zone. In the years between the election of Allende in 1970 and the coup in September of 1973, this territory experienced tremendous socio-ecological transformation; through political alliances, marginalized forestry workers pushed the boundaries of Allende's Basic Program for an institutional path to Socialism and demanded the conversion of the large private estates of the area into a single, state-owned, worker-operated Forestry Complex. In this Complex, forestry workers, forestry engineering students, and governmental experts negotiated a new form of forestry production that integrated the knowledge of uneducated rural workers with the expertise of foresters, and sought to enable the long-term wellbeing of the forestry communities.

Following the coup, the military regime represented the Forestry Complex as a vast guerrilla training camp, the product of outsider extremists' manipulation of a simple, hard-working rural community. Combining this misrepresentation with the violent repression of workers thought to be leaders within the Complex, the dictatorship sought to erase this experience of worker empowerment and innovative forestry. Although the military kept the Complex as state property, it stripped the workers of any participation in the organization of forestry, and replaced the advances of the previous years with the precarious work forms of temporary contracts, minimum employment programs, subcontracting, and frequent relocations. Across violent repression and the mundane production of alienated labor, these forestry estates became an important site for the dictatorship's policing of national belonging.

Through archival research and oral histories across fifteen months of fieldwork, I recuperate the lived practices of these rural working class activists and their allies as their political participation pushed through the formation of the Complex, and then, as it was deliberately dismantled following the coup. Using ethnographic methods, I examine not only how these large political changes were experienced at the level of the everyday, but also more importantly, how the everyday practices of these forestry workers had wider significance for political participation and national belonging. My findings suggest that deepening Chile's democracy will require moving beyond the technical expertise so valued by neoliberal ideology to incorporate more voices into decision-making over the use of Chile's natural resources.

Para

Don Moises

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Fernando Saravia

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Acronyms

COFOMAP	*Complejo Forestal y Maderero Panguipulli* Panguipulli Forest and Timber Complex
CORFO	*Corporación de Fomento de la Producción* National Development Corporation
CUT	*Central Única de Trabajadores* Central Trade Union Federation
FTR	*Frente de Trabajadores Revolucionarios* Revolutionary Workers Front
INFOR	*Instituto Forestal* Forestry Institute
MCR	*Movimiento Campesino Revolucionario* Revolutionary Campesino Movement
MIR	*Movimiento de Izquierda Revolucionaria* Revolutionary Left Movement
UP	*Unidad Popular* Popular Unity

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This dissertation would not have been possible without a large network of people offering me many forms of support. Any omissions are inadvertent and due to my absent-mindedness, not to a lack of gratitude.

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In Chile, first and foremost I want to thank all the people involved in imagining and realizing the Panguipulli Complex. Growing increasingly familiar with 1970s Chile has had an enormous effect on me. The forestry workers, foresters, activists and politicians of the Panguipulli Complex acted with great courage and determination to establish a project of social and environmental justice. This broader project is still pending today in Chile and the world more broadly, and this past

experience offers many lessons, especially concerning working together across difference.

Numerous people welcomed me into their homes and shared their time, experiences, and expertise with me. I want to thank especially: the family of Don Moises; Angélica Navarrete, the woman whose energy, generosity, drive, and good humor keep the Museum in Neltume running; her husband, Colinche, who makes sure there's enough *pasto* in the house for this vegetarian; Pedro Cardyn whose intellectual energy and drive to make change is inexhaustible; Fernando Saravia, Luis Astorga, and Rodrigo Undurraga for spending so much time with me and sharing their personal documents, without which I could not have written this dissertation; Fernando Saravia, again, for being such a compassionate, intelligent person; Jaime Toha for speaking with me so many times; the *Comité Memoria Neltume* for including a *gringa* in their yearly commemoration event, and finally; Cristóbal Bize Vivanco, *mi compañero intelectual principal*, for sharing in this investigative journey with passion and perserverance.

I would never have entered the world of Chilean forestry had Bernando Reyes not offered me an internship at the *Instituto de Ecología Política* in 2004. Professors Pablo Camus, Luis Otero, and Mario Garcés all provided helpful intellectual guidance. I consider José Araya, of the human rights organization CODEPU, a fantastic mentor and friend. I aspire to live according to his wise motto: "*Si no es divertido, no es sostenible,"* "if it is not fun, it is not sustainable." I also want to thank the staff of the *Archivo Nacional de la Administración*, the *Casa Museo Eduardo Frei Montalva*, and the *Instituto Forestal* library, all in Santiago, my two research assistants, Francisca Rojas Pizarro and Maximiliano Bassaletti, and Reagan Sides for last minute editing.

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Figure 1 Map of Chile. The box indicates the location of the forestry estates that are the focus of this dissertation.

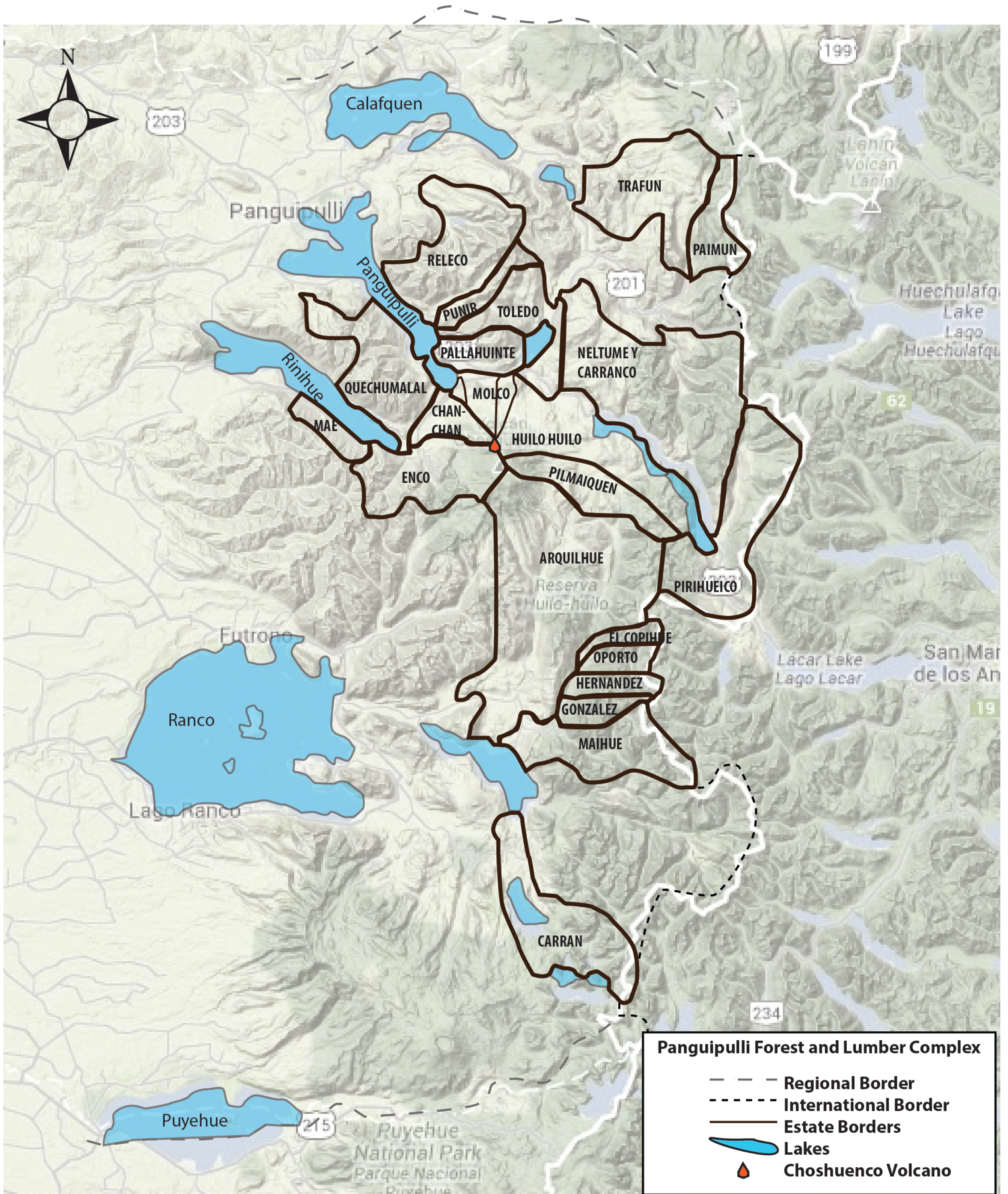

Figure 2 Map of the Panguipulli Forest and Lumber Complex. Made by Carolina Muñoz based on opening map in Rojas 1991.

Introduction

On the road between Neltume and Puerto Fuy, just kilometers from the border with Argentina, a military squadron conducts a checkpoint, stopping drivers and searching their vehicles for guerrillas. Military special forces have been in Neltume for days, patrolling the small lumber town and the surrounding mountains for subversives. The people of the town watched as commandos stood outside the local police station in combat gear and troops marched by with assault rifles across their chests. Some of Neltume's inhabitants were even asked to host the soldiers in their homes. It was October of 2001, just over a decade after the official end of the dictatorship of Augusto Pinochet and the restoration of democracy.

From October 20th-26th, students from the Army Commandos of the School of Parachuters and Special Forces performed the anti-guerrilla portion of an intensive four-month training course in the mountainous area of the municipality of Panguipulli. As the Major in charge of this training explained to Chilean journalist, Mauricio Duran, this is one of the most highly esteemed counter-insurgency courses in the region, drawing participants from Venezuela and Mexico. Here, in the outskirts of Neltume, the students embarked on the most rigorous part of the training, learning to operate on two hours of sleep in the challenging conditions of thick forests and heavy rainfall.

Less than one week earlier, a group of 300 people had gathered for the installation of two placards on a memorial at the entrance to the town. The memorial, a sculpture of a forestry worker, with arms stretched out like a cross with a dove in one hand, commemorated the people associated with the Panguipulli Forest and Lumber Complex who had lost their lives at the hands of the dictatorship. The placement of the placards marked the official inauguration of the memorial. The names of the 70 forestry workers and social activists killed or disappeared by the military in the first months after the coup or during guerrilla skirmishes in 1981 now framed the lone forestry worker, two lists inscribed on metal plates, mounted on columns of stone.

Although the military had conducted special counter-insurgency training in the area for many years, this was the first time they did so within the town. At night, the inhabitants could hear gunshots and the hushed movements of stealth operations. When Duran commented to the Major that it was odd the training had entered Neltume less than a week after the inauguration of the monument, the Major replied that he had no idea, that they had always chosen this area for its adverse geographical conditions, which made it a perfect spot for their guerrilla/ counterguerrilla simulations. Duran pushed further, asking if they considered that military presence was a sensitive issue to the people of the area due to their experience of human rights violations. The Major explained that this was a place where historically, there were

guerrillas, and that is why they bring students there; they don't use real ammunition and they haven't had any problems with anybody.[1]

Guerrillas and human rights violations are the two faces of Neltume most known outside the region. My dissertation uncovers the understories of these prominent associations to both recuperate a rich history of working class struggle and empowerment and shed light on the ongoing limitations of Chile's post-dictatorship democracy, currently at the heart of society-wide debate. Crucially, *Liberating Forestry* counteracts the willful erasure of this history, an erasure that acts as an ongoing form of discipline just as powerful as the siting of counterinsurgency training in Neltume.

The most conflictive zone

In December of 1975, during a speech in Neltume, General Pinochet told forestry workers and their families that "this zone is the most conflictive that the Government has."[2] Pinochet praised the inhabitants of the surrounding forestry estates for being hard workers and good Chileans, but warned of the continuing influence of bad Chileans and manipulative guerrillas with foreign ideas. From the early days of violent repression through the final years of banal underemployment, Neltume and nearby forestry estates were an important site for the dictatorship's policing of national belonging, of the boundary separating good and bad Chileans. However, the threat to the dictatorship posed by this "most conflictive zone" did not match the strategic labeling of guerrilla rebellion.

Neltume is one of dozens of large forestry estates in this area of the Southern Andes to the east of Valdivia. The estates form part of the Valdivian temperate rainforest, composed principally of the Southern Beeches—rauli, roble and coigüe. These trees form beautiful woods now used ornamentally or for housing, but in the past they traveled across Chile and Argentina to become railroad sleepers, fruit cartons and mining posts. Rauli is red inside, and when chopped down it reveals a ruddy flesh that seems tragically alive.

A short three weeks after democratically-elected Salvador Allende became President in November of 1970, a group of forestry workers from these estates initiated a series of estate occupations that washed over the forested cordillera like a wave. By early 1971, workers had taken over more than a dozen estates. Pressure from the workers and their allies pushed the government to expropriate the occupied estates and form *El Complejo Forestal y Maderero Panguipulli* (COFOMAP), the Panguipulli Forest and Timber Complex, a state-owned, worker-operated forestry company. At its largest, the Panguipulli Complex spanned 22 estates, 360,000

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[1] The information about the counterinsurgency training in Neltume in 2001 was drawn from Mauricio Duran's article *Chile: Ejercicios de Guerrilla y Contraguerrilla en Neltume*. It was supposed to be published in the newspaper "el Puelche" of Panguipulli, but he decided to publish it on the internet. Duran is from Panguipulli, and has spent over ten years working on social justice issues with both forestry and indigenous communities in the Panguipulli municipality.

[2] "Calurosa recepción tributó Neltume al Jefe de Estado," *El Correo*, 9 December 1975, 1.

hectares, and employed 3,600 people with a resident population of 20,000.[3] In the Complex, workers participated in the decisions that shaped the labor process; by the time of the coup, the Complex had initiated a number of programs to orient the use of this vast territory toward the long-term wellbeing of the workers and their families.

After the coup on September 11, 1973, the Panguipulli Complex was one of the first places visited by the notorious Caravan of Death, a special army squad led by General Arellano Stark that traveled from the South to the North of Chile, executing political prisoners. Many of the forestry workers' allies, and the forestry workers themselves, were members of the Revolutionary Left Movement (the MIR), a political organization of the far left that espoused a revolutionary route to Socialism, in contrast to the Popular Unity's peaceful path.[4] Both the media and the military sensationalized the *mirista* presence by portraying the Panguipulli Complex as a MIR-directed guerrilla training ground. The failed attempt of a group of workers and *miristas* to defend the Complex against the military in the dawn following the coup served to corroborate the story reducing the Complex to a territory of unruly guerrillas. It also provided a key thread weaving the foundational myth of the dictatorship, that the coup saved Chile from imminent civil war.

The dictatorship put an end to the experiment in worker-driven forestry. Newspaper coverage portrayed the military's intervention in the Complex as the reintegration of enemy territory into the nation. Within the Complex, the military regime disciplined the inhabitants of the area into an impossible choice: assume the role of passive, manipulated worker and live, or admit to political activism and be punished. By the end of October 1973, 44 workers and campesinos of the Complex had already been killed or disappeared, providing a clear message of what punishment would entail (Rojas 1991: 13). In contrast to its wider policy of privatization, the dictatorship maintained the majority of the Panguipulli Complex

[3] The numbers vary depending on the source. An article from the personal archives of Fernando Saravia, who was the head of the Division of Productivity and Social Studies within the state Forestry Institute during the Allende administration, listed the area as 352,000 hectares, the population as 20,000 and the working population as 3,500 ("Small-Scale Sawmills in Industrial and Social Development of Backward Forestry Areas: the Panguipulli Case Study (1970-73) in Southern Chile"). The Corporation for the Promotion and Defense of the Rights of the Pueblo (CODEPU) explains that additional expropriations expanded the Panguipulli Complex from 360,000 hectares to 420,000 hectares (Rojas 1991, 31). The account provided by Ibar Leiva as the Coordinator of the Neltume Memory Committee, places the Panguipulli Complex at 22 estates, 360,000 hectares with a working population of 3,600. This account can be found on a website of the Movimiento Izquierda Revolucionaria: http://www.memoriamir.cl/pagina/neltume.htm. I have chosen the numbers above because they most frequently recurred across interviews.

[4] The *Unidad Popular* (UP), or Popular Unity, was the coalition of left-wing political parties that supported the Presidential candidacy of Salvador Allende. Their governmental program, which will be discussed in greater detail in chapter four, centered on forging a peaceful path to Socialism. In contrast, the *Movimiento de Izquierda Revolucionaria* (MIR), the Revolutionary Left Movement believed violence would be necessary in the Socialist revolution, and eschewed participation in what it viewed as bourgeosie political institutions. While the MIR was not part of the UP government, it is important to note that it supported Allende and his administration, even if from a somewhat critical stance.

estates as state property through the 1980s. By commandeering the resources of this 360,000-hectare territory, it deliberately dismantled workers' ability to affect the conditions of their lives and the organization of the forests of the Panguipulli area. In addition to violence, mundane practices—from short-term contracts and subcontracting to work relocation and Minimum Employment Programs—gutted the improved conditions of forestry labor and ground out the long-lasting disempowerment of Panguipulli's forestry workers.

Liberating Forestry constructs a counter-narrative to the dictatorship's official story of guerrilla forces. Through oral histories and archival research, I recuperate the deep history of forestry workers' struggle to improve their living and working conditions in these forestry estates, and investigate the historical-geographical conditions through which forestry workers formed relationships with *mirista* university students and other allies. I document the transformation of forestry labor through the formation of the Forestry Complex and the participation of forestry workers in shaping the organization of production, and then, following the coup, the disintegration of these advances into a state of precarity.

Liberating Forestry argues that organizing and executing the estate occupations, successfully pushing the formation of the Complex, and transforming the estates into a cohesive unit of production created in the workers a sense of their collective political agency. In addition to these practices, debating and negotiating the organization of this vast new territory with forestry experts and politicians changed the forestry workers' place in the Chilean nation from marginalization to meaningful participation in decision-making. The threat posed by the Complex to the dictatorship was not the menace of guerrilla forces, but rather the demonstration of the effectiveness of worker political agency and the potential power of forestry workers' intellectual labor. Under the dictatorship, violence, the misrepresentation of the Panguipulli Complex and the creation of precarious living and working conditions served as tactics to confine workers to an assigned position at the margins of the nation.

The final element of my dissertation's argument connects the dictatorship's erasure of the workers' participation in the Panguipulli Complex and its tactics of reinforcing the boundaries of national belonging to ongoing debates on the limitations of post-dictatorship democracy. The full extent and significance of the misrepresentation of the history of the Panguipulli Complex cannot be grasped without examining the end of dictatorship and the restoration of democracy.

The negotiated transition and the continuity of dictatorship and democracy

The dictatorship came to an end through a plebiscite mandated by Pinochet's own Constitution of 1980. The inclusion in the constitution of this plebiscite in which the nation would vote yes or no to eight more years of Pinochet in 1988 was meant to signal to the international community that the dictatorship was leading Chile toward some semblance of electoral politics and democracy. Parties of the opposition initially rejected the plebiscite as a means to restore democracy, as participation would validate the dictatorship's constitution. However, by the end of 1986, influential segments of the opposition decided that negotiating with the military regime was the best route to ending its rule, and began planning for the No campaign.

Importantly, this decision to negotiate with the military regime also signified a decision against mass mobilization as the way to oust Pinochet.

To the surprise of many, but especially Pinochet, on the 5th of October, the No campaign won, with 55 percent of the vote. According to his own Constitution, Pinochet would remain in power for another year, free Presidential elections would be held at the end of 1989, and the newly elected President would take office in March of 1990. And indeed, all proceeded along this timeline; Christian Democrat, Patricio Aylwin, the candidate of the coalition of center-leftist parties known as the Concertación, was officially inaugurated on March 11, 1990 as Chile's first democratically elected President in seventeen years. However, between the plebiscite and the transfer of the Presidency, the military regime had ample time to institutionalize their neoliberal project both through negotiations with the opposition and last minute changes to the political structure, known as authoritarian enclaves.[5]

Once in office, President Patricio Aylwin and, more broadly, the Concertación, led the challenging task of reconciling a nation torn apart by seventeen years of dictatorship. While Chile's Truth and Reconciliation process gained international acclaim, influencing similar processes in places like South Africa, many within Chile were highly critical of the very constrained official treatment of the past. When Aylwin gave a televised speech presenting the *Report of the National Commission of Truth and Reconciliation*, the results of the investigation into the disappearances and deaths perpetrated by the military regime, he encouraged Chileans to put behind their divisive past and look to a united future. Aylwin's speech represented the Concertación's approach to the past across the first decade of democracy; political consensus was the goal, and anything that risked unsettling that consensus, required containment.

The Concertación included a group of Socialists, who, during exile in Europe, had undergone a process of 'renovation' after reflecting deeply on the failure of the Chilean path to Socialism. As anthropologist, Julia Paley (2004), notes, this group "engaged in self-criticism about the history of the Allende period" and came to place part of the blame for the coup on the rampant bickering among the leftist parties and their failure to solidify alliances with centrist political parties and the middle class bourgeoisie (503).[6] The self-critique of the renovated Socialists and their reduction

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[5] These enclaves ranged from stacking the Supreme Court with regime-friendly judges to electoral laws that would make it very difficult for the opposition to gain ground. Combined with the 1980 Constitution's creation of eight 'designated,' that is, non-elected Senators, the right was guaranteed veto power in the upper house. As for the negotiations, Socialist Jose Joaquin Brunner, who developed the opposition's negotiation strategy, summarized it as a series of pacts that mainly committed the opposition to accepting the dictatorship's constitution and maintaining the neoliberal economic model, which Brunner calls the pact of national development. Brunner's negotiation strategy is discussed by Julia Paley (2001, 97).

[6] This analysis of the 'renovated' Socialists grew out of engagements with leftist parties in various European countries. Shortly after the coup, the Secretary General of the Italian Communist Party, Enrico Berlinguer published "Reflections over the events in Chile". In this article, he applied his own reading of Gramsci to the coup in Chile to argue for the necessity of compromise between the Christian and Marxist parties in Italy. Berlinguer's analysis influenced many Chilean exiles that the Popular Unity parties, headed by the Socialists and Communists, needed to form an alliance with the Christian Democrats, a political party of the

of the Allende period to one of errors provided further impetus to leave the past behind in the interest of consensus in the present. As Steve Stern observes in his powerful "Memory Box of Chile" trilogy, a convergence emerged among politicians of the left and the right that the chaos of the Allende period was, at least in part, responsible for the military coup.[7] Thus, while on the terrain of national memory politics irreconcilable memory frameworks clashed, especially the frameworks Stern calls 'the coup as salvation' and 'the coup as cruel rupture,' many political elites built a consensus that both the left and the right shared responsibility for the coup.[8]

By the end of the 1990s, disappointment and frustration with the return to democracy produced a set of modifying phrases to describe Chile's post-dictatorship political system: *democracia de acuerdos* (democracy by agreements); *democracia cupular* (elite democracy); *democracia lite* (diet democracy); *democracia con apellidos* (democracy with last names); and *democracy entre comillas* (democracy in quotation marks) (Paley 2001, 3). These phrases capture post-dictatorship democracy as limited and emphasize the divorce between the political elites and the rest of society. This division played out both in clashes over state treatments of the past and the apparent commitment of the full spectrum of politicians to the neoliberal rules of the game.

Now, more than twenty years after the official restoration of democracy, ongoing dissatisfaction with the quality of Chilean democracy remains. When the Chilean student movement organized the first of many marches to protest the education system's deepening of social inequality in May 2011, it provided a focused outlet for these simmering frustrations. Not only did the student movement put

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center. Jorge Arrate (2008), who served as the Secretary of International Relations of the Chilean Socialist Party in the 1970s, explains that the Eurocommunism of Berlinguer, disenchantment with actually existing socialisms observed in Eastern Europe, and engagement with Western European debates on the fusion of Socialism and Democracy, pushed a group of Chilean socialists to reflect and 'renovate' their thinking, eventually breaking off into a separate faction of renovated socialists in 1979. While the renovated socialists revisited many of the old socialist ideas of Allende, and found them aligned with this new direction of political compromise and social democracy, the other faction maintained a strong critique of capitalist economics and supported popular mobilization as the path to end the dictatorship. See Jorge Arrate, "Gramsci, Apuntes Para Una Memoria Y Sucintas Reflexiones Sobre Qué Hacer," in *Gramsci: A 70 Años de Su Muerte* (Santiago: Ariadna Ediciones, 2008).

[7] Steve J. Stern, *Remembering Pinochet's Chile: On the Eve of London, 1998*, (Durham: Duke University Press, 2004); Steve J. Stern, *Battling for Hearts and Minds: Memory Struggles in Pinochet's Chile, 1973-1988*, (Durham: Duke University Press, 2006); Steve J. Stern, *Reckoning with Pinochet: The Memory Question in Democratic Chile, 1989-2006* (Durham, NC: Duke University Press Books, 2010).

[8] There is an enormous literature on the politics of memory in Chile, and in the Southern Cone more broadly. Apart from Steve Stern's fanastic trilogy, a starting point includes: Lessie Jo Frazier, *Salt in the Sand: Memory, Violence, and the Nation-State in Chile, 1890 to the Present* (Durham: Duke University Press Books, 2007); Macarena Gomez-Barris, *Where Memory Dwells: Culture and State Violence in Chile* (Berkeley: University of California Press, 2008); Elizabeth Jelin, *Los Trabajos de La Memoria*, (Lima: Instituto de Estudios Peruanos, 2012); and Mario Garcés et al, eds., *Memoria Para Un Nuevo Siglo: Chile, Miradas a La Segundamitad Del Siglo XX*, (Santiago: LOM Ediciones, 2000).

education reform firmly on the agenda, it posed the limits of Chile's democracy as *the* central theme of political conversation. Re-activated by the students, many Chileans joined in imagining a more democratic Chile and interrogating the causes and manifestations of the ongoing limitations. By the end of 2011, the marches had swelled to numbers unseen since the protests demanding the end of dictatorship.

My dissertation speaks to this present conjuncture in which many Chileans seek to identify and overcome the causes for the ongoing limitations of democracy. From Tomás Moulian's (1997) first groundbreaking critique of the democratic transition, in the late 90s, to the analysis of Camila Vallejo (2013), a central figure in the recent student movements, the continuation of the dictatorship's neoliberal economic model and the 1980 Constitution are the centerpieces of most explanations of the shortcomings of post-dictatorship democracy.[9] Indeed, the fact that Pinochet remained head of the army until 1998, and a designated senator until 2001 shows just how alive in democracy the authoritarian inheritance continued to be.

While these critiques are absolutely crucial, I argue that they do not go far enough. The constitution and economic model still at work in Chile today not only were installed by force under dictatorship, they were installed by force under dictatorship *to counter the Allende period.* Understanding how the continuation of this political-economic model limits democracy requires going beyond considering the continuity and change of dictatorship and democracy, to examine the relationship between the tools of the dictatorship and what these tools first set out to dismantle. Because of this, how that earlier period is portrayed and understood is of utmost importance. If that period is simply one of chaos, then the coup and Pinochet's neoliberal counterrevolution become a response to that chaos, and nothing more. This understanding stays inside of the dictatorship's narrative that neoliberal economics was an apolitical means to promote social and economic stability in response to the disorder unleashed by Allende. However, if that period were one of increasing national inclusion of the popular classes, the continuation of the dictatorship's economic model under democracy would entail the continuation of a project of national exclusion. Importantly, then, the containment of understandings of the Allende period—the erasure of examples of popular participation under the label of disorder or even obsolete Socialism—contributes to the propagation of exclusion.

In this current moment, when the student movement has put the limitations of Chilean democracy back at the center of political debate, my dissertation argues that recuperating the Allende period from its sensationalist and nostalgic representations is vital to building a more inclusive democracy in Chile in the present. Misrepresentations of the Panguipulli Complex feed an ongoing dismissal of the Allende period as one of chaos and mistakes, and offer a silent apologetic to the turn to dictatorship. They also discipline ex-workers of the Complex into a passive

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[9] See also: Fernando Ignacio Leiva et al., *Democracy And Poverty In Chile: The Limits To Electoral Politics* (Boulder: Westview Press, 1994); Manuel Antonio Garreton, *Incomplete Democracy: Political Democratization in Chile and Latin America*, (Chapel Hill: The University of North Carolina Press, 2003); Joseph Collins, *Chile's Free Market Miracle: A Second Look* (Food First Books, 1995).

relationship with their past labor struggles, dispossessing forestry communities of an historical experience that could fuel the imagination of alternatives in the present. In the following section, I connect my work to the literature that interrogates the nature of Chilean democracy.

The many faces of Chilean democracy

The transition to democracy enabled Chile's economic growth from 1988-1998 to be celebrated as an economic miracle, and Chile's neoliberal democracy to serve as an international model.[10] As Moulian (1997) and Leiva and Petras (1994) argue, this cleansing marriage to democracy facilitated the legitimation of the dictatorship's economic ideology far more powerfully than possible during authoritarianism. Chile's reputation as the democratic exception in a region of Latin American caudillos also helped minimize the repressive legacies of the dictatorship. As the story goes, prior to the coup, Chile experienced centuries of peaceful, democratic transfers of power. Celebrating this democratic tradition was a key component of the consensus politics characterizing the post-dictatorship period; the full spectrum of political leadership urged Chileans to put the divisive past behind them and unite around the longstanding tradition of democracy. Further, by focusing attention to the positive legacy of economic growth and macroeconomic stability, and rallying around shared aspirations to join the 'developed' nations, political elites propagated a vision of the dictatorship as a blip in an otherwise deep history of democracy.

Important scholarship has questioned whether Chile's democracy ever was as strong as purported by its historical reputation, labeling Chile's "exceptionalism," a myth. Taking a long-term view of Chilean history from the vantage point of its sociospatial frontiers, many authors show how different segments of society have experienced previous moments of democracy as distinctively authoritarian. For example, in *Courage Tastes of Blood*, Florencia Mallon (2005) examines the relationship between the Chilean state and a Mapuche community in the south across the 20th century. She argues that this marginalized, indigenous experience of Chilean history upsets its standard periodization: "many of the well-known narratives of twentieth-century Chilean history…the military coup of 1973 as a bloody rupture in an otherwise effective consolidation of Chilean democracy—become more complicated when viewed from a Mapuche perspective" (21). The extensive work of Jose Bengoa (1987, 1999) reiterates this argument. Similarly, Lessie Jo Frazier (2007) and Tom Klubock (2006, 2014) examine the centrality of state violence to Chilean democracy in the far frontier regions, from the massacre of striking nitrate miners in the north to the repression of campesinos and agrarian workers in the south. Brian Loveman's (1976) vivid "Struggle in the Countryside" illustrates how the stability of Chilean democracy rested upon the violent exclusion of rural workers and campesinos, and his examination of the many repressive laws predating dictatorship,

[10] See the introduction to Peter Winn, *Victims of the Chilean Miracle: Workers and Neoliberalism in the Pinochet Era, 1973–2002* (Durham: Duke University Press Books, 2004).

especially national security laws, expose that authoritarian measures have long been thoroughly integrated into the Chilean legal structure.[11]

As a whole, these studies challenge the facile narrative of Chile's democratic tradition. Not only does democracy look authoritarian when seen from marginalized viewpoints, it also evolves. Thus, the transition to democracy in 1990 cannot be seen as the mere restoration of longstanding Chilean democracy; rather, the quality of this restored democracy requires further scrutiny.

Julia Paley's work provides a nuanced look at how understandings and practices of Chilean democracy changed with the end of dictatorship. In conducting an ethnography of the democratic transition in Chile, Paley (2001, 2004) pushes beyond traditional political science examinations of democracy centering on elections, political parties, and legislative process to get at democracy as a lived practice. Grounding her ethnography in a community health organization of a poor Santiago neighborhood, Paley investigates how the members of the group experienced the democratic transition, as well as their definitions of democracy. The principal refrain emerging from her multiple conversations with this group defined democracy as the right to be 'taken into account,' or the right to influence the decisions that shape their lives.[12] Additional components of their definition of democracy included not only citizens' rights to housing, health, and education, but also egalitarianism in access to these rights. Paley combines this ethnography with an analysis of documents of the leaders of the transition and of the governmental officials of post-dictatorship democracy to reveal the marked difference in these leaders' discourses of democracy prior to and following the transition. While the visions of democracy communicated in the pamphlets for the 'No' campaign and the campaign for the subsequent presidential election coincided with the perspectives offered by the community health group, the post-dictatorship government propagated a reduced understanding of democracy as elections, representative politics and the absence of dictatorship. The new political leaders of Chile sought to safeguard democracy by *containing* popular participation, rather than enabling it. This shift in the political elites' understanding and practice of democracy disappointed the community health group of Paley's ethnography. Similar widespread feelings of disappointment produced the litany of phrases, from 'elite democracy' to 'democracy lite', listed above.

Like Paley, Jody Pavilak (2011) examines a transition from a form of democracy inclusive of the popular classes to a more constrained democracy defined by electoral politics; however, by focusing on an earlier period in Chilean history, she illuminates a cycle of opening and closing of democratic participation, shifting between these two forms of democracy—an ebb and flow of expansion and containment. In "Mining for the Nation" Jody Pavilak examines Chilean coal miners'

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[11] Brian Lovemen talk at UCLA Chile Seminar on November 8, 2013.

[12] Paley emphasizes the right to be 'taken into account' in her 2004 article "Accountable Democracy: Citizens' Impact on Public Decision Making in postdictatorship Chile." The language of being taken into account is less emphasized in her book, *Marketing Democracy*, however the same idea of democracy meaning that citizens could directly influence the decisions affected their lives, holds.

growing participation in national politics during the Popular Front era of the 1930s and 40s. She examines this era as a struggle over the definitions of democracy and citizenship; as union leaders were elected to local government positions, and the Communist Party even had a place within the Cabinet, the popular classes worked from within representative politics toward 'a project of participatory democracy and social justice' (Pavilak 2011, 17). Alarmed by this 'popular protagonism' the centrist parties of the Popular Front moved toward the right. In 1948, Videla passed the Law for the Permanent Defense of Democracy, outlawing the Communist Party. This measure initiated outright repression of the Communist coal miners, among others, with tactics spanning from militarized responses to strikes to internal relegation to concentration camps in the north. Pavilak argues that Videla's betrayal of the working class marked the restoration of a "limited liberal notion of democracy" (ibid, 24). While this also signaled the start of the Cold War in Chile, Videla was not a passive puppet to US demands, but rather, his actions represented the reaction of the national political elite to the deepening political participation of the popular classes. By posing the restoration of liberal democracy as a reaction to social justice-based participatory democracy, Pavilak connects the cycles of the expansion and containment of Chilean democracy across the Popular Front and later Popular Unity moments to Greg Grandin's (2004) thesis in *The Last Colonial Massacre*.

Drawing principally on material from Guatemala, but contextualizing it more broadly within historical geographies of Latin America, Grandin argues that the Cold War in Latin America was less about the battle between Communism and Democracy, and more about the battle between two visions of democracy; one, participatory and egalitarian, the other, procedural and individualistic. This first vision balanced the interests of the individual with social solidarity through collective politics, while the second emphasized individual freedom. Joined with free market ideology and following decades of Cold War terror, this second vision of democracy disintegrated social relations of solidarity replacing it with the ongoing scramble for individual survival. Grandin concludes that the Cold War in Latin America forced a widespread reinterpretation of democracy: "the idea, widely held in different forms at the end of WWII, that freedom and equality are mutually fulfilling has been replaced by a more vigilant definition, one that stresses personal liberties and free markets and sees any attempt to achieve social equity as leading to at best declining productivity and at worst political turmoil" (Grandin 2004, 197).

My dissertation presents the experience of the Panguipulli Complex as an attempt to produce a participatory, egalitarian system within the forestry estates, a system in which forestry workers could directly affect the decisions shaping their daily lives. In creating this system, the workers practiced a vision of citizenship based on the active role of the working class within the nation. The dictatorship took many measures in reaction to this participatory system, not only dismantling it, but also erasing it. In restoring the limited, liberal form of democracy melded with neoliberalism's emphasis on individual freedom, the political elites of post-dictatorship democracy continue the project of erasing the possibility and promise of participatory politics and social solidarity.

Liberating forestry also joins these previous studies in challenging the received wisdom of Chile's democratic tradition. From the vantage point of the forestry

workers of the Panguipulli estates, the dictatorship was not a blip in an otherwise smooth history of democracy; rather, to these workers, the pre-dictatorship decades had been an ongoing, frequently violent, struggle against landowners and estate administrators to gain some level of control over the conditions of their existence. How do these workers' experiences relate to the wider political system? Like Julia Paley, I am interested in connecting the lived experiences of popular classes to national political projects, such as dictatorship, the restoration of democracy, or the Popular Unity's path to Socialism. Antonio Gramsci's writings guide how I look for and understand these connections in my work.

Just as Gramsci's concept of the integral state pushes the boundaries of the state beyond the apparati of the government, he widens the realm of politics, to include, most famously, culture as a key terrain of political struggle. For Gramsci, hegemony—the unstable process to establish and maintain a national project—is most effectively managed when it is rooted in common sense, that is, when it becomes a deeply-ingrained component of one's worldview. Individuals' conceptions of reality and of themselves are thus an important site of politics, and culture, as a builder of worldviews, becomes a frontline of struggle. Gramsci's observation that conceptions of the world are produced and expressed not only in the realm of thought, but also, crucially, emerge "from the real activity of each man" emphasizes the importance of everyday practices to understanding political struggle; that is, it encourages a turn to ethnographic methods (Gramsci 2005, 326). Everyday practices are a key site that links individuals' understandings of the world and of themselves to their participation (whether deliberate or not) in different political projects. The significance of the estate occupations in Southern Chile lies in this interplay between practice and worldview; the interplay between practice—the estate occupations, forming the Complex, negotiating how it would operate—and the development of workers' consciousness brought the forestry workers into a more deliberate, protagonistic participation in the Popular Unity's national project of building a government of the people (*el gobierno del pueblo*).

Research methodology and process: historical ethnography

Liberating Forestry is the product of 15 months of fieldwork in Chile combining extensive archival research, oral histories, and ethnographic engagement with the communities of the former Panguipulli Complex. It builds on earlier accounts of the Panguipulli Complex centering on the social changes and human rights violations experienced by the population of the Complex. The Corporation for the Promotion and Defense of the Rights of the Pueblo (CODEPU) importantly documents the human rights violations experienced by the people of the Complex under dictatorship in two volumes (Rojas 1991, Espinoza Cuevas et al 1999). Claudio Barrientos' (2003) history dissertation focuses on communities' ongoing cultural processes of narrating and remembering the violence of dictatorship in the Complex, while Ricardo Rivas' (2006) undergraduate thesis examines the relationship between the state and the forestry workers of Neltume. Cristóbal Bize Vivanco's master's thesis, *El otoño de los raulies. Poder popular en el Complejo Forestal y Maderero Panguipulli (1967-1973*) makes the case that the Panguipulli Forest Complex constituted an example of popular power, and a beautifully written memoir by Jose

Bravo (2012), a forestry worker from Neltume, provides a compelling first hand account of the estate occupations. Finally, the Panguipulli Complex is one example within Klubock's (2014) deeply historical analysis of the evolving deployment of forestry discourses and practices by campesinos, landowners and the Chilean state in struggles over Chile's southern frontier. In this work, Klubock contributes a crucial new lens to these accounts by examining the role of the forests, and ecological dynamics more broadly, in the sociopolitical developments of the Panguipulli estates. I add to these previous studies by using ethnographic methods to draw out the significance of the practices founding, operating, and disintegrating the Panguipulli Complex to the changing visions of citizenship linked to Chilean democracy and dictatorship, especially the place of popular classes in the nation.

Across the chapters, I create a vivid account of this tumultuous period of Chilean history as lived by a group of forestry workers and the students, foresters, and politicians who worked as their allies. My commitment to collecting and communicating data at the level of lived experience is not an exercise in recording how national, political processes, such as a military coup, are experienced in daily life, but rather stems from the central premise of critical ethnography that everyday practices are productive of these wider spanning processes.

My research methodology of historical ethnography is inextricably linked to the argument that the forestry workers' practices—forming alliances, occupying estates, and reorganizing forestry production in the Panguipulli Complex—transformed the Chilean nation to include a central place for rural workers. National belonging is produced through practices grounded at the level of everyday life; my dissertation illuminates how the organization of rural labor to reinforce or counter worker alienation from decision-making produces a nation exclusive or inclusive of the working class.

Ethnography makes visible forms of evidence difficult to discern through other methodologies. It is only through the oral histories composing much of my ethnography that the historical force of emotions becomes evident. How the forestry estate occupations gained sufficient momentum to successfully pressure the Popular Unity into creating the Panguipulli Complex is incomprehensible without observing the passionate moral indignation recalled by the foresters who as university students helped the workers' struggle transcend the boundaries of the forestry estates. I brought this critical ethnographic method into all components of my investigation, from oral histories and participant observation to archival research. For example, investigating property titles of the Panguipulli estates revealed that most of the estates were maintained as state property throughout much of the dictatorship. However reading the secretarial notes from the meetings of the Panguipulli Complex Board of Directors across the 1970s and 1980s attuned to how the policy discussions and decisions changed the lives of the workers exposed the powerful transformation of social relations underlying this unchanged property form.

As with many research projects, my route to the Panguipulli Complex was far from direct. Since 2004, I had engaged with the sticky world of ongoing forestry conflicts in Chile across the multiple fronts of Mapuche land rights, labor struggles and environmental justice movements. However, through that circle of research and conversations, I began to hear whispers of a Workers' Forestry Complex, spoken with

an air of mystery and awe, tragedy and daring. I was drawn to it because the forestry estates of the Panguipulli Complex had formed the epicenter of the Chilean forest industry before it shifted to pine and eucalyptus plantations. I wanted to understand how the social relations of forestry compared between Chile's old industry, based on the native forests of the Andes, and Chile's new industry based on the pine and eucalyptus plantations currently blanketing much of the Central-South Regions, from Concepción to Temuco.

However, the vividness of the experience of the Panguipulli Complex that began to emerge through initial conversations ended these plans of a comparative project. Forestry Engineering Professors at the Austral University in Valdivia put me in touch with older foresters who had participated in the Forestry Complex, as *mirista* students, professors and governmental functionaries. The generosity of these foresters—the sharing of their experiences, documents, and intellectual and moral motivations—opened up to me the frenetic feeling of possibility of the Frei and Allende years, all through the lens of forests. Their past perceptions and actions and their analysis in hindsight of those years revealed rich insight into the interconnected social and ecological histories of the Panguipulli forestry estates. Many explained that the poverty they observed in forestry labor communities pushed them to complement their technical forestry training with social theory. Some gained this through joining the MIR and engaging in discussions of Marxist praxis, and others gained this through more formal study. These foresters conformed so little to the image of the controlling, technocratic forest expert common in literature on scientific forestry; rather than simplifying forested landscapes into a calculation of maximum sustainable yield, they incorporated their understandings of rural labor exploitation into the application of the tools of modern forestry. This combined socioecological perspective resonated with my training in geography to produce daylong conversations and multiple follow-up interviews.

Three forestry engineers in particular opened their personal archives to me. The first had worked as the founder and head of the Division for Productivity and Social Studies in the state Forestry Institute (INFOR), and in this capacity, he had many studies conducted to support the Panguipulli Complex, as well as copies of documents internal to the operation of the Complex itself. Prior to working at INFOR, he had been a forestry-engineering professor at both the Universidad Austral and the Universidad de Chile and led university students on internships in the Panguipulli Complex. He saved many hand-written records and notes of these experiments, which he shared with me. The engineer who served as the Executive Director of the Panguipulli Complex allowed me to copy the 1973 Operation Plan for the Complex, which listed the projects in progress at the time and those slated to begin. Finally, a third forestry engineer, who had worked in the Forestry Committee, the state organization coordinating the forestry sector, provided many documents on the planning and execution of the First National Meeting of Forestry Workers, held in early 1973.

While most conversations with the forestry engineers eventually opened and flowed, perhaps because we could find a shared language of a Marx-inflected understanding of socioenvironmental injustice, moving across their involvement in the Panguipulli Complex to their experience of the coup was an extremely delicate

matter. Because most were part of the Allende government, they were forced into exile. However the types of fear and hardship accompanying that process varied, and I did not push to hear it, and only learned of post-coup experiences if the interviewee volunteered that information.

I was even more tentative entering the communities of the ex-Panguipulli Complex estates. Having read the two accounts of the Corporation for the Promotion and Defense of the Rights of the Pueblo (CODEPU) of the human rights violations perpetrated in the Panguipulli Complex by the military regime, I knew that the people of these estates had suffered intense repression. A director of the Valdivia branch of CODEPU also had warned me that the communities of the forestry estates were highly suspicious of outsiders. When I traveled to Neltume for the first time, I thought of my project as uncovering the changing conditions of forestry production across the history of the estates. I hoped that by focusing on the theme of forestry labor and the practices of production, interviewees would not have to repeat the stories of suffering they had already shared with the CODEPU teams.

In this first trip, I visited the Cultural Center, Museum and Memory Neltume (henceforth, the Museum), a community initiative first supported by the municipality and the Ministry of Education, and now by government grants. Entering the Museum, I first met Angelica Navarrete, the woman whose energy and dedication keeps the Museum running. Angelica grew up in Neltume, and her father was one of the forestry workers who first sought to form a legal union. With Angelica acting as a tour guide, I worked my way through the Museum's three rooms, composed of community donated objects and computer printouts.[13] The first room shows what life was like in Neltume from its origins to the present, focusing on milestones of this lumber town: when the plywood and door and window factories started operating; the installation of electricity in the houses; the founding of the local school. It also includes key moments of unionization history, from the big, illegal strike of 1951, to the ongoing attempts at unionization that rolled across the 1960s and culminated in the formation of Neltume's first legal union in 1967. The second room documents the different forms of labor in Neltume's forest industry, from forested mountains to the factories. Donated objects of tools, clothing, maté mugs and lunch pails illustrate the instruments supporting forestry labor, while print-outs explain the processes and seasonality of different steps of production. The final room tells the story of Neltume across the tumultuous years of the Allende administration and the dictatorship. The overall theme is Neltume's fight for social justice. One half focuses on the estate occupations, the formation of the Panguipulli Complex, and the participation of the workers in the Administrative Council of the Complex. On this side of the room, a mural highlights the leadership of Jose Liendo, a *mirista* student who helped organize the estate occupations. The other half of the room focuses on *Operación Retorno*, the plan organized by the MIR in which a group of exiled *miristas* re-entered Chile and established a guerilla camp in the mountains around Neltume to serve as a base for a resistance struggle against the dictatorship. The display illustrates the story of the

[13] After receiving a grant in 2014, the Museum has redone its displays, with sturdier, professionalized placards. Since my first visit in 2011, they have also painted beautiful murals on the inside and outside of the Museum.

participants in the plan, focusing on the thirteen men who lived for six months in the forests outside Neltume, digging underground shelters. A mural pays homage to the eleven guerrillas who died in confrontations with the military in 1981, five of whom were forestry workers from Neltume.[14]

After explaining my research to Angelica, she presented me to many people in Neltume who had worked in the Panguipulli Complex. Through Angelica, I also slowly became connected to a phenomenal group of people working to recuperate and share the history of the Panguipulli forestry estates. The Museum had become a collective project of these different groups: people from Neltume, the Comité Memoria Neltume, students, like Cristobal Vivanco, and journalists, like Mauricio Duran.[15] As a cultural center that hosts events, the Museum not only teaches a history built through conversations with and donations from the people of Neltume, it also provides a space where the people of forestry estates and visitors can debate and construct a collective vision of their past. That is, this Museum provides a social space that enables the construction of a shared history of the past, a social history that can counter the dictatorship's narrative of the Panguipulli estates. Being welcomed into this group and participating in events hosted by the Museum taught me through practice the significance of memory to the politics of the present. It also helped me speak with many older forestry workers who still lived in Neltume and others who formed the *población* Lolquellen in Panguipulli after being evicted from the estates during the dictatorship. While some interviewees led the conversation to the coup and experiences of repression and eviction, I did not pose these themes during interviews. To better capture the lived experience in the forestry estates during the dictatorship, I complemented these accounts with those provided by the transcripts of the interviews conducted by teams from CODEPU in the 1990s, housed in the archives of the Valdivia CODEPU branch.

All in all, I interviewed twenty-eight people: seven forestry engineers, all but one, directly involved in the Panguipulli Complex; seventeen people who lived in the forestry estates of the Complex, the majority forestry workers; and four non-forestry engineer, political party militants who were political activists in the Complex (three from the MIR, one from the Socialist Party). As per my Human Subjects Protocol, the only interviewees whose names I have *not* changed are those who served as public officials, either elected or appointed to their positions. I only interviewed two women: a secretary in the administrative office of the Complex and a teacher in Quechumalal. My investigation centered on how the transformation of forestry labor through forestry workers' participation in decision-making changed their place in the

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[14] *Operación Retorno* would retroactively reinforce the military's portrayal of the Panguipulli Complex as a guerrilla training ground, as well as its claim to have saved Chile from Civil War.

[15] The Comité Memoria Neltume is a group formed by those who survived the *Operación Retorno*. It also includes some of the *miristas* who had worked with forestry workers to coordinate the forestry estate occupations and form the Panguipulli Complex. Some people were involved in both moments of Neltume's history. This Committee organized the installation of forestry worker memorial at the entrance to Neltume. Cristóbal Bize Vivanco is a Chilean graduate student who was carrying out the research for his history master's thesis on the Panguipulli Complex while I was doing my fieldwork in Chile. We co-conducted seven interviews together, noted in the Bibliography. He is currently a PhD student at the Universidad Austral.

Chilean nation. The world of forestry was and is an extremely masculine space; as such, this focus on forestry labor and production skewed my interviews to the experiences of men. This is not to say that women were absent from my envisioning of life in the Complex during the 1970s and 1980s. I spoke with many forestry workers' wives, Angelica and her family gave me an amazing welcome and orientation to Neltume, and at the numerous memory events I listened to experiences of women who lived in the forestry estates. While many women were, as they explained, completely occupied with taking care of their many children, others combined these household duties with membership in political parties, participation in political rallies in Panguipulli and Valdivia, and a history of supporting and marching with the estate unions if they went on strike.

With many people, I conducted numerous additional interviews, for a total of forty-five. Interviews varied in length from thirty minutes to day-long conversations. For the first few months of research, I frantically scribbled hand written notes, but with an amendment to my Human Subjects Protocol, I began recording interviews in August of 2011. Seven interviews, I co-conducted with Cristobal Bize Vivanco, a Chilean graduate student in History at the University of Chile.[16]

I held the information emerging from these interviews in tension with data from multiple archival sources. In addition to the private documents shared by the foresters, I spent months working through the 418 volumes of the Panguipulli Complex records in the CORFO collection of the *Archivo Nacional de la Administración*, in Santiago. Because the military regime kept the Panguipulli Complex a state company owned by the National Development Corporation (CORFO), these volumes offer a unique window into the debates internal to the dictatorship across different scales of authority and as they evolved during the 1970s and 1980s. At this same archive, I also examined the records of the *Dirección de Trabajo* for the quantity and type of labor conflicts in the Panguipulli forestry estates in the decades preceding the formation of the Complex. Research assistants, Francisca Rojas Pizarro and Maximiliano Bassaletti helped me review many years of Valdivian and national newspapers, finding and summarizing articles related to the Forestry Complex. Francisca also summarized the expropriation files of the ex-Agrarian Reform Corporation (CORA) for many of the Panguipulli Complex forestry estates at the archives of the Agricultural and Livestock Agency (SAG). The archives at the Eduardo Frei Museum also helped me construct a richer understanding of forestry politics as Frei and Allende passed and deepened the agrarian reform. Finally, from the archives of the Valdivia branch of CODEPU, I accessed transcripts of the interviews CODEPU teams conducted with residents and workers of the ex-Panguipulli Complex in the 1990s.

In addition to interviews and archival research, I participated in numerous events centering on the social memory of people connected to the Panguipulli Complex. I had the luck to be at the right place and time to be invited on an excursion organized by a schoolteacher for the *Club de Adulto Mayor*, or the Old Folks Social Club of Lolquellen in Panguipulli. With this group of about ten men and women in their sixties and seventies, I traveled in boat across the oblong Lake Panguipulli to the

[16] These are noted in the Bibliography.

now privately owned Quechumalal estate. The hour-long boat ride was filled with guitar-accompanied singing, and a very lively chatter of anticipation. As we neared the estate, the schoolteacher, who lived in Quechumalal as a child, began to cry. She pointed to a spot, now covered in Oregon pine, where she used to do her homework. Others shared the shock at seeing evidence of their past presence—the structures of their homes—completely erased, while many of the men remembered that they had helped plant the Oregon pine. While I do not directly cite this experience in my dissertation, participating in this homecoming—observing the verbal and embodied reactions of these 'old folks' as they walked through the building that had housed the estate's sawmill and over the concrete foundation of one of estate's schools —gave greater content to my vision of life in the Panguipulli Complex and what that past means to people in the present.

I worked with history student, Cristobal Bize Vivanco, Olga Nass of the Panguipulli public library, an ex-*mirista* connected to the Panguipulli forestry estates, and a retired forestry worker to organize a social memory workshop with many of the men and women who were kicked out of the Panguipulli forestry estates during the dictatorship, and rebuilt their homes in Lolquellen, a *población*, or settlement, at the entrance to Panguipulli. The retired forestry worker—Don Hernán[17]—participated in the first *toma*, that of the Carranco estate, and took pride in having been part of that significant historical moment. He was an important figure in the community of Lolquellen and wanted to have an event where the people of Lolquellen could come together and talk about their past. The social memory workshop held in Panguipulli in December of 2011 was a product of multiple conversations combining the motivation of Don Hernán with the organizational support of the Memories of the 20th Century program (*Memorias del Siglo XX*) of the Directorate of Libraries, Archives and Museums (DIBAM). The actual event gathered fifteen men and women from the Releco, Puñir, and Quechumalal estates. While the planned large discussion did not work very well due to many participants' deafness, being part of a small group discussion further opened up to me multiple perspectives and experiences of living in the forestry estates both during the occupations and after the coup.

The most powerful event I participated in has been the yearly memory event hosted by the Museum and the Comité Memoria Neltume. Since 2007, these two groups have invited people linked with the Panguipulli Complex to Neltume for two and half days of conversations about the Allende and dictatorship periods and commemoration of those killed by the dictatorship. The first year I attended, 2012, the event began Friday afternoon with a social history workshop led by Chilean scholar, Mario Garcés. All in attendance were encouraged to share their experience of the past, with Garcés moderating to draw out a collective narrative. The goal of building social history, as explained by Garcés, is to counter the authority of state history and to do so transcending the atomization of the memories of individuals. Within Neltume, this is especially important, as fear had prevented these collective conversations, leaving official histories of the Complex hegemonic both inside and outside the forestry estates. As one participant from Neltume, not linked with the

[17] His name has been changed in accordance with my research protocol, although many times he expressed pride in the experiences he shared with me.

Museum explained, he was a little afraid to come to the event; this was his first time talking about his experience of the past.

The next year, the Museum started the weekend with a public showing of "Neltume 81", a documentary produced by Evelyn Campos, Cristian Fuentes and Andrea Sánchez in 2012 as their journalism thesis for the University of Chile. The film told the story of the *Operación Retorno*, the failed project of the MIR to build a resistance movement against the dictatorship from a guerrilla base in the forests outside Neltume. With archival footage, site visits, and interviews with the survivors, the documentary revealed the social justice motivations and the doomed nature of the guerrillas' struggle to end the military regime. It showed that many in the guerrilla force building underground camps and storage caches in the surrounding mountains had been native sons of the forestry estates, a far cry from the dangerous outsider extremists in the press of the time. The documentary humanized the guerrillas and explored the tragic folly of the attempted resistance, and in so doing, added content to a sensationalized episode that has left Neltume stigmatized to this day.

On Saturday, the event moves outside of Neltume, visiting the site where the leader of the guerrillas of '81 was killed in Choshuenco, and then stopping at a cemetery where others killed by the military are buried. At each of these places, family members and friends tell stories about the dead, and these accounts often intersect and build off one another, connecting the estate occupations of the 1970s to the guerrillas of '81 through an overlapping cast of characters. The final day brings the group into the forests. With the survivors of *Operación Retorno*, and the teenage son of one, at the lead, we head into the dense stands of coigue and rauli, many breaking off shoots of *colihue* to serve as walking sticks.[18] The hike leads the group to the camp where the military confronted the guerrillas while they were digging an extensive underground unit for storage and shelter. Tools, rusted cans of food, disintegrating clothing lie mixed in the underbrush, punctuating the hastiness of the site's abandonment. By the end of the day, the group visits one or two additional underground units.[19] This part of the event is called the *romería*, or pilgrimage, and it takes a spiritual, if not religious tone. Moments of silence and internal reflection commemorate the fallen, and for those most connected—friends and family—the *romería* provides a special site for personal mourning.

In the two years that I have participated, the central topic of conversation of the organizers is how to expand the participation of the people from Neltume; how to make this event more welcoming to the folks not linked to the Museum. Both the Museum and the Memory Event are led by people who were members of the MIR, or sympathetic to the *mirista* perspective. And while many of the forestry workers of the Complex associated with the MIR, many others were members of the Socialist Party, the Communist Party, or the centrist Christian Democrats. Hegemonic stories that *mirista* guerrillas manipulated the rural communities of the forestry estates, the brutal military presence in the estates following the discovery of the guerrillas in 81,

[18] *Colihue* is a type of bamboo that grows in the Valdivian temperate rainforests.

[19] The guerrillas called these *tatús*, and modeled them after the Viet Cong's underground constructions.

and the resulting stigma associated with Neltume have combined to cause some inhabitants of Neltume to view the memory event with suspicion. However, since the beginning of the event in 2007, the organizers have noted progress marked by the growing attendance by people from Neltume. In 2013, the community center where they projected the documentary was filled to capacity with many new voices participating in the discussion at the close of the film. That year, the informal debriefing conversations among the organizers were hopeful and excited; it seemed that they were getting closer to the goal that this event, and the Museum more broadly, would create a social space of encounter, a space in which the people of Neltume and the forestry estates could construct their own collective narrative of the past that countered that of the dictatorship.

Two weeks after the event that year, in the early hours of February 17th, the Museum was broken into. The intruder shattered a window at the rear of the building, lightly damaged an informational placard climbing in, and then, burned most of documents composing the display on the estate occupations and the formation of the Panguipulli Complex.[20] The person also stole a computer, a woolen poncho that was part of the Museum's donated collection, and a number of books. The committee in charge of the Museum called this a political attack rather than a simple robbery because of the targeted destruction of the museum materials.

No one has been apprehended for this crime, so motives can only be speculated. This act of arson, however, provides a final, lingering illustration of the ongoing political stakes of telling this history of the Panguipulli Complex. This crime shows that the work of the Museum and of the memory event represents a live threat to someone. In my mind, that threat stems from the uprooting of deeply planted Truths, Truths that make the siting of counter-insurgency war games in Neltume make sense, even under democracy. It is the threat of exposing that the estate occupations and the formation of the Panguipulli Complex were not the diabolical plans of outsider extremists, but rather grew out of a deeply historical struggle of forestry communities against exploitative living and working conditions. It is also the threat of building the social spaces that allow these counter-narratives to be told.

My dissertation argues that this history is not just important to the processes of reconciliation of the people of Neltume; in examining the actions taken by the military regime against the people of the Complex, from violence and misrepresentation to the neoliberal restructuring of labor and life, this history illuminates the dictatorship's neoliberal counterrevolution as an offensive against popular participation in the nation. The continuation after the return to democracy of multifarious strategies to erase the past and contain popular mobilization, overlapping and exceeding ongoing commitments to neoliberalism, propagate a reductive understanding and practice of democracy.

Chapter outline

Chapter 1, "Foundations of Dispossession/ Foundations of Struggle," documents the history of land and labor struggles in the forestry estates of the Panguipulli region, from the initial establishment of private property in the late 19th

[20] This included both printouts and original newspapers from the early 1970s.

century to the conflicts of the agrarian reform in the 1960s. I use newspaper articles, archives from the Labor Directorate, land title data and oral histories to reconstruct the conditions of labor and everyday life in the forestry estates and the ongoing attempts by workers to diminish the power of landowners over their lives and labor. This chapter pushes back against dictatorship-era renderings of the estate occupations as the work of outsider extremists; placing the land occupations into a lineage of regional social struggle restores the workers of the area as active participants in this significant transformation of land and labor, and founds the cause of conflict in the labor relations of the estates, not in the ideologies of outsiders.

The next chapter, "A Complex Nexus: Forestry Science and Political Alliance" focuses on the estate occupations as a radical transformation of socioenvironmental relations. In it, I address the factors that enabled this powerful transformation, including the historical geography of the area and the nexus formed between the forestry workers and a group of university students, many of whom were studying forestry engineering. This chapter also examines the processes of political alliance formation through which the Allende administration changed its initial disapproval of the occupations into validation of the forestry workers' actions through expropriating the estates and forming the Panguipulli Complex. Overall, chapter 2 illustrates the political alliances that enabled the occupations and the formation of the Complex.

The next two chapters work together to illustrate the hopes and challenges facing the forestry workers and their allies as they sought to transform production in this vast territory on the basis of worker participation. Chapter three, "Negotiating the Nation: The Structure of Worker Participation" documents the new organization of life and forestry production in the estates following the formation of the Panguipulli Complex. A co-management structure composed of state representatives and forestry workers administered the forestry estates and industries of the Complex. With workers forming the majority on the Administrative Council, this top decision-making body prioritized the livelihood security of the workers by initiating programs that would maintain employment, both year round, and deep into the future. While some programs centered on increasing the efficiency of raw material use, the new administration connected the livelihood security of the workers to the longevity of the forest resource, and toward this end initiated reforestation and silvicultural management programs. This chapter argues that participating in the estate occupations, pushing the government to validate their actions, negotiating the new structure of forestry production, and partaking in the collection of practices that transformed the twenty-two private estates into a single productive unit changed forestry workers' position in the Chilean nation to one of meaningful inclusion.

Multiple people participated in the project of territorial liberation that the Panguipulli Complex represented: forestry workers and union leaders, students, forestry engineers, politicians, activists, and foreign statesmen. Chapter four, "Negotiating the Nation: Disintegration of the Dream" illustrates the challenges of unifying a diversity of actors, even as they ostensibly shared a common goal: the consolidation of the Panguipulli Complex on the basis of worker participation. Through examining the struggles, negotiations, and misunderstandings around the meaning of participation, I show how certain constraints—such as the extreme lack of education of the workers and the extensive area of the Complex—caused the

disagreements around participation to widen into larger and larger breaches. This chapter concludes by connecting the challenges of constructing a shared framework of meaning within the Complex to the disintegration of the hegemony of the Allende administration nationwide.

The final chapter, "From Exceptional to Mundane: Instituting Precarious Work in the Panguipulli Complex" focuses on the consolidation of the military regime in the Panguipulli Complex following the coup. Although the dictatorship maintained state ownership of the Complex, the social and ecological relations of this forestry region were revolutionized. This chapter examines the significant remaking of work and life in the Panguipulli forestry estates from the early days of concentrated repression in 1973, to the final privatization of the last estate in 1988. The violence, the official account of the formation of the Complex as the manipulative scheme of outsider extremists, and the mundane remaking of forestry work functioned in concert to contain workers to the margins of the nation.

Chapter 1
Foundations of Dispossession/ Foundations of Struggle

In the Southern Andes, in a region of lakes scooped out by retreating glaciers, the small town of Choshuenco sits on the shore of Lake Panguipulli. Mountains curve and break along the edges of the lake; the glassy, reflectent blue of the water sets off the dark and light green patches of trees that cover the mountains' undulations. At the far end of the beach, rests the *Enco*, a rusted ship, long retired from its duties of shuttling passengers on the three-hour journey across the oblong lake.

Choshuenco is one of many small towns tucked into the network of rivers, lakes and trees[21] that crosses the Andes to the east of Valdivia. It is a site of multiple artifacts that connect to a complex past: the laborious *Enco*, which served as the principal link to the outside world for the forestry workers and their families living in the clearings of enormous forestry estates; weathered wooden signs for the old forestry properties of Molco or Chan-Chan; a plaque marking the place where Miguel Cabrera Fernandez, the leader of a group of anti-dictatorship guerrillas, was shot dead in 1981; and of course, the trees themselves—the product of interwoven histories of nature and labor.

This is the setting where forestry workers and their allies, mostly university-students, initiated a series of land occupations that would transform twenty-two forestry estates into the state-owned, worker-operated Panguipulli Forest and Lumber Complex. Following the military coup in September of 1973, dictatorship rhetoric portrayed this alliance and movement as the manipulative work of outsider, leftist extremists. This rendering erases a deep history of struggle and conflict, and transforms the forestry workers of the area into either innocent dupes of demagogic schemers, or the guilty devils of Cold War rhetoric. In this chapter, I dig into this forestry region's past to push back against these dictatorship era renderings; placing the land occupations that instigated the creation of the Complex into a lineage of regional social struggle restores the workers of the area as active participants in this significant transformation of land and labor, and founds the cause of conflict in the labor relations of the estates, not in the ideologies of outsiders.

The initial establishment of private property in the Panguipulli region, through dispossession, violence, legalistic trickery and the forced absorption of indigenous and Chilean *campesinos* into estate workforces, laid a foundation of conflict to the social relations of this area.[22] Workers that came from other regions, drawn by the rumor of employment opportunities, also pushed back against the crude control

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[21] *Rauli,* a member of the Southern beeches, used to be predominant in this part of the Andes, but decades of selective cutting have allowed its cousins, *Coigue* and *Roble* to increase their representation. *Tepa* and *Mañio* are additional trees present in the area.

[22] In his dissertation, Claudio Barrientos (2003) makes a similar argument that the emergence of revolution and repression in this area in the Frei and Allende years, and later during the dictatorship, was founded in the history of interethnic conflict around the establishment of private property and labor relations in the Southern frontier (30-31).

estate owners and administrators exercised over the lives and work of laborers and their families.

Just as rhythms of dispossession and social mobilization reverberate across the history of this area, the outsider, leftist boogeyman weaves through these histories as a recycled trope, a useful figure for locating the cause of worker mobilizations beyond the estate gates. In this chapter, I also look across the continuity of dispossession and social struggle, at who controls the meaning of social struggle. The power to shape how the meaning of the struggle is represented to the broader audience of the nation greatly influences the conflict's outcome.

The particular cycle of social mobilization that began in this area in late 1970 and spread across more than a dozen forestry estates successfully condensed into the transformation of social relations and the empowerment of forestry workers with the formation of the Panguipulli Complex. While the window of opportunity of Allende's Presidential victory enabled this success, it was the forestry workers' numerous failed attempts at unionization and analogous struggles across Chile that led to the opening of that window.

Settling Southern Rural Property

The forestry estates that were to become the Panguipulli Forestry Complex (PFC) were part of an area that differs from the rest of Chile due to the rawness of its layering of dispossession and exploitation. Previously called the Araucania, the territory that extends south from the Bio-Bio River to just north of Valdivia was the land of the *Araucanos*, an indigenous group that the Spanish were never able to conquer. Even after Chile gained its independence from Spain in 1818, the Araucania remained a separate territory that split Chile in two: the Central Valley to the north, and Valdivia and Patagonia to the South. The incursions of the Chilean state into the indigenous territory began in the 1850s with an aggressive colonization program meant to attract industrious white Europeans into the frontier region, Germans being a particular favorite. In the late 1860s, the Chilean state initiated a military campaign to defeat the indomitable *Araucanos*. The so-called "Pacification of the Araucania" ended in 1892, with the decimation of the indigenous population by violence and disease. This initiated a dual process of giving generous land titles to both European and Chilean settlers and pinning down surviving indigenous families in *reducciones,* the Chilean equivalent of reservations. Indigenous families were grouped into *comunidades*, an artificial social organization created by the Chilean state, and to these *comunidades*, the state issued *títulos de merced,*[23] land grants establishing the *reducciones*.

While technically Panguipulli was a municipality that formed part of the province of Valdivia, and therefore not part of the Araucania, its location on the outskirts of the province, both far to the east in the mountains and on the limit with the Araucania, meant that the indigenous people of this area—the Mapuche-

[23] The direct translation is "titles of mercy," suggesting that the granting of such titles demonstrated the benevolence of the Chilean state toward indigenous groups.

Huilliche[24]—also lived relatively independently from the presence of whites until the end of the Pacification of the Araucania. Foreign and Chilean settlers did not arrive until the success of the military campaign ended fear of an indigenous uprising. These settlers employed multiple methods to gain possession of enormous extensions of land, despite the Chilean state's attempt to regulate colonization in the South.

In 1866, the state passed a law that was meant to increase its control over the process of colonization, and ostensibly, to prevent depredations of indigenous lands. This law created the *Protector de Indígenas* (Protector of Natives) and ruled that any indigenous land sales required the intervention of this new official. It also created the *Comisión Radicadora de Indígenas*, or the Indigenous Settlement Commission. However this law, and others similarly regulating indigenous land transactions, was not enforced for a number of decades. In January of 1883, a new law was passed that prohibited the acquisition of all indigenous land, even with inscribed land titles. It also reestablished the Protector of Natives and the Indigenous Settlement Commission; however these regulations only applied to the Araucania. It was not until 1893 that the outlawing of indigenous land sales was extended to the province of Valdivia, and even then, enforcement was inconsistent. Vergara et al (1996) explain that even after the 1883 law, judges in Valdivia continued authorizing the sale of indigenous land (62).

The Indigenous Settlement Commission first began operating in the Araucania. Understaffed, it worked slowly, not even arriving to Valdivia until 1908. The Settlement Commission consisted of a lawyer, who served as Commission President, and two engineers, all appointed by the President of the Republic. Its task was to measure the lands claimed by indigenous communities, distribute the *títulos de merced*, and take note of the unclaimed lands in the interest of the state. *Títulos de Merced* were given to *caciques,*[25] supposedly the leaders of groups of families, granting them rights to a communal property.[26] They were inscribed in a special registry and legally protected from sale.

The indigenous settlement process had serious limitations that made the resulting indigenous properties, the *reducciones*, only too appropriately named. For example, a community could only claim rights to land it currently physically possessed, and it could only receive a *título de merced* to a property if all legal disputes over the land were settled. Thus, the settlement process did not address any prior usurpations of land, and it meant that other colonists could delay and prevent indigenous settlement by disputing communities' possession of desired lands. It also meant the indigenous groups lost enormous forested areas, as they used forests and the resources within, seasonally, not through permanent occupation. The Commission operated in Valdivia from 1908 to 1929, when the Southern Property Laws (*Leyes de la Propiedad Austral*) put an end to the indigenous settlement process.

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[24] The Huilliche are a subgroup of the Mapuche. Huilliche is a geographical term, meaning, the southern Mapuche.

[25] *Cacique* was a term generalized under Spanish colonialism in Latin America to refer to the chief of an indigenous group. Mallon (2005) explains that it was originally a Carib word for leader or headman (251).

[26] Jose Bengoa (1999) and Florencia Mallon (2005) emphasize the artificiality of the new social organization of Mapuche society forced by the settlement process.

In the Panguipulli municipality, the Commission operated from 1909 to 1923, and distributed 37,926 ha in 203 titles to 3208 people (Vergara et al 1996, 65).

While the Settlement Process did provide Huilliche communities with official titles to their lands, these lands were greatly reduced. The European and Chilean settlers that arrived to the Panguipulli area following the end of the "Pacification," had enjoyed almost two decades to carve private estates out of Huilliche land before the Indigenous Settlement Commission even arrived. They employed multiple methods ranging from violent kidnapping and house-burning to legalistic titling trickery and the physical adjustment of fences. The laws of 1893 did not stop these methods of usurpation. The resulting large landowners counted on the support of local judges, who were often large landowners, themselves.

It was no secret that indigenous lands were being illegally taken. The Minister of Colonization wrote in his Ministerial Report of 1908:

> Although it is distressing to repeat it, we must record a series of abuses, which now constitute a system that the pillagers of the indigenous race employ, especially in the provinces in which the natives still have not been settled. We have noted the principal restrictive laws that protect the property of the natives and that impede them from selling their lands. But these laws have been evaded in almost every part. In just the department of Valdivia, the natives have submitted more than 1,000 land sale contracts, and in the department of La Union, Osorno and Llanquihue, more or less the same occurs (quoted in Vergara et al 1996, 62).

To be clear, these land sales were not the desire of the indians, but rather resulted from various methods used by people determined to expand their private property. In the same report, the Minister of Colonization lists many of these methods: dividing the indigenous communities; illegal contracts of labor tenancy (*inquilinaje*) and renting; trials with district judges for real or supposed debts resulting in the seizing or auctioning of their belongings, including their land; accusing the indians of crimes resulting in the seizure of their lands; kidnapping, armed assault and even assassination. After this list, he explains that the perpetrators of these various methods of dispossession get away with it because the district judges let them, either out of impotence or complicity: "The most irritating of this series of crimes is the impunity in which the authors remain. The judicial authorities of lower rank have demonstrated their impotence and almost their guilt in the excesses and abuses of which the natives are frequently victims" (quoted in ibid, 63). Vergara includes similar quotations from other functionaries of the state, such as the Inspector and Sub-Inspector of Colonization, as well as from travelers' accounts (62-64). Thus, these practices were well known, even if occurring in the far-off regions of Southern Chile.

The news of such violent and illegitimate creation of property led the rest of the country to view the property owners of the South with disdain and suspicion. In 1920, the Mortgage Credit Bank made special policies for Southern property owners, effectively setting credit out of their reach. As a result, the Southern property owners

joined other voices in pressuring the State to regularize the title situation in the South (Almonacid 2009).

The cries of dismay at the mess of the colonization process, the ongoing court cases, and the disgust and horror of some at the treatment of the indigenous people pushed the government to action. However, rather than the spirit of justice, the motivation to address the troubles in the South resulted from the fact that: (1) the chaotic colonization of the so-called *Propiedad Austral* had left the state with very little fiscal lands and numerous conflicts with private property owners; and (2) the state would not enjoy the benefits of the productive economic development of these newly colonized areas until the land market operated properly with land titles holding without questioning or defamation (ibid).

Across the latter half of the 1920s, Congress proposed, discussed and passed multiple laws meant to solve the problem of the Constitution of the Southern Property, culminating in the creation of the Ministry of the Southern Property on October 31, 1929. From the start, the Ministry was intended as a transitory agency, and all emphasis in the process of "constituting" the Southern Property rested on efficiency. Various requirements of the title application, recognition, and recording process melted away in favor of efficiency, transforming this process into a program of fast-track title recognition that operated in favor of private property owners. With these multiple modifications, the Ministry acted quite effectively, and by April of 1931, its office in Valdivia had addressed the applications concerning over 90% of the province (ibid, 45). In May of 1931, a law was passed that limited the challenges to the validity of titles recognized by the state to a period of two years, and thus, the ability to dispute rights to land was laid to rest. One month later, having completed its mission, the Ministry of the Southern Property was subsumed into the Ministry of Lands and Colonization and ceased to exist.

Absolutely connected to solving the Southern Property problem was the indigenous question; that is, how to reconcile the internal presence of the indigenous Other with the ideal of a unified, Chilean nation. The fate of the Indians and their lands fell to the widespread opinion that assimilation represented the best answer to the indigenous question.[27] According to this perspective, the laws specially protecting indigenous communities and their lands were anti-progressive. To this end, a new law in January of 1930 repealed all previous laws concerning indigenous lands and ended the indigenous settlement process, even though the Indigenous Settlement Commission had not reached many areas, leaving numerous indigenous communities with no possibility of receiving a *título de merced* (Vergara et al 1996, 69). While not mandating the division of the indigenous reservations, as a previous version of the law had proposed, this law did establish a mechanism for dividing the communal lands if one-third of community members petitioned for the division. The state's move for a rapid resolution of the problems of Southern Property put an end to indigenous groups' receipt of official titles, foreclosed avenues of disputing titles

[27] There was a key division within indigenous communities regarding policies of assimilation; some indigenous groups, like the Unión Araucana, agreed that assimilation was desired, and advocated the division of indigenous communitarian land. Others, like the Sociedad Caupolicán and the Federación Araucana staunchly rejected this.

(with the May 1931 law), and opened the possibility for the division and sale of communal indigenous lands.

The Laws of the Austral Property represent the state's attempt to put an end to all property conflicts in the South, restore confidence in land titles, thereby facilitating economic development, and ensure its hold over fiscal lands. In practice, these laws served as the legalization of most of the previous usurpations of indigenous land, wiping clean a very bloody slate. These are the origins of the forestry estates that would form the Panguipulli Forestry Complex.

Letters of blood and fire: the origins of the Panguipulli estates

Each of the methods listed by the Minister of Colonization played out concretely across the municipality of Panguipulli.[28] Accounts portray the first white settlers in the area, Manuel Ovalle, Guillermo Angermeyer, and Manuel and Joaquín Mera as notorious villains who would stop short of nothing, including murder, to expand their land holdings (see Vergara et al 1996 and Díaz Meza [1907] 2006). From imputing debts upon indians and extracting orders of repossession from local judges, and stealing animals and branding them, to kidnapping and torturing indians, while lackeys burned down their houses and sowed their land, to outright assassination, these early settlers, especially the Meras, brought misery to the indigenous communities of the area. A German visitor remarked of the situation in Panguipulli: "Joaquín Mera and the Valdivian judge are not exceptions, but types. The greed of the Chilean has no limit and represses any scruple. On top of that, he considers the natives as inferior beings, hardly equal to the rest of humanity" (Burger 1908, quoted in Vergara et al 1996, 107). In this view, greed bolstered by racism powered the standard treatment of indians in the area.

In what follows, I focus on the actors and processes that contributed to the establishment of the forestry estates that would later form the Panguipulli Forestry Complex. Specifically, I trace a lineage that ends with the Neltume and Carranco estates, which became the most important forestry production centers of the area. I examine one of the most significant indigenous responses to the depredations of their lands as well as the efforts of two allies to transform understandings of the indians and draw attention to their unfair suffering. Finally, through an examination of the land titles of two estates that later joined the Complex, I show how the Laws of 1929 and 1930 cleansed the messy establishment of property rights in the area through official Fiscal recognition of land titles.

In addition to individuals, *sociedades de colonización*, or colonization companies, played a notorious role in the dispossession of indigenous communities, both in Panguipulli and in the greater frontier region. The state granted these companies enormous areas of land with the understanding that they would recruit settlers from Europe to come to Chile, populate frontier areas, and form productive, industrious family farms. Contrary to their purpose, however, many engaged in

[28] For an excellent, detailed examination of the settlement of the first-non indigenous people in the Panguipulli area, please see the history dissertation of Claudio Javier Barrientos. He examines land titles and notary records accompanying the incursion of private property into the region and the violent dispossession of the Huilliche.

rampant land speculation and contributed to the concentration of land holdings in the hands of large, multi-shareholder corporations.

In the area of Panguipulli, the *sociedad de colonización* of Camino, Lacoste and Company contributed to the first step of alienating the lands from the Huilliche by carving out separate estates and writing up their title deeds. Camino, Lacoste and Company was a French association that received a state colonization concession in 1905. It was meant to bring 100 European families to the "lands situated around the Lakes Panguipulli, Pirehuaico, of the Rivers Llanquihye and Huy, which unite them, and of the lake Riñihue" with the possibility of 25% families from Chile within four years (from the concession, quoted in Vergara et al 1996, 108). They brought no families to Panguipulli, but instead, formed title deeds to estates, "Chan-Chan, Neltume, Farihuincul, Carango, Liguiñe y Cachim" (ibid, 108).[29]

In 1906, Fernando Camino, of the Camino, Lacoste and Cia Colonization Company, brought a different corporation into the region: The *Sociedad Comercial y Ganadera General San Martìn*, or the San Martìn Commercial and Livestock Company. Fernando Camino, Juan Bautista Sallaberry, Jose Alejandro Lacoste and Teodoro Camino were the principal owners of the Company, which bought close to 300,000 hectares straddling the Chile-Argentina border, from the Panguipulli area to San Martìn de los Andes, in Argentina (Pinto 1994). This commercial company had grand plans to link the estates of the area from San Martín de los Andes to the principal railroad line of the Chilean state, through railroad and steamship (López y Díaz 2010, 42).

Their manner of establishing this transportation monopoly made the *Sociedad San Martín* one of the actors in the area most reviled by the indians. The company brought the steamboat, "O'Higgins" to Lake Panguipulli. Indigenous communities lived around the shores of this lake, and traveled principally in canoe. Shortly after the steamboat was established on the lake, the captain informed the indians that they were no longer permitted to navigate the lake in canoe without the permission of the company, and that the company would charge for travel in the steamship. Then, under the orders of the company managers, the captain destroyed all the canoes he encountered. Only one canoe escaped the captain's destruction, but its users would meet a far worse fate.

On May 26, 1906, Mariano Millanguir and his son embarked in this one remaining canoe from Quechumalal toward Lonquil, and never arrived. Later that night, the steamship O'Higgins arrived in Panguipulli four hours late. The angry manager boarded the ship, but looked appeased after speaking with the captain. After an eleven-day search, the overturned canoe and two cadavers were found hidden in a tributary of the lake. Padre Sigifredo Schneider de Frauenhausl, a Franciscan missionary, performed an autopsy on the bodies, and confirmed that the father had died of a bullet wound to the head, and the son, from drowning. Sigifredo helped file a report with a judge in Valdivia who came to Panguipulli to raise an indictment. The judge collected statements from the employees of the Company and from some indians, who were too afraid to talk due to intimidation from the

[29] Chan-Chan, Neltume, Carango or Carranco, Liguiñe or Liquiñe were all later part of the Complejo Panguipulli.

managers and the captain before they gave their declaration. Then, without collecting a statement from Padre Sigifredo, he returned to Valdivia. He had stayed in the house of the employees of the Company while in Panguipulli. The case was acquitted, and no one was tried for the murder of the two indigenous men (Díaz Meza [1907] 2006).

This same company, through the actions of its resident workforce, simply took effective possession of the Neltume estate, which belonged to Valentín Callicul, a member of the Cullìn Ancalipe reservation. The workers of the San Martin Company opened up a path through Callicul's land and began constructing houses and carrying out agricultural tasks. When Padre Sigifredo wrote the manager of the company complaining about his employees' actions, the manager responded with an apology. He said the employees would leave, and that the company would indemnify Callicul, or better still, buy the land from him (even though this was illegal). However, at the time of the writing of this account (1907), the houses of the estate workers and their agricultural work still remained on Callicul's land (ibid).

After over a decade of this form of treatment, and recognizing the futility of their separate and ongoing attempts at filing official complaints and seeking justice in the courts, the indigenous communities of the Panguipulli area decided to organize a collective response. The *cacique* of Coz Coz, a territory near the town of Panguipulli, invited all the *caciques* within a radius of eighty leagues to come to the plains of Coz Coz for a Parliament—a large meeting of indigenous leaders—to discuss the violence and dispossession they were experiencing at the hand of the white colonists, whom they simply referred to as the "Españoles," and to coordinate a line of action. On January 18, 1907, over two-thousand Huilliche came together in Coz Coz and voted for one *cacique* to represent them in their battles for justice around these land issues. Once elected, Cacique Juan Catriel Rain promised to defend the communities, write a letter to the government summarizing the crimes committed against them, and if necessary, travel to Santiago to speak with the President. They agreed to never rent or sell land to the Spanish, and to only do business with them after consulting their *cacique* (ibid).

Apart from the letters Cacique Juan Catriel Rain wrote to government functionaries, and trips to Santiago, the plight of the indigenous communities of Panguipulli and the convocation of the Parlamento of Coz Coz was brought out of the faraway mountains and into Valdivia and other cities through the work of two non-indigenous allies: the Franciscan Missionary, Padre Sigifredo, and a Chilean journalist named Aurelio Díaz Meza.

Padre Sigifredo came to work at the Mission in Panguipulli in 1904, a year after it was founded. Although his purpose was to educate and convert the Huilliche of the surrounding communities, he quickly became a valuable witness to the crimes non-indigenous settlers carried out against the communities. Having received a doctorate of law in his native Bavaria, Sigifredo would listen to the accounts of the Huilliche, and travel to Valdivia to file complaints in the Provincial court. He frequently defended many lawsuits in the Valdivia Court on behalf of the indians who

lived in the Panguipulli area. Sigifredo recorded his experiences and many of the cases in a multivolume “Crónica de la Misión de San Sebastián de Panguipulli.”[30]

Shortly after the arrival of the San Martín Commercial and Livestock Company to the area, Padre Sigifredo met a young journalist during one of his trips to Valdivia. He invited the journalist, Aurelio Diaz Meza of *El Diario Ilustrado*, to attend the Parliament of Coz Coz and write an account of what he observed. The book, *El Parlamento de Coz Coz*, was the result of his trip. It contains beautiful descriptions of the landscapes of the horseback ride out to Panguipulli, a journalistic recording of the events and discussion of the Parliament and of the conversations he had with Padre Sigifredo, and closes with a powerful section called “*la Audiencia de Horror*,” or the Hearing of Horror. This section is a collection of stories told to Diaz Meza and a foreign journalist at the Mission by numerous Huilliches after the close of the Parliament. So many came to relate their stories, that Padre Sigifredo received them in two rooms, with each journalist splitting the labor of scribbling down the details. There were too many stories to include in his book, so Diaz Meza divided them into categories and chose the most representative of the stories. The four categories provide a strong sense of the content of the stories: “How they trick them”; “How they rob them”; “How they beat them”; and “How they assassinate them.” The accounts of the actions of the Sociedad San Martín I provided above come from this section of Diaz Meza’s book.

Apart from bearing witness to the crimes committed against the Huilliche communities, Diaz Meza’s account importantly counteracts common representations of the Mapuche. His observations of the Parliament and of his interactions with indigenous people reveal his own realization that the indians gathered on the Coz Coz plain did not conform with the popular imagination. Portrayals of the Mapuche as barbaric and resistant to the civilizing efforts of the Chilean state played a key role in justifying the final “Pacification of the Araucanía.” Similarly, the image of vast areas of land lying wastefully unused by the lazy indians provided further motivation for colonizing their lands with ‘more industrious races.’ At the time of Diaz Meza’s writing, indians were frequently represented as lazy, drunk barbarians, whose best possible future lay in complete assimilation into Chilean society. This opinion informed many politicians’ approach to solving the problem of the Southern Rural Property—indigenous communities and their lands should not receive any special protection because this only delayed their beneficial absorption into society.

Diaz Meza’s account of the Parliament counteracted these more standard attributions of barbarism and civilization. When he first meets a *cacique*, he notes how regal he looks and carries himself: “He was not a poor and savage Indian; he was not a wretch, a degenerate, he was the first, most important person who was presented to us” (Diaz Meza 2006, 29). He continues that it was not simply the *cacique* who surprised him with his dignified appearance: “The other Indians who accompanied him also were not shabby [*rotosos*] as I have seen in some of the cities” (ibid, 30). He met the children of a *cacique* who both knew how to read and write, and had aspirations for different careers. He saw fields surrounding indigenous

[30] See the edited volume by Carmen Arellano Hoffman et al (2006) for further historical situating and analysis of Sigifredo’s writings.

homes productively used in agriculture and animals well tended. He saw how they conducted the Parliament in a disciplined, orderly and dignified way. And contrary to one of the strongest stereotypes of the Mapuche, he observed no problems with alcohol: "During the celebrations of the parliament de Coz-Coz, with a number greater than two-thousand indians, I did not see a single drunk, despite it being the equivalent of the national celebrations, during which even the most civilized tend to go too far…so here we have, counteracted, yet another of the charges they make of the araucanos. That of being drunks" (ibid, 54). As a summary, he remarked, "The general aspect of this meeting had nothing of savageness, of degeneracy; it was a meeting of citizens that was very imposing" (ibid, 57).

Indigenous groups, like those who participated in the Parliament of Coz Coz, tried multiple tactics to protect their land. They sent letters and traveled to Santiago to meet with the President; they exhausted the courts with legal complaints; they wrote letters to newspapers, and worked with allies to spread the stories of their depredations and counteract common representations of them used to justify taking their land. Perhaps these tactics, and the accounts of their allies, like that of Aurelio Diaz, affected some Chileans and made them appalled at the property situation in the South. Indeed, many state functionaries did recognize the wretched depredation to which the indians and their lands were subjected. However, the state prioritized ending the southern land conflicts and producing a smoothly functioning land market conducive to economic productivity. The resulting Southern Property Laws helped private landowners and hurt the indigenous people. Most importantly, with the official recognition of titles and the expiration of the brief period to challenge them, the slate of violence establishing properties was wiped clean, and titles to estates with newly minted, guaranteed pedigrees crossed hands, leaving behind a hidden but living past.

The land titles of many of the forestry estates that were to form the Panguipulli Complex can be read to reveal this history of dispossession and legal erasure. For example, the Arquilhue estate was formed of two pieces, the larger of which spanned 39,742 hectares. This is more than the total 37,926 hectares given to all the indigenous communities of the Panguipulli area (Vergara et al 1996, 65). Victoriano Vasquez and Carlos Hoffmann first inscribed their title to Arquilhue on April 13, 1907 at the notary in nearby La Unión. In 1930, during the brief existence of the Ministry of Southern Property, Carlos Hoffmann registered this title with the Valdivia *Conservador de Bienes Raices*, or the Real Estate Registry. In early 1931, he then received the official fiscal recognition of his title: "By Supreme Decree Nº 1.164 of the 28th of February of 1931, the Treasury recognized the validity of the title of domain of don Carlos Hoffmann with respect to the estate 'Arquilhue' of 39,742 Has".[31] In the subsequent decades, Arquilhue would be inherited, subdivided, and sold; in short, it would enter into the land market, bolstered by its valid title.[32] Similar stories emerge from the titles of the other Panguipulli estates.[33]

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[31] Vol. 85, COFOMAP, CORFO Archive, ARNAD.

[32] Barrientos (2006) traces the lineage of Arquilhue back to an original sale of a piece of land (Arquilhelcito) with unspecified limits, from Huilliche, Jose Antonio Panguilef to Manuel Florin in May of 1871. Across the decades that following, documents, inheritance and selling

Initiation of wood production in the forest estates

At its start, basic wood production in the Panguipulli area supported the growth of Valdivian industries. During its 'golden age' (1870-1920), Valdivia was an industrial center in its own right before being smothered by the industrial interests of Santiago (Moya López and Vásquez Díaz 2010; Guarda 2001). The forests of the area provided fuel and raw materials to Valdivia's shipbuilding, steel smelting, tannery, furniture, brewery, and even shoe industries (Otero 2006). With no road system, the lumber of the estates flowed westward toward Valdivia or eastward to Argentina through a system of railroads, ferries and rafts. A station at Los Lagos, a small town between Valdivia and the cordillera, was the local link to the Central Network of State Trains. By 1910, the San Martín Company Train had linked the Los Lagos station to a station at Riñihue on the lake of the same name. A network of ferries on Lakes Riñihue and Pirehueico and local locomotives between the lakes completed the connection all the way to the Argentine city, San Martín de los Andes (Moya López and Vásquez Díaz 2010, 42). Estate owners could avoid the expensive railroad fares with the dangerous, but cheaper river route. Teams of daring *balseros*, (ferrymen) would construct rafts out of the very wood to be transported, and forge the water ways from Lake Panguipulli, through the Enco River to Lake Riñihue through the San Pedro and the Calle-Calle Rivers all the way to Valdivia itself (ibid, 71-73).

Following the Great Depression, the market for the Panguipulli area's wood became heavily concentrated in Santiago. The League of Nations named Chile as the country most affected by the Great Depression; imports fell by over 80%, and the collapse of nitrate and copper exports unleashed flows of unemployed miners south to Santiago, joining the thousands without work who migrated to the capital in search of a better situation.[34] Valdivia's golden age petered out as the state's new interventionist policies focused on stimulating industrialization in Santiago. The turn to Import Substitution Industrialization and the implementation of public housing programs to support Santiago's enormous population growth produced a large demand for lumber, which only grew following the great earthquake of 1939 that devastated Chillán and caused widespread destruction in Concepción. The founding of CORFO, the National Development Corporation in April of 1939 was part of the government's efforts to encourage reconstruction and economic recovery following the earthquake and the Great Depression. In the Panguipulli forestry estates, the rise in national demand for housing and reconstruction combined with the recent regularization of land titles to ramp up wood production. Between 1934 and 1944, lumber production in the Valdivia province increased by 1,396.82% (ibid, 46).

While the bulk of sawmills were located in Southern Chile, close to the trees, the wood processing industries concentrated in Santiago. Enormous warehouses stored the wood in bulk that served as raw materials for the Santiago-based

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gradually gave more solidity to this unspecified span of land, which eventually was registered by Hoffmann at a notary, and then, officially legalized by the Austral Property Law, as described above.

[33] For the case of Maihue, see Vol. 97, COFOMAP, CORFO Archive, ARNAD.

[34] In just the nitrate section, over 50,000 workers lost their jobs (Loveman 2001, 186).

construction, carton, and furniture firms. Within the forestry estates themselves, however, owners reinvested very little. The forms of wood production, or better put, wood extraction remained quite basic. Property owners provided *locomoviles*, or small mobile sawmills that were powered by burning wood, and single men or men with their families came from across the region to work. These workers would form small villages in the forests, living in impermanent structures that they built upon arrival. The work tasks followed a seasonality: *voltear,* or toppling the trees, occurred in the winter, when the trees' sap no longer circulated and the tree would split more easily; *trozar*, or cutting the trunk into pieces, happened at the end of winter and start of spring; *maderear*, or transporting the pieces occurred during the spring.

The tools were rudimentary. Men performed the hard winter task of cutting down the trees with only an axe. Working in pairs, they would cut the trunk into big pieces with a large two-handled saw, called a *corvina*. Then, using a cart and a team of oxen, they would transport the stumps to the *locomovil* or later, to larger, more permanent sawmills. If the pieces were large, only one would fit in the cart, if smaller, two or maybe three (ibid). At the *locomovil* or the sawmill, the pieces would be worked to lumber, and from there, taken to wood yards to be stacked and dried. The lumber was then transported to Argentina by railroad, or to the cities to the west by makeshift rafts across rivers in the summer, when they were navigable, and from there, transported by railroad to the north. The work was highly seasonal, and the workforce, migratory. Additional labor was often supplied by indigenous *campesinos* from the nearby *reducciones* or small scale colonists who would work in the winter cutting wood to supplement living off their own land's production.

In the late 1930s, more capitalized wood production began in some estates, although this was the exception, rather than the rule. Most estate owners had diverse business interests in nearby cities that ranged from food markets, to alcohol factories, to soap manufacturing. Some, like the owners of Toledo, had a wood warehouse and a wood-processing factory in Valdivia (ibid, 110). The majority of the estate owners funneled the money they earned from producing lumber in bulk into their other, off-estate activities. The company that owned the Neltume and Carranco estates, however, differed from its neighbors by importing state-of-the art equipment from Europe to establish first, a plywood factory, and later a door and window factory. I focus on this example of the *Sociedad Agricola y Forestal Neltume*, as it became the centerpiece of Chile's native forest industry and a key organizational center of the Panguipulli Complex.

At the end of 1938 and start of 1939, the owners of Neltume, the Rosselot Aravena Succession, formed the *Sociedad Agricola Limitada Neltume*, and offered the Neltume estate of 36,450 hectares as their joining capital. Together, the Rosselots, Aravenas, and Jorge Peñafel Gundelach owned 105 out of the company's 450 shares; the Mingos and Echavarri later bought the majority of the shares that remained.[35] Two years earlier, in 1936, the Echavarri family had bought the Carranco estate, and in 1938 it joined with the Bravo family to form the Echavarri and Bravo Commercial Society, which owned both Carranco and Releco (Barrientos 2003). The Bravos and

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[35] "Prospecto para la formación de la Sociedad Agrícola Limitada 'Neltume'" (1938), Biblioteca Nacional, Sección Chilena.

the Echavarris were successful traders, and had built up a network of markets in Villarrica and Panguipulli (ibid). In 1947, the Echavarris joined their forestry investments by helping constitute the Sociedad Agricola y Maderera Neltume, to which Echavarri and Bravo sold Carranco as their start up capital (ibid).

The prospectus for the formation of the original Society in 1938 describes the terrain that composed the Neltume estate:

> Thus, one might say that the Hacienda 'Neltume' is an extensive region of THIRTY SIX THOUSAND FOUR HUNDRED FIFTY HECTAREAS...enclosed in its large extension by natural limits; rivers and lakes, such that it is easy and of little cost to enclose it completely; well endowed with lakes and waters and with grassy plateaus; entirely adequate for livestock and agricultural exploitation in grand scale (emphasis in original).[36]

Although agricultural and livestock production was the end goal, the forests would first have to be removed:

> The first and main exploitation of the Hacienda NELTUME, will be for many years, however, that of its forests, or the wood industry. All the property, with the exception of some two-thousand hectares of high peaks and another two thousand more or less of cleared lands and pasturage plains, is covered with virgin forests in which abounds principally RAULI, also existing in great quantity MANIO, ROBLE, COIGUE, ULMO, OLIVILLO, TEPA and in smaller extension LAUREL AND LINGUE. Such is the abundance of wood that without harming the exploitation of thousands of inches of wood, there will be a base for the establishment of a CELULOSE industry and the production of paper (emphasis in original, ibid, 3).

While the "abundance of wood" was first exploited with a rudimentary sawmill, as in the other forestry estates of the region, the Society imported equipment from Germany for a plywood factory, which began operating in 1942, and a window and door factory, which started producing shortly thereafter.[37] The make-shift structures which had housed the first workers in the late 1930s gave way to more permanent housing as a wave of people migrated to Neltume drawn by the rumor of its state-of-the-art factories and reliable jobs.

One ex-forestry worker from Neltume explained why his father migrated to the area in late 1920s: "Already it had been propagated in the north the news that here in the cordillera of the province of Valdivia work was abundant, since a green mine was being opened up around lumber" (Bravo 2012, 21). But later, it was the reputation of the modern factory that drew migrants from the region: "It was very

[36] "Prospecto para la formación de la Sociedad Agrícola Limitada 'Neltume'" (1938), 3.

[37] Espinoza Cuevas et al (1999) says Echavarri and Bravo started constructing the plywood factory in 1938. Rivas (2006) says that this factory started operating in 1942.

well known… the work of the plywood factory, it was a grand thing."[38] Many workers viewed the factory with awe, and perceived working within it as almost unattainable: "When I saw the factory…I said 'I will never get to work there'…It was very beautiful. It was a luxury, it was difficult to start working there" (Espinoza Cuevas et al. 1999, 33). Indeed, it was difficult to get hired to work in the Neltume factories; the owners and administrators of Neltume carefully selected who they allowed to work for them. Workers with reputations for intransigence, labor organizing, or fighting were simply not hired.

A strong division of labor reigned in the Neltume Company between the less-skilled workers who labored in the mountains, *volteando, trozando* and *madereando,* and the skilled workers of the factories; however, all those who worked in the factories had started off working the mountain tasks.[39] This division also roughly fell along the lines of temporary versus permanent employment. While the company maintained a stable workforce of around 550 workers, mostly those who worked in the factories or administration, in the busy summer the numbers would swell to around 800 with temporary workers. Drawn from nearby areas—indigenous *reducciones* or small towns—these workers would mostly labor in the mountains, *trozando* and *madereando*—cutting up the trees previously felled in the winter and transporting them to the collection fields to supply the factories for their year round production.

The plywood factory operated twenty-four hours a day, seven days a week, stopping just for eight hours on Sunday so that the mechanics could clean the blades and carry out repairs. Workers in the factories worked the eleven-hour shifts of the official *jornada agrícola*, the agricultural workday. The owners of the *Sociedad Agrícola y Forestal Neltume* craftily contracted their workers as *agricultural* labor, thereby evading the eight-hour workday limitation for industrial workers. However, the workday often extended to twelve to fourteen hours. After their shift ended, workers would return home, eat, and then go back out to work for another couple hours, earning a piece rate, rather than salary. As one ex-worker explained to the CODEPU team:

> I worked more or less 12 or 14 hours daily, and more, when a job was pressing. We would get out at 7:30 in the evening and there we finished the 11 hours of work. We would go to eat at home and after, to load trucks until two or three in the morning…they did not pay us extra hours, but by contract, by inches loaded into the truck. Everything after finishing the official workday, we worked at piece rate (Espinoza Cuevas et al. 1999, 33).

The workers in the mountains would labor from sunup to sundown.

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[38] CODEPU Archive, Valdivia.

[39] This division could create difficulties for attempts at labor organizing; however, as the history of the big strike of 1951 will show, solidarity between the unions of the mountain and of the factory could overcome the division.

In the early days of the factory, single men and women were preferentially hired. Women worked in the drying of veneers and classification of wood. However, they soon transitioned to no women in the factories and increasingly family arrangements, presumably because this was more orderly.[40] With this transition, housing diversified away from barracks-style dormitories (*colectivos)* for bachelor workers to two-story apartment complexes, with multiple family units of interlocking L-shapes.

While factory bosses tightly controlled work in the factories, most of the measures of labor control were applied outside the realm of work, through living conditions. The most important characteristic of life in the forestry estates was the geographic and social isolation. There were few roads, and those that existed were basic dirt roads for wood transportation. The patrones maintained roads and bridges solely for wood production purposes, leaving the estates effectively stranded in the snow-covered winter months. The ferryboat, *Enco,* would circumnavigate Lake Panguipulli with clockwise and counterclockwise routes picking up and dropping off passengers at different estates on different days. On the indicated day, people from the estates could take the three-hour *Enco* trip across the lake to the small city of Panguipulli. This trip, too, very much depended on the weather. The administrators of the Neltume Company enjoyed the use of a company plane. In cases of severe medical emergency, they would fly the afflicted to seek medical treatment in Panguipulli or Valdivia.

The only state institutions in Neltume were the police and the health post, attended by an intern and occasionally a doctor on rotation. In the early decades of the company, a Catholic school run by nuns provided the children of the workers with a very basic education. Even though the state officially paid the police wages, the police lived in homes provided by the patrón and the jail occupied patrón land, built with wood from the estate. As a result, the police operated as the patrón's own security force.

The geographic isolation and weak presence of state institutions in the estates granted the estate owners and administrators an enormous level of control over the lives of the workers and their families. Barriers marked the entrance to Neltume, serving as checkpoints to monitor who entered and exited the estate. All movement of people required the direct authorization of the patrón or the administrator (Espinoza Cuevas et al. 1999, 32). Within Neltume, the patrón named a *jefe de población* or town boss to monitor the inhabitants; any form of bad behavior, such as drinking, starting a fight, or anything deemed immoral, would be reported back to the patrón, very easily leading to firing and eviction.

The company owned everything in the estate—the jail, the school, the health post, all the houses and gardens, even the local store. The *pulpería* system, or, the

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[40] In the archives of the CODEPU interviews, the reason for the transitioning away from single, female workers is not addressed in detail. One interview reported "the patrones said that with women in the factory there was too much disorder" (Espinoza Cuevas et al, 1999, 33). See Klubock (1998) for the evolution of different domestic models as a form of labor control in the Chilean copper mines of the North. Stoler (1985) covers this in the case of Javanese laborers in the plantation belt of Northern Sumatra.

company store, is one of the elements of the patrón-dominated life most commented upon by workers in their interviews with the CODEPU team. While some workers were grateful for the *pulpería* because it provided local access to anything one might need, from food to clothing, many complained that the owners took advantage of the workers through the *pulpería* system. People bought things with tokens or vouchers (*fichas* or *vales*) at the store, and the price would be docked from their salaries. People often ended up owing the store more than they earned, and this would be docked from their next pay. As one worker explained, in the early decades of the company, you were not paid in money "but in debts with the patronal *pulpería*. It was not until years later that part of the wage was paid in money" (Bravo 2012, 31). Since many workers could not read, many of the payment cards that workers would redeem at the store were signed with a thumb or fingerprint, opening additional opportunity for unfair charging and payment.

This framework of strong patronal control also entailed a series of benefits or *regalias*. The company provided workers with houses that eventually had electricity and water. Families were given garden plots to grow food, and everyone received free firewood. One worker cited the thoughtfulness of the administrator who brought him a bag of lemons when he was ill. For Independence Day, the patrón would organize celebrations and provide the workers and their families with bonuses of wine and meat. This was the one moment in the year where alcohol was permitted in the estate. These benefits existed, but all within a greater framework of control. In the interviews conducted by the CODEPU team, some remembered the time of the patrones fondly, as a period of order and tranquility, while others remembered the exploitation: "we lived worse than animals" (Espinoza Cuevas et al. 1999, 35).

Land and Labor Struggles

The Huilliche struggle to keep their land and regain the land that had already been taken from them, continued, accompanied by new forms of social mobilization. Chilean and indigenous *campesinos*, who had been swallowed up into the large estates and transformed into a resident work force, periodically attempted to take back pieces of land to cultivate. The large forestry estate of Carranco provides the main example of this form of mobilization. By 1970, the workers of Carranco had attempted to take over parts of the estate three times. In 1944 and 1953 they were violently kicked out by the patrones with the assistance of the police.[41] According to the leftist journal, *Punto Final*, their houses were burned to the ground, and the workers, tied up and taken to the prison in Villarrica. In November of 1970, the occupation of Carranco would serve as the spark that inflamed the region in the estate occupations that formed the Panguipulli Forestry Complex. The participants in this fourth occupation included many old men, veterans of the previous tries. As *Punto Final* summarizes well: "these workers have a history of combativeness."[42]

Alongside struggles to regain land, forestry workers of these estates fought to improve their working conditions. This was a tricky battle as the patrones

[41] Barrientos (2003 b) says that after the 1944 struggle in Carranco, police were permanently stationed in Neltume (117).

[42] *Punto Final*, 8 March 1971.

strategically categorized their companies as agricultural, as in the case of the *Sociedad Neltume Maderero y Agricola*. The Labor Code of 1925 *did* apply to rural workers, and under this, they supposedly enjoyed the right to unionize, and landowners were required to pay social security taxes. However, the enforcement of the Labor Code for rural labor had been nonexistent since 1939 when President Aguirre Cerda, of the Popular Front, illegally ordered the suspension of further rural unionization. While the following President, Gabriel Gonzales Videla, put an end to this suspension at the start of his administration in 1946, he quickly replaced it with new labor legislation (Law 8811) that severely hindered rural organizing by outlawing agricultural strikes and limiting the rights to collective bargaining and submission of labor petitions. This legal suffocation of rural unionization would last until 1967.

In the midst of the Popular Front era (1936-1941), the political parties of the reformist middle class (the Socialists) and of the militant working class with historical roots in mining (the Communists) reluctantly assented to the repression of the agricultural working class. As historian, Brian Loveman (2001), explains, this must be understood as a political compromise that grew out of the post-Depression reordering of the Chilean economy toward industrialization. The growing urban workforce, bolstered by a powerful industrial working class movement, demanded lower food costs, a demand supported by new industrialists. The politically powerful rural landowning class would only agree to this with the guarantee that the working class parties would not help organize rural labor. Thus, the balance of the interests of the historically powerful landowners with those of the new political actors emerging in the context of urbanization and industrialization—the industrialists, urban workers, and growing middle classes—rested on the repression of rural workers (Loveman 2001). Rural labor conflicts were presented as decreasing agricultural production, which in turn, threatened industrialization efforts by diminishing the national food supply.

At the same time, the Cold War was taking root in Chile. In the brief period between President Videla's removal of the previous restriction of rural unionization and the passing of the new rural labor law, the Communists introduced a powerful organizing campaign in the agricultural estates of the Central Valley during harvest season. Concurrently, the Communist coal miners of the important Lota mine organized a legal strike to protest low wages and the rising cost of living. Even though the Communist coal miners participated in the election campaign bringing Videla into the Presidency, Videla ordered the end to their strike, militarized the area, and sent in the army and police to arrest the movement leaders (Pavilak 2011). Shortly thereafter, he passed the Law for the Permanent Defense of Democracy, which outlawed the Communist Party, thereby initiating a decade of intense repression of Communists, complete with internal relegations to internment camps. While US investors, linked into Chilean copper and supplying the National Development Corporation (CORFO) with loans to import capital goods for industrialization, certainly pressured President Videla to take action against the Communists, powerful national interests also pushed Videla to betray his communist

supporters[43]. While mine owners and industrialists wanted an end to Communist-led worker mobilization, rural landowners reminded Videla of the necessity of suppressing rural labor in the interests of Chile's industrial development. Within this larger context, the workers of the forestry estates fought to improve their living and working conditions.

Despite Videla's restrictive agricultural labor law, the workers of the Neltume estate had formed three unions by 1951: the Industrial Union of the workers of the plywood factory; the Professional Union of those who worked in the estate woods; and the union of IMASA, the door and window factory. In interviews with older folks of Neltume conducted by a team from CODEPU, 1951 emerged as a key year in which the unions organized a strike that lasted over three months and resulted in the firing and eviction of over 90 workers and their families. Contesting their classification as agricultural workers was a key motivation for the Professional Union to initiate this labor conflict.

In January, the Industrial Union and the Professional Union both presented lists of demands (*pliegos de peticiones*) to the Labor Office requesting higher payment due to the increased cost of living.[44] This same volume records the Neltume Union conflict as solved in mid-March, without specifying whether that of the Professional or Industrial union. However, the conflict apparently reopened at the start of April. A delegation from the Industrial Union of workers of the Neltume Wood and Agricultural Society traveled to Valdivia to meet with the *Intendente*, the governor of the province. They submitted to him a written request for his protection and assistance, and denounced actions taken by the local police force and the company administration. Reproduced in *El Correo* on April 6, 1951, the central complaint of this written statement was that on the 31st of March the police of Neltume detained 6 workers; on April 2, they detained 3 more, and on the 3rd they detained the President of the Industrial Union.[45] To the workers, these detentions represented retaliations by the local police force for the printing, selling and circulating of newspapers, and by the company for submitting a formal list of demands to the Office of Labor.

In a following article, the *Intendente* expressed his concern, especially since the conflict could affect over 400 workers, and said he would send the Provincial Labor Inspector to help negotiate a solution. However, before the Inspector could even depart, the company had fired the head of the Professional Union, and in response, the Industrial workers paralyzed the Neltume plywood factory in solidarity with this other union of the Neltume estate. The Labor Inspector then traveled to Neltume, and by April 12th, work had resumed at the factory.[46] While the records from the Office of Labor remain cryptic about how this resumption of work occurred,

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[43] In *Mining for the Nation,* Jody Pavilak argues that it is incorrect to view Videla's betrayal of the Communists and breaking of his coalition government as bending to the will of the US. Rather, she argues, the gains that the leftist party-supported working class achieved during the Center-Leftist coalition of the Popular Frent powerfully threatened the Conservative parties, who pushed Videla in his turn to the right.

[44] Vol. 2541, Dirección de Trabajo, ARNAD.

[45] *El Correo*, 6 April 1951.

[46] Vol. 2541, Dirección de Trabajo, ARNAD; *El Correo*, 12 April 1951.

and the newspaper simply notes that the illegal strike was resolved, the interviews conducted by CODEPU help fill in what happened.

An older worker who had not been affiliated with the unions explains that the industrial union participated in the strike to support the professional union. Faced with the strike, the manager, Jaime Tinkler told the workers "the doors are open boys, you all did an illegal strike. I don't have intestines of rocks, the doors are open. Go inside to your position to work."[47] The unionized workers refused to enter, and according to this account, 25-30 non-unionized workers, including the interviewee, entered the factory and continued working. This account helps reveal that although work resumed at the factory through the diminished workforce of unaffiliated workers, the conflict had not been resolved.

After the end of this strike, the Council of Conciliation and Arbitration was scheduled to meet with the company and the Industrial and Professional Unions to resolve the conflicts represented by the official submission of the list of demands in January. Due to numerous setbacks, including a fire in the Provincial Inspectorate of Labor, the meetings did not take place for a couple months. When they did meet, the Council succeeded in appeasing the company and the Industrial Union with an agreement on pay increases of 18% for day laborers and 20% for the contracted laborers. However, when the Council, the company and the Professional Union met on May 4th, conciliation attempts failed with the union's rejection of the company's offer of a pay increase identical to what it gave to the Industrial workers.[48] A month later, the Council met again to try to resolve the Professional Union conflict, but the union rejected any offer less that the 60% increase it requested in the original list of demands. Both the company and the union refused the option of arbitration, which meant that all parties would prepare for the union to vote on a legal strike.[49]

The summary of the Council's report, printed in *El Correo* June 16th revealed that the Professional Union was also attempting to challenge some of the consequences of the categorization of its work as agricultural. In addition to asking for a 60% pay increase, the Professional Union "demanded decreases in its hours of work, estimating that its daily work should be of 8 hours and not, as the Court of Appeals of Santiago has established, which argued that the company, so many times named, is an Agricultural Society, from which it is concluded that the workers composing this Union should have the identical schedule of agricultural workers."[50] After its investigation, the Conciliatory Board seemed more sympathetic to the company's perspective. The report mentioned that the Board discovered the company's financial situation had been suffering in the winter months from a lull in work and difficulties in transporting its products, and on top of that, the workers' plight against rising costs of living was not so bad, as they enjoyed certain benefits that other workers in cities did not receive, such as gardens.[51] Lamenting the intransigence of the workers, the Board concluded that: (1) it could not change the

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[47] CODEPU Archive, Valdivia.

[48] *El Correo*, 6 May 1951.

[49] *El Correo*, 9 June 1951.

[50] *El Correo*, 16 June 1951.

[51] Ibid.

Professional Union's work schedule given the finding of the Court of Appeals; (2) the Professional Union should accept the salary increase offered by the company, and; (3) the new salary should date from January 14th.[52]

On June 20th, with the presence of a labor inspector, the Professional Union carried out an official vote to strike, however the workers did not turn out in sufficient numbers to reach the quorum necessary to legally authorize a generalized strike.[53] The workers resisted this finding and tried to pressure the Labor Inspector to allow a re-vote. In addition, the leaders of the Strike Committee of the Union traveled to Valdivia carrying a new list of demands in which they solicited the *Intendente* for "justice and protection."[54] On June 23rd, the workers started an illegal strike; the Professional Union halted its work in the woods, which froze the supply of raw materials to the plywood factory, and the allied Industrial Union workers refused to enter the factory.

At the end of July, the presidents of both unions once again traveled to Valdivia to tell *El Correo* and the *Intendente* the difficult circumstances the striking workers were facing. The union leaders explained that the company had fired all striking workers, and that soon the administration would evict them from their houses, and asked the *Intendente* to help them in their pending unemployment.[55] One week later, Jaime Tinkler, the administrator of the estate, met with the *Intendente* to explain that some of the striking, and now fired, workers had still not vacated the company housing, and if they did not do so within the allotted fifteen days, he would bring the issue of eviction to court.[56] As an official summary, the different volumes of the Labor Department simply note that "the company has not permitted the return of 90 workers."[57] The first-hand accounts given to the team of researchers at CODEPU elaborate how the strike and the firing and eviction of workers and their families affected life in Neltume.

The strike brought with it new forms of social division, but also of social solidarity. The strike-breakers entered the factory to yells of "scabs! They bought you all, you scabs!" and the estate administrators brought in thiry-four police from Panguipulli, Lanco, and Valdivia ostensibly to protect the workers from the strikers. The strikers were denied access to the general store, adding hunger to an already very cold winter. Although the administration prohibited giving assistance to the strikers on pain of firing, many of the men who continued working through the strike would secretly bring food to striking workers, especially to those with large families. Once the administration decided to fire and evict the strikers, they faced an even harsher situation than hunger; the company shuttled them in a bus to the shores of Lake Panguipulli, and left them to await the Enco steamboat: "They just kicked the people out. In that time there were no roads, and they had to wait, exposed in the open, for the ship, which did the rounds every three days" (Espinoza et al 1999, 48).

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[52] ibid.
[53] *El Correo,* 21 June 1951; *El Correo*, 24 June 1951.
[54] *El Correo*, 26 June 1951.
[55] *El Correo*, 20 July 1951.
[56] *El Correo*, 27 July 1951.
[57] Vol. 2318 and vol. 2541, Dirección de Trabajo, ARNAD.

One man, who arrived to Neltume in 1951 as a worker replacement, recalled that the police duties extended beyond simply keeping order, to outright repression of strike participants:

> The strike must have lasted some three months. In those three months, the patrón organized himself and began receiving people; among others, he received me. To the others, he began to evict them from the houses, and requested that the Police keep watch and if they caught a striker alone in the night 'simply, a bullet to them,' because they had given an order that no striking man could wander about at ungodly hours in the night, causing problems (ibid, 48-49).

Another person recalled the ongoing effect the harsh repression of the 1951 movement had on the workers of Neltume. His parents decided to go to Neltume looking for work in 1959, when he was 17 years old, "when we arrived…no one here protested anything, the people said nothing, they were resigned after the repression of the strike of 1951, silence, nothing more… if you protested, the police would get you [*se le echaban los carabineros*]" (ibid, 45). It was another ten years before labor organizing reemerged in Neltume.

Communist outsiders

The dominance the landowners of the forestry estates, like that of Neltume, exercised over their workers lay not only in the isolation of the area and the absence of virtually any other authority, but also rested importantly in their power to control the meanings ascribed to their workers' struggles when news of the struggles traveled outside the bounds of the estate. The 1951 labor strike of Neltume was happening when the persecution of communists and Cold War politics were at a (pre-dictatorship) repressive high in Chile. At the same time the workers of Neltume were trying to improve their wages, the miners of Chuquicamata also tried to defend their labor rights, but were met with harsh repression; the President declared the mine a zone of emergency, and used the Law for the Permanent Defense of Democracy to condemn the strike leaders and reinitiate copper production.

In this section, I review the 1951 labor strike in Neltume, focusing on representations of this struggle as the work of communist outsiders. By attributing the labor conflict to the instigation of outsider, communist agitators, landowners, newspaper editors, and provincial labor authorities told a story that made sense at a national level. The articulation of the estate workers' struggle to national anti-communist sentiment functioned as an effective means to invalidate their demands; in turn, it also contributed to the perception of communists as an insidious nation-wide threat.

Early in the conflict, in April, *El Correo* already attributed the Neltume struggle to outside agitators. The article entitled "Conflict of the workers of Neltume is directed by communists: authorities and worker should be wary," lays the foundation for the story taken up by the estate manager, the *Intendente* and the labor authorities in dismissing the workers and their complaints as the outcome of outsider agitation:

The collective conflict of the workers of the Professional Union and Similar Branches of the Wood and Agricultural Society of Neltume has been and is directed by people foreign to the Union that have taken possession of the organization, putting in danger the stability of the institution and the security of work of the laborers, and even of the leaders, as has been observed in practice, in that one of the leaders has had to renounce his position.

> The false actions of the anti-constructive elements—disguised ex-communists—have let themselves be felt in these recent times in our city. The case of the workers of Neltume has been distorted by the elements mentioned above, who happily serve as promoters, but who don't do anything but obstruct positive results and slow the resolutions of the conflicts.
>
> Such an example should serve legally constituted Unions. Don't let yourselves be swayed by the demagogic practices of elements neutral to standard proceedings and yes, dangerous for the maintenance and stability of work and of the workers.
>
> The investigations carried out around this conflict have led to the conclusion that the movement is directed by communist elements, which should put the authorities and workers on guard.[58]

In this article, and others that follow, the attribution of the Neltume conflict to demagogic communists facilitates labeling the struggle for improving the working conditions of the laborers as actually contrary to the workers' own interests. For example, on April 29th when the Conciliation meeting failed to happen because the workers did not show up, the *Intendente* still met with the estate administrator, Jaime Tinkler. Tinkler took this opportunity to communicate "the climate of true unrest that exists in the wood industry, promoted by professional agitators who do not belong to the Company. This has created a situation of uncertainty quite bothersome for the stability of the industry and of the workers."[59]

The workers themselves clearly identified how the label of "professional agitator" or "communist" functioned as a tool to gain outsider empathy in the company's battle against its workers. When one ex-forestry worker was asked if it was common that the workers belonged to the Communist Party, he replied:

> No, in every union movement when something happens they label it communist. If you needed something, the rich would say that you were communist, and communism was seen as a scourge on the country, a repugnant thing for the Chileans. A very demanding guy was communist. With this already they would stun him. A boss here said to

[58] *El Correo*, 23 April 1951.
[59] *El Correo*, 29 April 1951.

> me, 'You're a communist of the first degree, your antecedents are here. Be careful, country boy'…It was a tactic that the rich had.[60]

By June, it had become a truism for *El Correo* that the labor conflict was directed by communists from outside the union.[61] The *Intendente*, too, confirmed that the conflict was the work of communists. When the workers asked him for 'justice and protection,' after their vote had failed, the *Intendente* responded that "he knew from a very good source that the strike movement in Neltume was led by elements eliminated from the electoral registry for being communists, and therefore, contrary to the stability and security of work."[62] This same article links the workers' strike in Neltume to movements all along the country, directed by communists "with the objective of sowing confusion in the productive centers of the nation."[63]

After the workers' initiation of their illegal strike, the connection and coordination of the Neltume strike to labor movements across the nation became cemented. A week after the strike began, *El Correo* reported that "a small group of extremist elements advised by strange(r) agitators initiated an illegal strike on Saturday the 23rd, and through threats of violence, obligated a certain number of workers to abandon their work, whose interests suffer serious damage to see their freedom of work threatened by the political affairs of certain leaders and outside agitators who obligate them against their will to carry out an illegal strike, with the only goal of synchronizing a movement with the wave of political strikes across the country."[64] This article squarely locates the cause of the forestry workers' strike outside of the estates; political agitators are forcing the workers to strike against their will for the sole purpose of coordinating a countrywide campaign of political unrest.

The story of the forestry worker struggle being part of a nationwide campaign removes responsibility for the conflict from the working and living conditions in the Neltume estate. When the state, in the form of the Conciliation Board, actually ventured out to the estate to investigate conditions, it discovered that the forestry workers enjoyed some benefits city workers did not receive, possibly the right to free firewood and a garden patch, and so characterized the workers as better off, and particularly stubborn for not accepting the offer of the company. In the Registry of Collective Conflicts of the Office of Labor, this conflict was briefly summarized as "Workers with the Sociedad Maderera Neltume, instigated by communist elements," lasting from June 25, 1951-July 5, 1951. The entry in the column labeled 'advantages obtained' notes, "the company has not permitted the return of 90 workers."[65]

Linked through a lineage of regional struggle, the indigenous attempts to defend and regain their land, and the forestry workers' attempts to improve their labor conditions were not only about rights to land and more dignified work; they

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[60] Interview April 1997, CODEPU Archive, Valdivia.
[61] See *El Correo,* 26 June 1951.
[62] Ibid.
[63] ibid.
[64] *El Correo*, 1 July 1951.
[65] Vol. 2318, Dirección de Trabajo, ARNAD.

also concerned the power to influence and control the meanings ascribed to their struggles beyond the local stage. Like the indigenous groups before them, the heads of the Neltume unions went to the provincial authorities to get their perspectives heard. They explained the detaining and firing of union leaders as retaliation by the administration against the workers for trying to organize, and they attempted to challenge the categorization of their labor as agricultural as an inaccurate portrayal of their work in the industries and in the forests. However the *Intendente*, the state labor authorities, and the local newspaper shared the perspective of the estate representatives that the work conflicts in Neltume were instigated by outsider agitators from the Communist Party, and were linked to efforts to destabilize key sites of production along the length of the nation. In the early 1950s, no national framework existed to articulate the local Neltume struggle in a positive light. If it had, it would have had to overpower the framework of Anti-Communism.

The shifting fate of rural landowners:

Across the 1950s, a number of changes unfolded that left landowners in a weakened position, creating an opening for rural labor struggles to communicate the injustices of rural life on the national stage. Most important of these factors, the failure of the agricultural structure to produce sufficient food led to reliance on food imports in the mid 1950s. With copper profits falling and industrialization stagnating, food imports used up much of Chile's available foreign currency. A discourse blaming the slow-down of the economy on the inefficiency of the traditional hacienda system and the rural elite that ruled over it began to emerge, firmly taking root in the 1960s. This discourse would garner widespread support for the struggles of rural workers.

While much of President Ibañez' administration (1952-1958) was as repressive as Videla's before it,[66] it ended with two key regulations that opened the path to ending the hacendado's hegemony over the countryside: (1) an electoral reform, and (2) the re-legalization of the Communist Party. The electoral reform basically entailed the institutionalization of the public ballot and increased monitoring of electoral fraud. While previously the landowners ensured that their workers voted for their preferred, conservative candidates, now workers could actually choose for themselves. This effectively transformed rural workers into potential votes for non-conservative political parties, which quickly flooded the countryside to compete for new constituencies. Thus, the hold of rightist parties on congressional seats, long ensured by the landowners' control of their workers, now wavered, making possible the decade of agrarian reform that was soon to come. Additionally, Ibañez's repeal of the Law for the Permanent Defense of Democracy restored the Communist Party, enabling the emergence of a leftist coalition to counterbalance the Conservatives.

This coalition of Socialists and Communists came surprisingly close to winning the 1958 Presidential elections, but ultimately their candidate—Salvador Allende—lost to Jorge Alessandri, the son of a previous president. Although Alessandri won the

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[66] Ibañez used the Law for the Permanent Defense of Democracy to relegate Communists to detention centers, up until the moment that he repealed the law in 1958.

Presidency, and maintained a firm anti-rural union stance, the changes introduced by Ibañez at the end of his term brought the political campaigns of the Socialists, the Communists, and the newly-formed, centrist Christian Democrat Party, increasingly into the countryside. The congressional elections of 1961 left the Conservatives far in the minority. At the same time, the Alessandri administration faced international pressure from the United States. Following the Cuban Revolution, the US initiated the Alliance for Progress to prevent additional Latin American countries from falling to Communism. After the near victory of the Communist-Socialist coalition, the Alliance for Progress targeted Chile, with agrarian reform the principle prescribed measure against Communism.

The increasing food imports and inflation, the growing influence of center-leftist parties, the spread of blaming landowners for Chile's economic woes, the loss of Conservative Congressional seats and the pressure from the Alliance for Progress linked with US financial aid, combined to produce the passage of the first agrarian reform law in 1962. Although it was nicknamed the "flower pot reform" because such a small area of land was affected, it established the government agencies and legal basis that would be used for much larger land redistribution in following administrations.

Such was the support garnered by the idea of agrarian reform that the principle candidates for the 1964 presidential elections both centered their campaigns on expanded land reform. The coalition of leftist parties—the Popular Action Front, or FRAP—once again ran Salvador Allende, while the centrist Christian Democrats chose Eduardo Frei. When it was clear that their candidate would not win, the right coalition supported Frei. Ostensibly, both the FRAP and the Christian Democrats had similar campaigns centering on rural unionization and land reform, and both conducted enormous organizing efforts in rural areas leading up to the elections. However, to the conservative forces in Chile and the foreign policy makers in United States, votes for Eduardo Frei represented votes against communism. As the investigation by the Church Committee of the US Senate later revealed, the CIA funded much of Frei's campaign, and funneled money to various Christian Democrat groups. Their efforts paid off with Frei's victory.

Frei's government program, labeled the "Revolution in Liberty" centered on structural reforms based on a Christian conception of social justice. A key component of this program was the modernization of the countryside through rural unionization and land redistribution. Toward this end, the Frei government passed a new, more expansive agrarian reform law, the Law 16,640, and a law allowing rural unionization, finally overturning Videla's restrictive 1947 legislation. While all forms of unionization increased under Frei's Revolution in Liberty, agricultural unionization saw the largest jump. From 1964 to 1970, the number of rural unions increased from 23 to 510, while the membership expanded from 1,863 to 114,112 people (Loveman 2001: 245). This expansion was pushed by the competitive flooding of Socialist, Communist and Christian Democrat organizers into the rural areas of Chile.

More radical than Alessandri's flowerpot reform, the new agrarian reform law established 80 basic hectares of irrigated land[67] as the maximum size of land holdings. Any land exceeding this would be expropriated and redistributed. Additionally, any land owned by corporations or societies could be expropriated, as well as any land left unproductive for three years. Frei's administration expropriated around 1,400 agricultural estates, redistributing 3.5 million hectares to agricultural workers.[68] When Salvador Allende won the Presidential elections of 1970, he vowed to put an end to all the *latifundia*. In the "thousand days" of his administration, the Unidad Popular government expropriated 4,400 estates spanning more than 6.4 million hectares.[69]

Labor organizing in the forestry estates following the strike of 1951

In Neltume and the other forestry estates, labor organizing was driven underground for the decade following the failed strike of 1951; however, the mid-1960s witnessed more concrete attempts at building organizations to defend rural workers' rights, even if they stayed hidden until Frei's Law of Campesino Unionization. When discussing the past attempts at unionization, an ex-labor leader of the Neltume workers explained that it was hard because the patrón always had spies that would report to him when workers were trying to organize. Even after the legalization of rural unions, the workers of Neltume hid their plans for forming a union:

> In 67, the compañeros here that served as the primary leaders, we got together at two in the morning to meet because we were afraid. The law of Campesina Unionization required that you had 25 percent of the workers registered with the company, inscribed, that they signed. It was difficult to obtain this percentage.[70]

But this attempt in 1967 succeeded, and the official announcement of the juridical status of *el Sindicato Industrial Forestal y Maderero Neltume* was published in *El Correo* on April 2, 1968.

The Law of Campesino Unionization, and the broader political support for rural labor organizing that it represented, helped the forestry workers of the Panguipulli area in their struggle to improve working conditions. The Registry of Collective Conflicts only listed four conflicts (of any kind, agricultural or industrial) in the province of Valdivia in 1966; none within the forestry estates that would form the Complex.[71] The Registry for 1967, however, shows a different story; over eighty collective conflicts are registered, including eight conflicts involving forestry estates,

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[67] The "basic hectare" was a standardization of land meant to capture the equivalent of 80 irrigated hectares of the Maipo Valley.

[68] "La Reforma Agraria (1962-1973)." *Memoria Chilena*. Biblioteca Nacional de Chile. Web. 10 January 2014. < http://www.memoriachilena.cl/602/w3-article-3536.html>.

[69] Ibid.

[70] Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012.

[71] Vol. 3865, Dirección de Trabajo, ARNAD.

Toledo, Mae, Enco, Huilo-Huilo, Riñihue, and Releco).[72] The number of conflicts in Valdivia province increased to over one hundred in 1968, with conflicts listed in the forestry estates of Toledo, Maihue, Neltume, Mae, Enco, Releco, and Huilo-Huilo.[73] The 1968 conflict in Neltume included 428 workers, and lasted for over a month. While they requested a 45% pay increase, they resolved the conflict accepting the offer of 28%. This agreement dated from September 21, 1968- September 20, 1969. By early November of 1969, the Neltume workers had executed a 48-hour strike that earned them another pay increase.[74]

Thus, by the eve of Allende's election, the workers of the Panguipulli forestry estates had consolidated unions and were actively pursuing improved working conditions. The new labor legislation, the more rigorous enforcement of all labor regulation, and the increased national attention focused on rural areas across these years of Agrarian Reform meant that the estate owners could no longer count on the police and the labor inspectors to turn a blind eye to, or even assist with, the firing and eviction of striking forestry workers.

The workers' occupation of the forestry estates in 1970 and 1971 successfully provoked an extensive reorganization of the land and labor relations of the area. The consolidation of these occupations into an official state-owned, worker-operated Forestry Complex signaled a shift in which forestry worker struggles were now positively accommodated within the national discourse on the role of the rural, a discourse that had transitioned from the necessary repression of agrarian unions to declaiming against the injustices of the countryside and calling for the end of the *hacendados*.

A fertile terrain for alliance, not manipulation

The history of labor organizing in the forestry estates challenges official, dictatorship-era representations of the land occupations that produced the Forestry Complex. This official story served as the exculpatory discourse the dictatorship offered to the workers who remained in the Panguipulli area after initial violent purges; similar to the official accounts of forestry workers' earlier struggles to form unions in the 1950s, the dictatorship's discourse blamed extremist outsiders for manipulating the simple, hard-working country folk into rebellion. This time around, however, meddling *miristas* joined the long-time Communist boogeyman in the role of the outsider-instigators that drew the forestry workers into the land occupations with seductive false promises or forceful threats.

Miristas are members of the MIR, the *Movimiento Izquierda Revolucionario*, or the Revolutionary Left Movement. Students at the University of Concepcion formed the MIR in 1965 around the main platform of revolution by any means. *Miristas* differentiated themselves from the Socialist Party and other members of Allende's Popular Unity Coalition by saying they did not believe in using bourgeois institutions to gain revolutionary change. While the MIR was not part of the Popular Unity

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[72] Vol. 3892, Dirección de Trabajo, ARNAD.
[73] Vol. 3952, Dirección de Trabajo, ARNAD.
[74] *El Correo*, 8 November 1969.

Coalition, it did support the Allende administration, even while it leveled numerous critiques against it.

Mirista students from the Austral University in Valdivia played a central role in the estate occupations leading to the formation of the Complex. In the view of the military regime, it was these students who manipulated the forestry workers into taking over the estates. However, the deep history of the forestry workers' repeated attempts to form unions and take back land, as narrated in this chapter, shows that by 1970, workers had reached their own conclusions regarding their conditions of labor and life, and had taken action. The workers' organizing experiences provided fertile ground for the cultivation of an alliance with the radical students of the Austral University. How these students came in contact with the forestry workers and forged the alliance that would successfully transform the land and labor relations of the Panguipulli estates is the focus of the following chapter.

Chapter 2
A Complex Nexus:
Forestry Science and Political Alliance

In the month of Salvador Allende's election (November 1970), forestry workers and their university student allies initiated a series of land occupations that would transform twenty-two private forestry estates into a state-owned, worker-operated forestry company: the Panguipulli Forest and Timber Complex. From the start of the occupations in November of 1970 to their legal expropriation in March of 1971, the workers of the forested precordillera instigated a significant change in the socio-ecological relations of the region; by kicking out the former owners and pushing the *Unidad Popular* to intervene in their favor, the workers came to participate in decision-making over the organization of life and labor in what were once patrón-dominated fiefdoms. At the same time, through its celebrated plans to make the Panguipulli Complex an example of rational forestry management, the *Unidad Popular* expanded the state's activities in this isolated mountain region.

The headlines narrating the state's expropriation of the forestry estates to create a Timber Complex under a Colonization and Development Plan[75] and state officials' intentions of introducing modern industry, foreign investment, and rational exploitation into the area paint an image that conforms with James Scott's (1998) account of scientific forestry.[76] According to Scott, scientific forestry operates with a simplifying logic that aims to make messy nature and its human inhabitants legible to the eye of the state. Standardized measurements of timber volume, the calculating concept of sustained yield, and rational, technical management practices transform a wild and chaotic forest into a predictable, productive monocrop Normalbaum, maximizing revenue production and state control of people and place.

And yet, far from conforming, the story of the formation of the Panguipulli Forest and Timber Complex complicates this vision of modern forestry science. Although the expropriation of the forestry estates did help the Popular Unity exercise greater control over the Panguipulli region, the expropriations were demanded by the forestry workers, not imposed upon them. That is, the expropriations were not part of the strategic nationalizations the Popular Unity had outlined in its Basic Program but rather, resulted from engagement with the goals of a stubborn forestry worker movement that refused to die out. Additionally, the forestry science—the inventories, maps, management plans and technology—brought to the region was planned and applied by foresters and foreign forestry experts who could not simplify and shut out the messy social context of the forests, and instead strived to work with and within it.

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[75] See *El Correo*, 16 March 1971.

[76] Scientific Forestry provides the central metaphor for high modernist ideology, which is the focus of Scott's *Seeing like a State*. It first emerged in the forests of Prussia and Saxony in the late 18th century and served as a key tool of state making of what later would become the German state (Scott 1998).

Modern Forestry Science

Most studies of forestry science focus on how the introduction of modern forestry techniques into territory designated 'forests' accompanies the rise of capitalist production. Whether the context is England in the transition from feudalism to capitalism (Thompson 1975; Linebaugh 1976) or colonial India (Guha 1990), Indonesia (Peluso 1992) or Southeast Asia more widely (Vandergeest and Peluso 2006) modern forestry science's increasing hold over territory is accompanied by the same suite of processes: dispossession of local users from traditional forest use rights reinforced by the intensified criminalization of these traditional forms of use, and the subsequent increasing dependence of local users on the labor market and market system more generally for survival (proletarianization). In these cases, the forester appears as a notorious figure and forestry science is, indeed, a tool of control and dispossession.[77]

These studies document the concomitant introduction of proto-capitalist logic and scientific forestry and the disruption this provokes in traditional socioecological systems. However, in the Panguipulli forest estates, land dispossession and extractive-capitalist forestry had already disrupted much of the more traditional land use systems. The practice of scientific forestry may look quite different if it is introduced after land dispossession and the incursion of commercial logic. In this case, there could be two modes of how scientific forestry affects local people; one that relates to the forestry workers that were already more worker than not, and another that relates to the indigenous communities and small land owners that worked in the forestry estates seasonally, but maintained their own land. Indeed, in a move that conforms to this second mode, the Popular Unity state attempted to use modern forestry science as a tool of proletarianization to incorporate indigenous communities and their lands into Panguipulli Complex, and therefore, into commercial production and year round employment. However, when indigenous communities rejected these attempts at proletarianization, the UP negotiated more creative compromises that allowed the indigenous groups to maintain a non-marketized relationship to their land and labor (Klubock 2014).[78] But in the other mode—the focus of this chapter—the Popular Unity's use of rational forestry techniques to enable year-round employment was desired by the workers who, landless, had come to this region

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[77] However, even in the extreme case of colonial forestry, modern forestry science does not always act simply as a template, as Scott (1998) implies. Guha (1990) shows that colonial foresters had to adapt their forestry practices to the forms of local user protest, while Vandergeest and Peluso (2006) argue that colonial forestry changed with its engagement with local political, economic and ecological conditions.

[78] The Popular Unity also attempted to resolve many indigenous communities' long-standing struggles to get back usurped lands. For example, in the area of the Panguipulli Complex, a new Office of Indigenous Affairs began coordinating with the Panguipulli Restitution Commission (*Comisión de Restituciones de Panguipulli*) in 1972 to return lands usurped from the original *titulos de merced* to indigenous communities claiming their rights to these lands. By the end of 1972, they had recuperated 2,257.77 hectares for 15 mapuche communities in the Panguipulli area. At the time of the coup, many more properties were in the process of restitution, for a total of 14,249 hectares (Vergara et al. 1996, 80).

looking for employment and suffered enormously from periodic unemployment. For these workers, much of the modern forestry science introduced, coupled with other measures, entailed their empowerment—it meant an expansion of the control they had over the use of land, and more importantly over their own lives.

In this chapter, I aim to undermine forestry science's sturdy and formidable appearance. Just as Corrigan and Sayer (1985) work to get behind 'the state' and expose how the power of the state idea is reinforced through its reification, I do not treat modern forestry science as an already powerful institution, but rather, examine it in its lived practice. I trace the processes of occupations, alliance-formation and political negotiation through which forestry workers' illegal actions spread across the region and became formalized as the territorially largest forestry company in Chile. I ground my analysis in the lives of foresters, workers, and politicians, with particular attention to the oral histories of individual forestry engineers who learned and applied the tools of modern forestry in a particular place and moment in time. By weaving the personal accounts of politicians, foresters and forestry workers into official newspaper reports of state projects and plans, I present modern forestry science as a terrain of interaction between state functionaries and local people and place, not as a tool of control imposed from above. The politics of modern forestry science is not a given, but very much depends on the historico-geographical context of its introduction. This chapter also operates to refute newspaper accounts and Pinochet-era reports that attribute the land occupations and workers' movement to a small group of extremists by revealing the vast network of people who participated in building the Panguipulli Complex.

The Student Allies: forestry training and political consciousness

Chile did not have the means to train its own foresters until 1952. In that year, its first forestry engineering program, that of the University of Chile, was founded through an agreement with the Forestry Mission from the Food and Agriculture Organization (FAO), which had come to Chile in 1951, invited by the Chilean government and motivated by the post World War II lumber and paper shortages and the needs of European reconstruction (Camus 2006). Although the forestry program at the Austral University in Southern Chile was founded in 1954 through the efforts of Valdivia's own enterprising industrialists (many of German descent), it relied first on Czech and then on German professors to shape the curriculum and provide instruction. In 1966, the Rector of the University, who had received a doctorate in forestry from the University of Göttingen, formalized the relationship with German foresters through an agreement of interuniversity cooperation with the University of Göttingen; the Faculty of Forestry Engineering has maintained a strong tie to Germany ever since.

The FAO forestry division and the German school of forestry are the most representative cases of modern scientific forestry (see Lowood 1991; Scott 1998; and Vandergeest and Peluso 2006). But even in these foundational cases, forestry science is not just maps, inventories and sustainable yield calculations, but also, importantly includes the humans who are trained to use these tools. Forestry science operates through people, and people are influenced by their interactions with, and observations of, the world around them. The interaction between Chile's early

generations of forest engineering students and the Chilean countryside proved particularly transformative of both.

Across numerous interviews, these forestry engineers explained how their education in forestry science set them on a path to change what they saw as Chile's deepest social injustices. For some this involved working within the Allende government's forestry institutions and for others, rejecting any institutional paths to social revolution and spearheading illegal activities. Both sets of forestry engineers were involved in the making of the Panguipulli Forestry Complex: the former, through governmental development programs for the Complex, and the latter, through the subversive local action of assisting illegal land occupations.

Both the University of Chile and the Austral University had strong fieldwork and internship requirements in their forestry programs. A promotional pamphlet for the University of Chile program lays out the five-year curriculum; the summer term of every year was spent in *prácticas*, or internships, the first two summers at the Llancacura Forest Reserve in the province of Valdivia, and the third summer they spent interning at a forest industry.[79] They would also tour across Chile to learn about all its forests, from North to South. The emphasis on fieldwork at the Austral University deepened with the arrival of the German professors from the University of Göttingen. These professors were fascinated with the un-studied native forests of Chile and wanted to carry out as much investigation in these forests as possible. As the interview below makes clear, these professors easily formed relationships with members of the nearby German colony, many of whom owned large forestry estates. The Kunstmann opened their estate, Trafún, to these German forestry professors, initiating an ongoing tradition of University Austral forestry fieldwork in Trafún. The speaker is a forestry engineer who studied at the Austral University and participated in the Panguipulli occupations.

> When I entered the Department in 1967, the first fieldwork that we did with *compañeros* of my course up in the Fundo Neltume, coincided with the arrival of the German professors to the Department through an agreement between the Department of Forestry and the University of Göttingen, and those German professors arrived in Chile and they encountered those marvelous forests and they went crazy. When they saw that there was practically no investigation, very little investigation, they thought, 'it cannot be, we are going to investigate this forest.' Professor Peter Burschel was my professor. He developed this line of investigation up in mountains…and we started to go up to fundo Trafún to gather samples…When we went up, they were still private fundos. And the German professors, as they arrived here, they were, I wouldn't say absorbed by, but connected to the German colony for obvious reasons. They met the Kunstmann, one was the owner of Trafún and they made a nexus, they offered Trafún for investigation. For this

[79] "Escuela de Ingenieria Forestal" (1960) Universidad de Chile, personal archives of Fernando Saravia. This document is a brochure for the University of Chile School of Forestry Engineering and it describes the history of the school and its five year program of study.

> reason they did such a great quantity of research in Trafún. And I went, mainly to wash their plates and clean and set up the tents. The professors were who managed the theme. But it was very entertaining.[80]

Through these internships and fieldwork requirements many forestry engineers became aware of the social inequalities and intense poverty of their country, and could not keep these observations separate from their forestry training. For example, Fernando attended the University of Chile from 1958-62. In the following quotation, he reflects on his summer internships in the Forest Reserve Llancacura:

> The forestry theme is even worse [than that of agricultural populations]. Because they are the most poor places. Look, because the soils are forestry soils. Agricultural soils are agricultural; you have a little or a lot, but you always eat something. I lived it. When we would do our internships as students in the national parks or in forestry reserves in the mountain range of the coast, in Llancacura, which was a State reserve, but where there were settlers, people who had stuck themselves there. And those people suffered *hunger*, but hunger, in capitals. You see a little boy, or many children, and you look at them and they were skeletons. I lived the experience when a little boy died of [unclear], in this time when penicillin existed.[81]

In 1968 and 1969, Fernando briefly worked as a Professor at the Austral University and took students to do fieldwork in the nearby forestry estates, and in 1970, while working at the University of Chile, he continued to lead student fieldwork in these estates after they had been occupied by forestry workers and were en route to becoming the Panguipulli Complex. In 1971, Socialist party leaders of the Allende administration, knowing that he was familiar with the Panguipulli area, asked Fernando to propose a plan of how to transform the *Instituto Forestal* (INFOR), the Forestry Institute, the main state forestry organization to better assist with the types of problems he observed in the Panguipulli Complex. He suggested the creation of a new Division at INFOR: the Division of Productivity and Social Studies. As the head of this new division, he developed multiple plans for the Panguipulli Complex that sought to integrally address social and environmental problems.

In the case of other forestry engineers, it was precisely their training, their field trips to get to know the forests in different parts of Chile, and their internships in various forestry production sites that motivated them to participate in actions the state considered illegal. Thus, in contrast to James Scott, in this case modern forestry science training has undetermined effects for the state. The proximity of the Universidad Austral to the Panguipulli area; the enthusiasm of German professors for the new, unknown, Chilean forests; their insistence on traditional field work; and their connections to the local German family, the Kunstmann, who opened their

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[80] Interview by the author, Valdivia, 14 October 2011.
[81] Interview by the author, Santiago, 10 November 2011.

estate, Trafún, up to forestry experiments, all combined to connect a group of motivated, young university students with a population of exploited forestry workers who had unsuccessfully tried for decades to improve their living and working conditions.

For example, Miguel is a key figure in the formation of the Complejo Panguipulli. It is through him that a strong nexus formed between the forestry workers of the area and multiple students from the Austral University. He entered the forestry-engineering program in 1967, which is also the year he started traveling to the forestry estates of the Panguipulli area as a union activist. In the following quotation, in which he describes his motivations for being a union activist, he takes pains to show that he was not acting on behalf of any political parties, but only out of his own sense of social injustice:

> My own consciousness of justice was installing itself; it was that which carried me in the first phase, simply to drive myself as a union activist, without flags. At that time I didn't belong to any group. I was simply a sharpshooter, a stupid don Quixote, a simple student of forestry engineering. At that time I entered Neltume. I went to help them in 1967 and I don't know how many times until 1970, to organize the *pliegos de peticiones* (list of demands), to organize the union itself, and new unions on the north shore of the river.[82]

When I asked him what originally set him on this path of union organizing, he related the experience that pushed him to work as a union activist first in the Coastal Range to the south of Valdivia in an area where the Alerce forests were being intensely exploited.

> I was simply wandering in the mountain range, my own personal adventure, and I found myself with the drama of what it meant to live there…there is a feeling of injustice, very violent, very strong…those lands, it unleashed even more my sense of justice, because there I encountered some kids and an abandoned woman, alone with her kids. Her husband, a fisherman had left some weeks earlier from the southern coast to fish in the north of Mehuín. We're talking 200 km or more by ocean and he hadn't come back, and the woman was very worried and the kids were hungry; there was nothing to eat. The only thing they were eating was seafood, mollusks, and I knew that kids below a certain age, when they eat mollusks they are toxic, they die. So I shared some of my own food with them…there were problems with hunger in those days, and there the horrible impression of absolute injustice stuck in me. I kept talking with them, and I stayed and slept in that house that night. They lived on the highest tide line. In Chile there is a law that 20 meters above the highest tide is property of the State, so one could install themselves there without anyone coming to kick

[82] Interview by the author and Cristobal Vivanco, Valdivia, 14 February 2012.

> them out... So they lived in those few meters. They had a small house, they cultivated a few things, and the rest came from the ocean…The problem was winter. The winters were bad. So they crossed the barbed wire to search for sticks to make firewood and warm themselves, when the police came and took them prisoner...I was very bothered by this; it seemed barbarous to me that someone, I don't know, would have the barbarity to oppose giving a couple dry sticks to people who had nothing, out of an enormous area. I remember that I went to Valdivia and I went to find out who owned the property. I went to Ministry of Real Estate, and I found that the property was of a French Countess, Marie Therees de Potite…Later I found out that the family had lots of properties all around the world...These were the owners of the land, who kicked out these poor people.[83]

While he also did field work in Trafún with his German forestry professors in 1967, he says that this experience did *not* teach him about social justice. That was something he had already learned on his own. The fieldwork was entirely focused on silviculture: "There I learned only that the trees grow upwards... It was very technical...no one of the people who worked in that [the silviculture professors] could teach me anything because they were further from that world than I. I knew it [the world of social injustice]."[84] But when his fellow *miristas* asked him for a place to begin their political work, he pointed them in the direction of Trafún.

By 1968 Miguel had joined the Revolutionary Left Movement. When other *miristas* in Valdivia—mostly university students, but some high-schoolers—expressed boredom at hanging around, just participating in the internal politics of the regional MIR organization, Miguel directed them to Trafún to begin political organizing. According to the account of one of the high school students, in the summer of 1969, three groups of two went into the forestry estates armed with basic teaching materials and entered under the guise of students working on a literacy campaign. One pair went to Neltume, another, to Trafún, and the account does not record the destination of the third pair. The experience impacted the students strongly; the high schooler recalled: "For me it was an extraordinary experience. To leave the city and arrive to that zone was like being in a different world—a world of exploitation, abuses and hunger."[85] The following summer, they returned to the area again (ibid). The relationships forged between these students and forestry workers through organizing and strengthening labor unions laid the groundwork for the forestry estate occupations. Whether or not the forestry fieldwork in *Trafún* helped develop Miguel's sense of social injustice, it provided the link between the forestry engineering students, other *mirista* students, the forestry estate area and the forestry workers of the estates.

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[83] Ibid.

[84] Ibid.

[85] 'Pancho', "De La UACH a Carranco," in *Pisadas de Riomonte: Estampas de La Cordillera Y Del Complejo Maderero Panguipulli* (Panguipulli: self-published by Pedro Cardyn, 2006).

While Miguel says his sense of injustice developed first from his own travels, other forestry engineers directly link it to their *prácticas* as forestry-engineering students. A different student also entered the forestry program at the Austral University in 1967. In the following quotation, he explains how the *prácticas* and forestry tours organized by the forestry program impacted him powerfully and sent him on what he calls 'his path':

> The topic [social injustice] began to flower above all after, when we continued going up [into the mountains] for other *prácticas*. Later, in other courses, the social and labor problematic was already there, already as an academic topic and that academic topic was fed when on a tour with professors and students we traveled through much of Chile, across all those years of study, and we really got the forestry reality, which was the reality most difficult of the difficult. I remember when we arrived at a forestry estate outside Concepcion … on a tour with all the professors and we arrived at a sawmill that fabricated cartons for fruit. There were many rows of saws where children between the ages of ten and fourteen worked. Half the kids were missing fingers, they had cut off their fingers in the machine…the wood to make the cartons were produced from the fingers of the children. Imagine how this type of thing, as a student, as a person, impacted us. It supported every typical thought regarding society and the channeling of so many of our colleagues definitely into a leftist perspective if not also a revolutionary one…The lesson we received was not just as students but rather it was integral from the perspective of the person. Some of us stuck with this, and others wandered a bit in a different stop [had a different political perspective]. I would say that these things marked me, they really marked me and my whole path…this reality you also find with a different mold in Panguipulli.[86]

With Miguel, this student began going into the estates of the Panguipulli area organizing and supporting the forestry workers. He participated in the illegal *tomas* that resulted in the kicking out of the owners, and the occupation of the forestry estates by the workers.

The *tomas*: encounters between forestry workers, students, politicians and bureaucrats

The *tomas*—the wave of illegal occupations of forestry estates—were the product of the encounter between young university students with growing first-hand knowledge of the injustices of rural Chilean society and forestry worker communities with a history of land activism and attempted unionization. This occupation process ignited within the larger context of the intensifying mobilization of the countryside following the legalization of rural unions in 1967 and the election of Allende, which

[86] Interview by author, Valdivia, 14 October 2011.

instated a government that would not repress illegal land occupations, even as it refused to condone them.

When two students asked Miguel for a suggestion as to where to begin their political organizing, he directed them to Trafún. According to Miguel, they got lost because of a rainstorm or because it was night, and ended up in Liquiñe, talking with a group of old men who worked in Carranco, which was technically a piece of the enormous Neltume estate. One of these students was Jose Liendo, who was studying agronomy at the University Austral. He was to become a legendary figure, known as Comandante Pepe. He, not Miguel, became the public face of the *mirista* students acting in the Panguipulli area. According to Miguel, it was because of this image of a dangerous Robin Hood/Che Guevara type, developed by the conservative media, that Liendo was pursued by the military and killed, while Miguel, who maintained a inconspicuous figure, is still alive. After the night in Liquiñe, Jose and his *compañero* returned to Miguel's house in Valdivia to tell him the old men wanted assistance; they had taken over a part of the estate and wanted a "political, economic, military response" to their situation. The next day Miguel went with them on the never-ending bus rides on dirt roads to meet up with the workers of Carranco. On average, the workers were in their late 60s.

Miguel asked them what they wanted, what they hoped to achieve with the occupation. The group talked the whole night through, "lots of mate,[87] lots of water, lots of cigarettes" while Miguel took notes on the stories they told:

> Then began to emerge a real story of their feelings, of people that had worked. It left an impression on me of all the early processes of the deforestation of those immense territories in those last 50 years to the 1970s... Little by little, these men had installed themselves where they could, in places where they wouldn't really kick them out, on the mountainsides that are in that sector of Carranco—the north side of the river—where they cultivate, that is to say, deforest, prepare the land, and plant wheat on hillsides that are sloped at almost 45 degrees. And so we laughed because we said they had to plant the wheat with a [unclear], and they had to plant potatoes tied with a thread. Without it, it would all go downhill. Everything was fine until apparently something happened. They had also constructed many houses, developed many fields. And an interested patrón arrived. He denounced them, beat them, literally enchained them and dragged them by horse. They imprisoned them in Valdivia and Panguipulli and others in Temuco.[88]

Miguel told the men they would need a response for those who did not understand what they were trying to achieve—they would have to seduce them, convince them. Out of the long conversation, Miguel and Jose wrote up a brief document, *El Grito de Carranco*, or *The Cry of Carranco*. The document was to provide the response to those

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[87] Yerba mate: a highly caffeinate tea.

[88] Interview by the author and Cristobal Vivanco, Valdivia, 14 February 2012.

who resisted, and to use the actual history of the area to convince other workers. The first time these men had tried to establish themselves in the hillsides of the area was 1938. They tried multiple times; in 1970, they had already made three more attempts. As Miguel explained,

> They wanted control over a bit of land, a place to live. I wanted so much that they had a place to live. The rest, I added [in *The Cry of Carranco*], I added a bit of romanticism to the story, but the hard facts, the core details were these: it was a group of men that had been fighting the last 50 years to have a place to live…and the only thing they got was that they burned their houses, they dragged them out enchained, they beat them and tortured them. If someone died, who knows? And later this continued again, until they reached a saturation point again, and the people made another try and [beats hand on table] again (ibid).

The next day Miguel and Pepe organized the delivery of *El Grito de Carranco* to as many of the forestry estates as they could reach. When Miguel returned to Valdivia, he started making rounds to family and friends to collect food to support the workers of Carranco and their families through the occupation.

A week later, maybe two, he ran into his friends from the union of Neltume who were at the office of the Provincial Labor Inspector, presenting a list of demands (*un pliego de peticiones*). When they started talking, the workers showed Miguel *El Grito de Carranco.* Happy that a copy had made it to the Neltume union, Miguel suggested that they go somewhere to talk. He took them to the Austral University. Because he had been working as an assistant, he had keys to a classroom with a chalkboard and tables—"the ideal setup to be able to talk and construct the future" (ibid). By the end of the conversation they agreed to "construct a productive unit, controlled by the workers, in which they would need to arrive at some point to the expropriation of the land and the nationalization of the machines" (ibid). To do so, they would have to pass through a particular sequence: "the occupation of the estate, taking the estate, then a total break with the formal conventions of presenting a list of demands, to later follow other additional steps" (ibid).[89] A map of the principal *rauli*[90] stands of the area would guide which forestry estates to strategically include in the productive unit (ibid).

The following day the workers did what would become the standard sequence of events: break official negotiations with the patrón; start an illegal strike; occupy the fundo; and finally, demand expropriation. Miguel and the other students left the

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[89] In this conversation process, as well as in the following *tomas*, there are important negotiations between people with different political party affiliations. The Communist Party and the Socialist Party were particularly powerful among the forestry workers. The layout of which party was strongest in which union had important effects on the geography of which *fundos* were receptive to the help from the *mirista* students, and therefore, on the geography of the occupations.

[90] This is a softwood species, scientific name, Notofagus alpina. It is the main high value wood found in the Panguipulli area.

night before the strike to prevent the accusation of outside manipulation. When the fundo was occupied "it perplexed everyone, the authorities, the owners of the fundo, of the factory, from where had this monster surged forth? Where had this monster come from? There was no outside agent to say, 'it was him!'" (ibid).

The occupation of Neltume inspired the waves of occupations that traveled across the surrounding forestry estates. The written words of *El Grito de Carranco* were powerfully illuminated and enacted by the occupation of Neltume. Neltume was the golden estate of the region; it had the most advanced technology, the most skilled workforce, and the largest population of all the forestry estates. It was, as Miguel explains, "the best example. It was like taking over Santiago. If Santiago does it, this must be good, and this was exactly what happened" (ibid).

The occupation of Carranco occurred on the 26th of November 1970, and that of Neltume quickly followed in mid-December. Across multiple interviews, Don Hernán provided his perspective as an ex-forestry worker who participated in the occupation of Carranco. Unlike the older men who had spent decades battling against the depredations of the landowners to maintain access to a small piece of land, Don Hernán was a young forestry worker who neither lived nor worked in Carranco. He lived in a small home with his wife on land he rented from an indigenous campesino in Liquiñe, near the Carranco estate. 1970 found him suffering from the rampant unemployment that *El Correo* reported as the scourge of the Panguipulli forestry region. The early details of his life help illustrate how many other un and underemployed forestry workers of the area also came to participate in the numerous occupations that followed the examples of Carranco and Neltume.

Don Hernán was born in 1941, and started working, "*madereando*" in Paillahuinte when he was twelve years old. He worked with his father and his brothers with his family's seven pair of oxen, cutting up felled trunks and dragging enormous logs out of the mountains and down to the estate sawmill. In the winter, when they could not work in the mountains due to the snow, they made railroad sleepers by hand. After nine years of seasonal labor in Paillahuinte, they shifted to working in Paimun where Don Hernán did the same work, dragging out the huge logs, of *rauli*, and sometimes *coigue* and *tepa*. He worked there from September through March, staying with his brothers in a *galpón,* or a shed structure where the patrones would store food for the animals in the winter. At the end of the season, with autumn underway, they would return to the family home in Coñaripe. The family depended on the income earned in spring and summer to provide for them through the winter. After working three seasons in Paimún, he went back to Coñaripe, got married, and moved to the house in Liquiñe, near Carranco. In November of 1970, he had not found a forestry position, despite it being two months into the season, and he had a wife and children to support.

Meanwhile, the students from the Austral University had been doing political and labor organizing in nearby Trafún and with the unions of Neltume. As narrated by Miguel, above, a pair of them ended up making contact with the workers of Carranco and the other folks who lived in the area, like Don Hernán. Don Hernán shared his memory of encountering the students:

> The students had traveled around alone in the mountain. They got to know the very people who were living in the estate. They didn't arrive to the administration, no, they arrived to the houses in the mountains. I lived in a part that was fields, far from the administration….They helped me understand, I conversed many times with the students in that time…they realized where there were houses through the mountains, and there, they would arrive, suddenly they would arrive in the afternoon and speak with the people. With me, many times, with Comandante Pepe many times, because he had a tremendous amount of trust in me. He would arrive to my house and we would drink mate with my wife and we would converse.
>
> Jenny: What did you talk about?
>
> About how it could be to take over the estate so that the people would be able to work and earn more money because the patrones paid very little. And that is how the people were coming together and explaining the issues, until it got to the point that they took over the estate. We occupied it, and we didn't have any problems. Because you know that when one goes to occupy an estate, you don't know if the rich ones will be there all prepared. It takes courage. You've got to be valiant for that, because they're not going to just give up their livelihoods so easily.[91]

The timing of these conversations, relative to the *toma* is not clear. In a different interview, Don Hernán said that he first met Comandante Pepe the night they decided to take over Carranco. However, it is clear that Don Hernán felt a closeness to Comandante Pepe, and that these conversations helped Don Hernán make sense of the transformative events he participated in.

In an earlier interview, Don Hernán described the night of the *toma*: "Pepe arrived to the estate [Carranco]. I met him when he had the meeting in the house of Armando Machuca…I met him there when we formed a group to go and occupy the fundo Carranco."[92] Don Hernán did not elaborate much about what was said at the meeting in Machuca's house: the conversation was "about deciding, nothing more. And then we went." He said that Pepe emphasized that everyone needed to go: "we all need to arrive to the *toma* of the estate. Because the estate does not have the workers that it should have. Before it only had 14 workers, and later [after the occupations] more than 100."[93] That the estate only employed 14 people, but that it had forest stands that could support much more was a key motivation for the *toma*; it was symbolic of the injustice of the patrones' waste of resources when so many were unemployed and hungry. Don Hernán explained that the Echavarri owned both Neltume and Carranco, and that they were not heavily exploiting the wood of Carranco because it was economically better to focus first on the forests near the

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[91] Interview by the author, Panguipulli, 19 August 2011.
[92] Interview by the author and Cristobal Vivanco, Panguipulli, 8 August 2011.
[93] Ibid.

Neltume factories, due to shorter transportation trips. "For this reason we agreed to do the *toma* because we knew that there were big lots of *rauli*. We took the estate… you know the big bridge over there in Carranco, there we put a chain up, with lock and key. And there we posted a placard, 'Land or Shit! It clearly said, there, 'or death!'[94]" By Don Hernán' estimation, 60 people participated in the toma; only 14 were actually from the estate, with others participating from Paimún, Trafún and Liquiñe.

The actual confrontation with the representative of the patrón (as the patrón did not live at the estate) was intense, yet non-violent:

> We arrived to the farm at 10 at night, more and less; we waited for it to get dark. We arrived through the back entrance. We came through the gate to the estate. We arrived and we knocked on the doors there. There were people [in the group] that knew the name of the boss that was there—the accountant. They said to him, 'Hello, Don Miguel!,' when he opened the door, they gave it a good push and went **inside**. All of us went **inside** and sat down. Miguel Araya was his name. His wife was pacing there, quiet…We didn't do anything to anyone…And then we started asking for their weapons, because you had to ask for them.[95]

Each time Don Hernán spoke the word '*adentro*,' 'inside,' he emphasized it enormously with a shift in tone and a strong movement of his head; the workers had transgressed to the inside of walls previously off-limits, and they made themselves at home: "all of us went inside and sat down." Don Hernán then explained that the group had maybe a couple rifles and a revolver, but that they did not have many weapons. When asked if he remembered what was said in the encounter, Don Hernán continued: "…they told Miguel to hand over the weapons and that the estate was *tomado,* [occupied]. And that the workers would stay…he left and we stayed with the chalet. We took charge of the chalet and everything that needed to be worked, and then we set about working. There were three sawmills."[96]

The accounts of Miguel and Don Hernán illuminate the different groups who participated in the occupations: a combination of people who lived on the estates, who had been dispossessed of their land since the 1940s; resident laborers who had come from other regions, drawn by the rumors of the opening of the enormous green mine of rich forests; and temporary workers who made do finding work seasonally in the area, all suffering from the reality or threat of unemployment. With the catalyst of the university students within the historical opening of the Popular Unity Presidency, these different groups of workers came together to take over Carranco.

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[94] Here Don Hernán is mixing together the mottos of the MCR, the Revolutionary Campesino Movement, the rural, campesino front of the MIR: "Tierra o muerte" which sometimes continued with an exclamation of 'y los ricos a la mierda', "Land or death, and to hell with the rich folks!"

[95] Interview by the author and Cristobal Vivanco, Panguipulli, 8 August 2011.

[96] Ibid.

After *El Grito de Carranco* and the example of Neltume, estate after estate fell with the assistance of the *mirista* students and workers from Neltume and other estates. In the words of Jose Bravo, a forestry worker from Neltume who participated in several *tomas*, "The occupation of Neltume, the most important estate and productive center in the area, spread like wildfire. Emissaries from all the nearby estates began to arrive, asking for assistance; they also were determined to occupy the estates, but they didn't know how to carry it out" (Bravo 2012, 81-82). In his account, by the end of December 1970, Chan-Chan, Huilo-Huilo, Pilmaiquén, Paimún, Trafún, Pallahuinte, Quechumalal, Molco, Enco, Toledo, Pirihueico and Arquilhue had been taken.

In 1971, Guillermo Cahn, Hector Ríos, Carlos Flores and Jorge Müller filmed a documentary of the estate occupations that led to the Panguipulli Complex, called "No nos trancarán el paso," or "They will not block our path."[97] While the film tells the story of the transformation protagonized by all the workers of the Complex, beginning with the earlier exploitative conditions of life and labor and ending with the optimism of the workers' cooperative spirit, it gives particular voice to the workers of Carranco. The film opens with images of the workers standing guard outside the estate gates and the administration house, wearing warm *mantas* and sharing *mate.* As the camera scans upward to the wooden gates, it shows different placards that have been posted, all with mottos from the MCR, like "The land for he who works it," or "Land or Death," the sign that Don Hernán recalled. As the camera shifts to two men chopping down an enormous tree, the voice of an older man relates that they were just living there when BIMA[98] came and took over their land and basically forced them into becoming forestry workers. Later, in a powerful scene, they reenact the burning of a house and tying up of the household head that Armando Machuca and other campesinos experienced at the hands of the local landowner as a reprisal for their attempted recovery of land in 1943. Interspersed with the stories of the workers is a song written and sung by Ángel Parra, a famous artist of the Chilean *Nueva Canción* movement. Included below, the lyrics provide an overarching narrative to the land occupations; it is a story of overcoming historical injustice and looking to the future with optimism.

"No nos trancarán el paso", lyrics by Ángel Parra:

<table>
<tr><td>I'm going to tell the story
Of two thousand workers
That recuperated lands
This summer, señores.

This tale begins
In the year '43
When some foreigners arrived</td><td>To the senores of CORMA
I repeat and I say once again
Don't over step yourselves
You might regret it!

Now things are different
We have a President
That will put an end to the sins</td></tr>
</table>

[97] This is one of the mottos of the Revolutionary Campesino Movement (MCR). I am grateful to Chilean scholar, Cristobal Bize Vivanco for giving me a copy of this wonderful film.

[98]BIMA refers to Bosques e Industrias Madereras, S.A. a forestry company founded by Dionisio Gonzales Hernandez, a patrón of one of the nearby estates, Fundo Toledo.

Who did not respect the law In that cruel season The outsiders arrived They burned our houses And broke our destinies And that's how we lost the lands Well, no one defended us The judges and the patrones Ate from the same plate	Of so many landlords To the town of Panguipulli I leave this, my song The more united we are The better will result our action Here comes the farewell A sprig of rosemary The campesinos united Certain that we will triumph!

While not as lyrical, testimonies from workers in various newspapers and pamphlets provide a similar story of being pushed to the occupations by terrible work and living conditions. When the Mae estate was occupied in February of 1971, the leaders of the campesino union sent a letter to *El Correo* to explain why they took over the estate. As the newspaper reported,

> Fundamentally, they explain, the occupation was caused by the disastrous conditions of life inside the estate where there is a population of approximately 450 people with a percentage of approximately 40 percent illiteracy. All this, the workers blame on the Administrator, Lautaro Fuentealba, who, according to them, never concerned himself with improving the living conditions of his workers. In Mae, the campesinos signal, we have never received medical attention, and the access to food and goods guaranteed by the local store [*pulperia*] transformed into robbery.[99]

In early 1971, *Punto Final*, a journal of the revolutionary left, opened an investigative report of the occupations in the precordillera with an examination of the motivations for the *tomas*. The article emphasized the brutal injustice of the owners' waste of resources and elaborates how illiteracy enabled the patrones to further exploit the workers through the *pulpería* [general store]:

> In Paimun—another of the occupied fundos—the renter (owner of fifty cows) would take out five liters of milk and later throw the rest into the river. The occupation of Trafun (more than 22 thousand hectares) originates with the refusal of its owners, German and Victor Kusman [Kunstmann] to discuss the list of demands [*pliego de peticiones*] of the 136 workers. The Labor Inspectorate, for his part, never issued a subpoena.[100]

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[99] *El Correo*, 12 February 1971.
[100] *Punto Final*, 8 March 1971.

This article continues with a testimonial from one of the workers of the estate, Jose Roberto Sepulveda:

> Here, they would pay us every two months. And all our money went to the general store. Kusman has a supermarket and he is also the owner of the Collico mill. From there, he would bring the food. He never paid the family allowance in money, he gave it in food. And when we complained, he said that he would take away the general store. We didn't have any means of going into town to shop, so we just had to keep quiet. The majority of the times, we would end up behind [in debt] with the general store, and we wouldn't get even one cent of our income (ibid).

The tickets from the general store that kept track of the worker accounts had a space for a fingerprint, as many of the workers did not know how to sign their names, further demonstrating the facility with which the patrones could manipulate the payment of the workers.

A final example comes from *El Rebelde*, the journal of the MIR. In November of 1971, the journal interviewed Mario Fuentealba, a member of the MIR and the president of the union of Neltume, about the occupations that led to the formation of the Panguipulli Forest Complex. Paraphrasing his words, the journal reports,

> the situation of exploitation and misery in which the workers and campesinos of the area lived, was extreme. Their houses were truly shacks, or 'burros' of raised boards. There were no hospitals or health posts. In cases of emergency, the sick had to be transferred to Panguipulli, many kilometers away from the estates. The situation became even more difficult in the winter when the snow blocked the roads and left the campesinos and their families isolated. Additionally, the miserable salaries did not compensate the sacrifice. The work was hard without rest, not even on Sundays.[101]

Mario Fuentealba explains that "all this brought us to occupy the Carranco estate in the summer. After, came the occupations of the 22 estates that now form part of the Complex" (ibid).

While two of these descriptions come from leftist journals very celebratory of the workers' occupations, most of the coverage of the events in the Panguipulli region looked on the land occupations with much alarm. The first occupation in the Panguipulli region to get extensive newspaper coverage was that of La Tregua. A dramatic opening line draws the reader into the soap-opera like world of the *tomas*: "In the dawn of yesterday, the occupation of the estate 'La Tregua,' located 22 kilometers to the interior of Panguipulli, spewed forth tragic consequences. Due to the occupation of the estate of 2,400 hectares, the owner, Antonieta Macchi Bonadey,

[101] *El Rebelde*, 5 November 1971.

took her own life, ingesting an excessive amount of barbiturates."[102] Through this article, newspaper readers tangentially learn that similar occupations had recently occurred in nearby Carranco and Paimún, and that the authorities, including the governor of Panguipulli and the Intendant of Valdivia, were traveling to the area accompanied by a doctor to investigate the occupations and verify the cause of the Antonieta's death. The article does explain that the campesinos justified the occupation because the lands of the estate were poorly exploited, and reported the workers' desire that the Corporation of Agrarian Reform expropriate the estate and establish a production cooperative. However, the article concludes with an interesting section under the subheading "extremists," that consists mainly of the rumors flowing across the region:

> While this occurred, in circles in Valdivia a version spread to the effect that in the occupation, extremist elements are said to have participated that also were present in the occupation of Carranco. The situation would have additional aggravating circumstances, according to these versions, the extremists may have proceeded to blow up two of the bridges that access the estates, threatening to assault a relative of Antonieta Macchi (ibid).

The more alarmist tone of the latter part of this article would come to predominate the newspaper coverage of the forestry estate occupations, beginning with La Tregua and Carranco in late November of 1970 and continuing through the expropriations in March of 1971.

The dramatic circumstances of the occupation of La Tregua, stemming mainly from the suicide of the female property owner but also from rumors of extremists and blown up bridges, aligned perfectly with conservative predictions of what Allende's recent assumption of the Presidency would mean for agrarian relations; Allende's promised deepening of agrarian reform was already bringing chaos to the countryside. Only in power for a month, and facing an opposition that had tried to contest Allende's election in Congress, the Popular Unity was concerned with projecting an image of calm and control, and above all, respect for the law. The illegal occupations and their sensationalized portrayal in the media proved challenging to this goal.

On December 2nd, a Government Commission met with the workers who occupied La Tregua, came to an agreement to appoint an *interventor*[103] for the estate, and declared that work had already resumed. The same day, the Intendant of the region declared that there were no weapons involved, nor bridges dynamited, and more importantly that the occupation was simply the product of the terrible living conditions endured by the workers, not the meddling of extremist elements. On December 3rd, the Ministers of the Interior and of Agriculture, Jose Toha and Jacques

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[102] *El Correo*, 1 December 1970.

[103] The *interventor* was a temporary supervisor appointed by the government to oversee the continuation of production in a property or company that had been occupied while the government investigated whether the intervened company could be legally expropriated.

Chonchol, announced, "The occupation of lands is not the appropriate path."[104] The continuation of their official statement aimed both to reassure the centrists and conservatives that legality would be respected and to rein the campesinos and workers in to conform with the UP's plans: "With respect to the expropriations, the campesinos can have the absolute certainty that the Government will proceed to expropriate all those estates that according to the Law, should be expropriated; but this must be done in a orderly fashion, according to the plans that are established for each zone" (ibid). Subsequent articles review the official government report Chonchol and Toha presented covering the occupation of La Tregua, with one including a photo of the bridge leading to the estate demonstrating that it had not been blown up.

With the fire of La Tregua extinguished, the government turned to handling the occupations in Carranco and Paimún. Minister Chonchol sent a Government Commission, including Monreal Soto, the Intendant of Valdivia, back to investigate the circumstances of worker movements in these estates. At the press conference Monreal held upon return, he shared lurid details of the intensity of unemployment and the wretchedness of living conditions of the people in the precordillera. There are more than 5,000 unemployed, he explained, but "the most pathetic, he signaled, is the state of the houses, the majority of which have two rooms, in whose interior dwell family groups of ten or more people, who sleep in two or three beds in open promiscuity…in that zone, the people, plain and simple, are dying of hunger."[105] Though not specified, the hunger that Monreal drew attention to often followed quick upon the heels of an estate occupation. With the estate occupied, the patrones would close down the *pulpería* and the workers would have no access to food or goods. Workers were anxious get the estates expropriated and start working again so that they would have some means of an income and of buying food.

After speaking with those involved in the occupations, Monreal brought back the news that Neltume—the kingpin of the forest region—was next in line to fall, and that many more estates were on the horizon: "according to the antecedences, the effervescence is far from diminishing and it is possible that next week, after the Monday on which the four-hundred workers of the fundo Neltume vote on a strike, they will proceed to occupy the estate…the intention is to occupy the whole belt of estates located in the precordillera and in so doing, pressure that they proceed to the intervention of the estates, and organize them as work cooperatives of exploitation" (ibid).[106] In the rest of the article, the author reports the outcome of the meeting:

> in the eyes of the activists, various of them university students linked with the MIR, are Neltume, Huilo Huilo, Chan Chan, Enco, La Frontera, Quechumalal and others, where one finds the largest and best reserves

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[104] *El Correo*, 3 December 1970.
[105] *El Correo,* 5 December 1970
[106] The use of the phrase "the belt of estates in the precordillera" echoes the language Miguel Rojas used to describe the plan he and the workers of Neltume elaborated, with the assistance of the rauli map, in the classroom at the Austral University. This suggests that Rojas was among those who met with the Government Commission to clarify the intentions of the occupations.

> of rauli in the southern zone of the country. The situation is extremely critical, since while they pressure the government to arrange the interventions of the occupied estates, into which groups of unemployed are entering, the following is the predicament: the occupations should cease since expropriations should be carried out with attention to experts and under the inspiration of a rational economic policy. The workers of the occupied estates were notified of this predicament by the members of the Government Commission, justifiably worried by the situation that it faces (ibid).

With this conclusion, the author expressed concern that 'rational economic policy' govern the resolution of these prospective occupations, as the estates that the activists set their eyes upon represented the best rauli reserves of the area.

On December 9, 1970, the workers occupied Neltume and after three days of striking and attempted mediation by the Provincial head of labor, refused the offer of the patrón to increase pay by the 24 escudos the union had originally requested in their list of demands [*pliego de peticiones*]. The newspaper explained that the strike and the list of demands were in fact just a camouflage for the true intentions of the workers, which was to achieve the expropriation of the estate and the industries therein. *El Correo* proceeded to blame the transformation of what was, in its view, a simple economic conflict, into a political issue, on two extremist outsiders: "that which at the start appeared to be a movement of a strictly labor and gremial character, thanks to the advice of two extremist elements linked to the movement of the Revolutionary Left of the Austral University of Chile has transformed into a problem of a political nature."[107] This article signals the start of media portrayals blaming outsiders for the entrance of "politics" into labor conflicts, thereby erasing the deep history of political organizing of the workers and campesinos of the area.

The Neltume occupation pushed government officials to a direct expression of disapproval. After meeting with members of the Unidad Popular, Monreal provided journalists with an official statement of their position: "We are carrying out the investigations to specify the identity of who are promoting the occupations. We are doing this... because these actions are openly harming the policy of the Government of the Unidad Popular" (ibid). In his written account of the occupations, Jose Bravo illustrates how the government's stance appeared to a forestry worker intimately involved in the land activism of the area:

> The attitude of the brilliant new regional authorities of the Popular Government toward us was between indifferent and hostile. They did not like at all the actions that were unfolding in the mountain; they looked at it with a certain scorn and disdain, because it was not inside of the planned out scheme of the government program, and it could muddle certain agreements and compromises that the UP had made with the DC [Christian Democrat Party] so that it didn't block the

[107] *El Correo*, 12 December 1970.

> triumph or the election of Allende in Congress. There were no repressive threats but yes, their interest in waiting for the popular movement to weaken and falter due to hunger, was evident (Bravo 2012, 84).

Monreal's statement and Bravo's account show that even after the Neltume occupation, the government was aiming to solve the conflicts on a separate, negotiated basis, and perhaps even hoping to resolve issues between patrones and workers. However, across December and into January, the conflicts only intensified, and the UP began to shift its stance.

One of the key factors pushing this shift was the opposition's intensifying portrayal of the region as violent and as a risk to national security. At the end of December, Oscar Schleyer, a Congressman, denounced a guerrilla camp in Liquiñe in a secret session of the House of Representatives. According to Schleyer, the camp was directed by " 'El Pepe' who is Cuban or Central American, 'the Doctor,' and 'the Engineer.' In this camp it is said that sub-machine guns and revolvers exist and because of this situation, unofficial sources informed that Schleyer had said that Argentina had reinforced the sector bordering with our country."[108] Just one day earlier, Intendant Monreal had asserted that "the situation is calm in the countryside," explaining that the police patrols in the cordillera were just routine, and that he had designated an official *interventor* to solve the conflict in Neltume.[109] Following Schleyer's declaration in the House, Monreal submitted a report on the issue to the Minister of the Interior, denying the existence of a guerrilla training camp, and reiterating that "in the countryside of Valdivia, it is totally calm."[110] This same denial of guerillas was echoed in Santiago by Jose Toha.

In addition to this back and forth between the opposition and the UP about the situation in Panguipulli, the forestry workers stubbornly insisted on expropriation, not just intervention. In early January, the workers of Carranco refused to follow what the *interventor*, sent by the government, requested. "When the interventor designated by the Government, Miguel Oscar Ruiz, went to the estate to arrange the renewal of work, the workers resisted the measure, absolutely refusing it. As a consequence of this attitude, they persisted in their determination to maintain the gates of the estate closed, denying the patronal interests any access to its interior."[111] The workers explained that their labor problems had not been resolved, and that they would not change their position until a delegation of leaders traveled to Santiago to speak with executives of the Government. A week later, a notary and the General Administrator of Carranco and Neltume, acting on behalf of the patrón, went to the entrance of Carranco to officially record that the workers had impeded the entrance of the proprietors to the estate. In response, the workers reiterated their position of refusing to obey the renewal of work duties, decreed by the Government.[112]

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[108] *El Correo*, 30 December 1970.
[109] *El Correo*, 29 December 1970.
[110] *El Correo*, 4 January 1971.
[111] *El Correo,* 3 January 1971.
[112] *El Correo*, 10 January, 1971.

Facing these ongoing dual pressures, from the opposition on the one hand and from the workers, on the other, the UP realized it would have to change its approach and intervene more directly. With a visit to the area in mid January, Jacques Chonchol (Minister of Agriculture) and Jaime Toha premiered the idea of an "important forest project."[113] The coverage of the visit provided by *El Poder Campesino,* the official paper of the Institute of Agricultural Development (INDAP), specifies that Jaime Toha was studying the practicality of an existing plan "for the formation of a grand lumber complex in the zone."[114] This marks the first time the phrase '*complejo maderero*' was used in official media in reference to the Panguipulli area. In this moment in mid-January, forests and forestry projects emerged as a productive point of engagement between the UP and the people of the Panguipulli region, even while the UP continued rebutting the oppositions' claims with statements of the tranquility that rests across the Panguipulli region and labeling the illegal occupations counterproductive to the interests of the UP program. However, it would take the further intensification both of the opposition, in its assertions of guerrilla training camps, and of the rate of estate occupations to push the UP into solidifying a forestry plan that would unify the many estates of the cordillera and into finding a legal mechanism that would enable its official formation.

From escalation to government intervention

In mid-January, 1,200 students from the Student Federation of the University of Chile (FECH) flooded into the south to perform summer volunteer work.[115] They set up ten of their camps within the Panguipulli area.[116] Their work ranged from literacy and health campaigns (distributing milk, education about diarrhea prevention and sexual health) to theatre group performances and building playgrounds out of recycled materials. After they left at the end of February, *El Correo* characterized their contribution as "really positive," detailed all the work they carried out, and concluded by saying that the students had maintained very good relations with the local civil and police authorities.[117]

While doing this positive volunteer work, many of the students also participated in work of a far more political nature. Óscar Sepúlveda was the coordinator of all the volunteer camps in the area. He was both a student leader and a member of the Socialist Youth.[118] He, like many other volunteers, was sympathetic to the wave of occupations spreading through the forestry estates, and supported "the idea of creating a company inside of what was called 'the social area'"(ibid). They put their support into action by partaking in the *tomas*: "To hurry the process, we participated in the occupation of the estates (together with the MIR)" (ibid). Additionally, he used his political contacts through the Socialist Party to "propose the

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[113] *El Correo*, 15 January, 1971.
[114] *El Poder Campesino*, No.2, 15-30 January 1971.
[115] *El Correo*, 27 February 1971.
[116] Bocatoma, Coñaripe, Liquine, Neltume, Puerto Fui, Choshuenco, Chan Chan, Quechumalal, Punir and Releco (*El Correo*, 10 March 1971).
[117] *El Correo*, 10 March 1971.
[118] Sepúlveda, email correspondence with the author.

idea to the government and personally to Allende" (ibid).[119] Thus, the FECH summer volunteer camp entailed an influx of more participants in the *tomas* as well as a link to communicate the workers' vision (mediated by the messenger) directly to Allende.

At the same time, *El Correo* was getting more elaborate in its portrayals of Jose Liendo, nicknamed, 'el Comandante Pepe,' as an extremist General, riding across the mountains, horseback, like Zapata, with the power to summon a force of 5,000 to form a raiding horde:

> Liendo calls himself the Comandante 'Pepe', having at his disposal in this moment, a great personal power that constitutes one of the most serious problems for the Government of President Allende…it is estimated that the whole precordillera zone of Panguipulli finds itself under the dominion of Comandante 'Pepe', who could, in any moment, raise a horde of no less than five thousand campesinos.[120]

Additionally, Senator Irureta, President of the Christian Democrat Party, was waging a campaign parallel to that of Schleyer in the House of Representatives, calling a special session in the Senate to discuss the "occupation of agricultural estates and the existence of armed groups in the South."[121] Leading up to the special session, Senator Irureta told *El Correo* that a guerilla-training center was operating in Liquiñe, characterized the situation in the south, as one 'of chaos,' and decried roads blocked in the Panguipulli area by armed groups. Importantly, he also asserted that the guerilla training camp was extending its activities to the border with Argentina.[122]

To counter the allegations of the Christian Democrats, the UP aimed to project an image of calm control, and above all, commitment to legality. On the 13th of February 1971, Jose Tohá gave a statement on national television to clarify the government's vision of the agrarian reform. He explained that they would carry out the expropriation of all estates larger than 80 hectares as fast as possible, but that the illegal occupation of estates had to stop because they only slowed down the process and put the stability of the government at risk. Because of this, Toha announced, they sent a proposed law to sanction the instigators and executors of all the illegal occupations of estates and houses.[123] An article titled "Miristas do not agree with Toha," communicates the MIR's counter to Toha's announcement that in their view, the illegal land occupations help the agrarian reform process progress.[124]

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[119] After the formation of the Complex, Sepúlveda's contacts were central to arranging at least one personal audience between the President and the workers of the Complex.

[120] *El Correo*, 3 February 1971.

[121] Senate Session # 40, 16 February 1971. This Session was called to discuss the occupations in both Valdivia and Cautin, a province slightly to the North of Valdivia, where Mapuche land activists, also aided by the MIR, had initiated a strategy of land occupations months before they started in Valdivia. In Cautin, however, the occupied lands were mainly agricultural estates, not forestry.

[122] *El Correo*, 4 February 1971.

[123] *El Correo*, 13 February 1971.

[124] *El Correo*, 14 February 1971.

Jose Toha also conducted a tour of the Panguipulli region to investigate first hand the claims of guerrilla camps, armed groups and roadblocks, as well as to better understand what was happening with the illegal occupations. On February 9th, after a two-day helicopter fly-over of the border region, he said that there were some roadblocks but no armed groups. He conceded that together with Cautín, this was the area that had the largest number of rural conflicts, but that "the situation in Valdivia, while not normal, is far from how some want to present it."[125] A week later, he returned to the region to complete the tour, and in the company of the Intendant and the head of police, they visited Panguipulli, Conaripe, Liquiñe, Pirehueico, Carranco, and Neltume. His statements to journalists at *El Correo* upon his return reveal that the numerous declarations about guerillas in the area were affecting relations with Argentina. After they asked him about the existence of guerilla camps, he replied:

> I saw a publication in the newspaper of the city and one published in Santiago. And, what is most regrettable, this unconfirmed news has been reproduced abroad in such a way that it is creating a difficult situation for us. They maintain the possible presence of armed groups, of guerrillas or of guerilla camps. Every claim that has been made about this issue has been carefully investigated by the Government and by all the organizations specializing in this matter. So far, nothing has been detected.[126]

Throughout the article, he chides those who spread these unfounded rumors because they simply help produce a tense atmosphere and he concludes with a call to stop spreading these rumors because they could put Chile's national security at risk:

> I repeat, until now, in spite of the fact that the whole zone has been combed very carefully, in spite of the fact that many times the denouncements are related to these same places and same circumstances, and in spite of the fact that the Government has already verified the inexistence in those places of said armed groups, the investigations continue. But I want to issue a call, above all to those who are spreading this news in such a light and alarmist way, even aspiring that this could have some effects of an international type. I believe that when it's about the security of Chile, of the interests of the Fatherland, there cannot be political differences between Chileans. And, therefore, I believe I have the right and obligation to call upon all my compatriots that in this respect, we act with maximum responsibility and with maximum loyalty before our country (ibid).

At this point in mid-February, the UP looked to find concrete mechanisms to deal with the situation in the precordillera. On this same trip to verify the nonexistence of guerrillas in the area, Jose Toha and Chonchol met with the leaders of

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[125] *El Correo*, 9 February 1971.
[126] *El Correo,* 17 February 1971.

the occupations and discussed how to go about forming a unified forestry Complex (Bravo 2012, 89). While pressure from the workers, the Christian Democracts' campaign of sensationalist portrayals of the area, and possible tensions with Argentina all pushed the UP to direct intervention, Jaime Toha (Jose's brother, and head of state forestry institutions) explained to me that they were also wary of the growing autonomy of the Panguipulli area:

> It was obvious that there, a situation was gestating in which if the government did not intervene, a phenomenon of self-government was going to start developing as well as the development of local armed forces. It was in the abc's of the revolutionary processes that if there was no response from the government, those people would fundamentally remain under the absolute control of the MIR and try to establish a center of self-government…but what there was really in terms of armed organization was minimal, minimal. They did not have anything at that point. The attitude of the DC was the attitude that it had toward everything, not only in this but toward everything. It was to accuse the government that we were advancing toward a new Cuba.[127]

This quotation shows the difficult position of the UP government vis-à-vis the Panguipulli area, where they actually shared the concern of the Christian Democrats that that area was beyond their control, or overstepping the bounds of the UP's official government program, while at the same time, they had to defend the region against the exaggerated claims of the opposition. In response to these tensions, the National Security Council began developing a Public Works, Colonization and Development Plan for the border region; the formation of a lumber complex was the key element of this Plan.

The path to expropriation: forestry for national security and development

The National Security Council prescribed the formation of a Public Works, Colonization and Development Plan in the frontier sector as necessary for the interests of national security. This plan was the legal mechanism that enabled the expropriation of the forestry estates of the Panguipulli area (Klubock 2014, 214). The Agrarian Reform Law (16.640), promulgated by the Frei administration in 1965, only applied to agricultural properties, leaving forest terrains outside the reform. As historian Thomas Klubock (2014) explains, the exclusion of forest properties from expropriation was a means of incentivizing private property owners in the south to reforest their land and scientifically manage the forests already on their estates (189).[128] This exclusion fit within the Frei government's wider goal of ramping of

[127] Interview by the author, Santiago, 11 February 2013.

[128] Additionally, the exclusion of forestry terrains could have resulted from political negotiations. An interview with a forestry engineer who served in both the Frei and Allende governments suggests that attempts to address social and ecological problems within the forestry sector, such as a new Forestry Law proposed in 1965 to better protect native forests from

reforestation across Chile. Eduardo Frei assumed the presidency in the midst of growing attention to erosion as the scourge of the Chilean nation. Through national reforestation campaigns and plans, his government gave a powerful impulse to reforestation, particularly with fast growing pine, to both combat erosion and increase the raw materials for the up-and-coming plantation-based forest industry.

When Jose Toha and Jaime Toha came to the area to perform the expropriations in a surprise lightning operation on March 15, it was ostensibly to form this frontier zone and move forward with the Colonization and Development plan. The media coverage of the area in the weeks before the expropriations bubbled with excitement at the prospects offered to the region by this new plan, especially due to rumors of Japanese investment.[129] Ten days before the expropriations, *El Correo* reported that the Borders and Boundaries Commission of the Chancellery (*Comision de Fronteras y Limites de la Cancilleria*) was visiting Neltume, Huilo Huilo, Pirehueico and other frontier passes to verify the conditions necessary to initiate the program of colonization, public works and development. At the same time, the acting Intendant confirmed the interest of Japanese business in investing "the sum of 60 million dollars in a vast program of rational exploitation of the forestry riches that exist in the lake water shed of Panguipulli…the plan that they project with the Japanese, that would consist in building a plywood industry and a cellulose industry, also entails, obviously the simultaneous process of reforestation."[130]

Although assumed to be linked to the proposed colonization plan, the actual expropriations took most by surprise. On March 14th, 1971, Jose Toha arrived in Valdivia, and in response to a question about his possible intervention in the occupied estates of Panguipulli, replied "the government does not occupy or take fundos, but it follows the process of Agrarian Reform."[131] The next day, early in the morning, Jaime Toha headed up a caravan of police, governmental functionaries and lawyers to carry out an abrupt process of expropriation, which they called "Operation Squirrels." By the end of the day, the Corporation of Agrarian Reform had taken possession of twenty-one forestry estates in the area of Panguipulli.

In an interview, Jaime Toha recalls that the expropriation was very unexpected. No one knew it was going to happen; not the political leaders of the region, nor the workers, nor the owners of the fundos:

> The gestation of the expropriations…how many fundos? Of twenty-something I think. This, they carried out very stealthily, practically in secret, between the ministers, Allende, and me. In that period, my brother was the Minister of the Interior, my brother Jose. They planned one day, I can't remember the date, and they took a big contingent of police from Concepcion, I believe. The people of Valdivia didn't know. First, I met with the Intendant. I remember it was late at night, and

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deforestation, were ultimately sacrificied as a political compromise, necessary to get the Agrarian Reform Law passed (interview by the author, Santiago, 1 August 2011).

[129] For examples, see "Panguipulli mira hacia el futuro," *El Correo*, 10 March 1971.

[130] *El Correo*, 5 March 1971.

[131] *El Correo*, 14 March 1971.

> only then was he recently informed that they were going to expropriate all the fundos all at once.[132]

He explained that although it was a surprise police operation, the expropriations occurred very calmly:

> Very early in the morning, it was a military, military-police operation.[133] Many planes arrived, and a quantity of caravans of vehicles with police…Each one in charge had a procedure...Each estate had a history of if it was in legal conditions to be expropriated. These were not interventions, they were expropriations[134]…This happened without any incident. Without anything. It was all super normal, and there began two processes. One was the task of the workers and the union leaders to begin to organize the administration and name the authorities of the Complex. And on the other hand, the legal discussion with the owners about the conditions of expropriation. It was my duty to concentrate on the part of the legal expropriation (ibid).

Toha said that the response of the workers to the conversion of their *tomas* into official expropriations was like a country getting its independence: "it was a celebration, only comparable to the independence of a country, a dream. I have beautiful images of Neltume, one thousand workers surrounding the airplane"(ibid). He continued to explain that due to the intense poverty of the area at that time, the expropriations were not about living better and earning more money, but rather were a territorial liberation, a qualitative shift:

> The people were very poor, *poor*. Not the poverty of now, the poverty of 73 was that of not having shoes or clothes, very hard conditions. It was much more powerful. I believe the condition of poverty and of exploitation…made the reaction much more epic. You, you are not freeing yourself and thinking of material things; rather, you are overcoming a condition of exploitation…in the case of the Panguipulli Complex, it was a sense of the liberation of a territory, of expelling the colonizer, the exploiter (ibid).

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[132] Interview by the author, Santiago, 7 November 2011.

[133] In Chile, the police are considered a fourth part of the military, in addition to army, navy and air force.

[134] The distinction is important. There is a law that allows the government to intervene in companies or other economic units that were underutilized or abandoned by their owners. The Popular Unity government (of Allende) used this law to intervene in multiple factories that workers wanted to expropriate. The government would assign an *interventor*, a temporary supervisor, while they investigated the legality of expropriation. Meanwhile, the *interventor* would try to get the factory operating productively again. If expropriation was found to be illegal, they would return the factory back to its private owner. Expropriation fully transforms ownership. The expropriated land or company passes into the State property area.

A worker who participated in many of the forestry occupations recalled the union leaders' approach to formalizing the administration of this new, liberated territory:

> The government, through the Minister Chonchol, expropriated this. The expropriation comes and the unions say, here, we have our leaders. And the unions ask the government for logistical support, intellectual support to direct a business—government functionaries that were really trained to manage a company of workers, of the State, but this company is more of the workers but with technical consultants of the government. The idea is excellent. It is an excellent idea.[135]

The workers and their union leaders envisioned a forestry company of the workers with technical assistance provided by the state.

In his account, Jose Bravo, a different forestry worker, elaborates his view of the workers' aims following the occupations:

> Neither I, nor we of Neltume nor anyone in the whole extension of the rebellious mountain wanted to convert themselves into the proprietors of the estates, or the owners of the industries and the forests. What we intended was that the State make itself in charge of the properties, and the workers, in charge of production. That simple. Our basic demand consisted in achieving better working conditions and a more dignified life, that is to say, neither more nor less than was hoped for by all the poor folks of our country (Bravo 2012, 84).

While Bravo does not speak for all the workers of the area, the basic sentiment—that the workers wanted control of production and access to better working and living conditions—was echoed in newspaper interviews with estate occupants. Additionally, across many interviews with ex-Complex workers, access to stable work and dignified conditions of life and employment resonated as the primary motivation for their actions. Thus, the expropriation of these private estates and their transformation into state property did not represent dispossession in the workers' eyes. Rather, it was a response to their calls for state support both in legalizing their occupations and in the technical organization of a forestry company.

From the perspective of the UP administration, the decision to expropriate the forestry estates was complex and multivalent. As shown above, it faced pressure from the opposition, from the workers, and from brewing international tensions with Argentina regarding possible guerrilla activity on the border. Expropriation and the formation of the state-owned Panguipulli Complex, under the National Security Council-mandated Public Works, Development and Colonization Plan, allowed the UP to assert control over a region it feared was veering toward self-government, while at

[135] Interview by the author, Neltume, 29 November 2011.

the same time address the rampant unemployment long affecting the area. This measure, however, importantly coincided with the workers' own demands.

While at first hoping the illegal occupations would peter out, the stalwart continuation of the workers occupations in the border region presented the government with a situation that could fit within its more global forestry policy, if properly directed. As Jaime Toha explained, he and the other forestry engineers working within the UP administration felt very clearly that the destruction of the native forests had to stop and that forests should become a strong source of income for Chile, enabling a diversification away from the foreign-dominated mining sector. They also knew that the area where the occupations were spreading represented the center of Chile's native forests:

> I would say that when they discussed the government program, in the forestry chapter there was clearly a concept of valuing the native forest through an economically sustainable exploitation and based on management plans that were necessary to carry out. And based on the available information of inventories, it was clear that that was the heart of the existing native forest of the country.[136]

Key to enabling foresters' concerns to influence political decisions, such as the expropriation of the Panguipulli estates, was the close friendship between the Toha family and Salvador Allende. Jose Toha, Jaime's older brother, was one of Allende's best friends; thus, Jaime grew up in close, familial contact with Allende. When asked how the topic of forests came to be important to Allende, Jaime Toha emphasized the importance of conversations he had with Allende around his decision to study forestry engineering:

> False humility: I believe that Allende got involved in the forestry topics through conversations with me. To him it appeared, since I was young I remember, that to Allende it appeared the most exotic thing in the world that I studied forestry engineering: 'what is this? Forestry engineering?' [Jenny: it was still quite new in Chile] Yes, exactly. Then, the conversations with him about the meaning or direction of forestry engineering, to him made a lot of sense, and the thing that he had the most clarity about was in respect to the precarious living conditions of the forestry worker (ibid).

These conversations influenced Allende, and by his third Presidential campaign, for the 1964 elections, he had incorporated the issue of forestry and forestry workers into his Government Program. Jaime Toha participated in all four of Allende's campaigns, and was central to Allende's thinking vis-à-vis Chile's forestry world. However, even while he and others who worked on formulating the UP plan had clear that forestry should play a larger role in the economy, they had not predicted the

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[136] Interview by the author, Santiago, 11 February 2013.

advanced state of the forestry workers' political organization and demands, especially of those workers in the native forestry sector.

Toha explained how forestry policy under Allende, especially regarding the Panguipulli Complex, unfolded as a dialectical engagement between the forestry workers and the UP's plans:

> I would say that in the government of Allende, there are two fundamental factors. The group of professionals that worked on Allende's program and in the government of Allende, we had a clear vision, that first, the native forest needed to be preserved because it was really being finished off, and in second place, that it could make a contribution of clear importance to the economy of the country. And secondly, on the part of the workers there was a very significant response that for us was in some ways a surprise, let's say, that the workers had captured so clearly the political, economic and social potentialities that this had. Or rather, to be able to talk to an illiterate worker of some basic concepts of what is [forestry] management is an exciting thing. The facility of understanding what it was about…It was, or rather, the Panguipulli Complex, the union, the First Meeting of Forestry Workers were things that we had not imagined could be achieved in so little time" (ibid).

A large state-owned, worker-run forestry company, such as the Panguipulli Complex, was outside the imagination of the UP administration; it was because of the workers—their political organization and their urging—that the UP came to see how a large forestry company, a workers' cooperative, could fit into their forestry plans. When I pushed Toha to confirm, saying, "so the Complex did not form a part of Allende's plan, but it came to be part of the plan?" he replied: "Let's see, the response of the workers to us and the response of us to the workers, I would say were two virtuous things" (ibid).

The Panguipulli forestry complex emerged out of this "virtuous" dynamic between the UP forestry engineers and the workers of the area. Much also depended upon the access the forestry engineers had to political power, in the person of Jaime Toha and his friendship with Allende. While the formation of the forestry complex did serve as a means for the government to gain control of an area that had been putting at risk its tenuous agreements and compromises with the centrist Christian Democrats, the Complex was also what the workers wanted and had persevered in pushing the government to carry out. This must be kept in mind when reading the media reports of the big forestry complex and the frontier development plans, which at first glance appear to support renderings of modern scientific forestry as a tool of the state to extend its control over the people and resources of an area. But as I show in this final section, even in the case of the Panguipulli Complex, where 'modern' and 'rational' forest management techniques were introduced with alacrity, and the expertise of Nordic foresters, imported and applied, the terrain of forestry remained very much interactive, negotiated, and contingent.

Modern forestry comes to Panguipulli

In the months following the expropriations, news of the Panguipulli Complex and workers appeared in numerous media outlets and Allende referenced it in various speeches including his first message to the workers of Chile on May 1, 1971.[137] While the Complex came to be a powerful symbol of the UP Socialist project of economically productive worker empowerment,[138] in these earlier months, its significance centered on: (1) showcasing new, modern forestry management techniques and technologies in stark contrast to the private, profit-focused, ecologically wasteful and socially exploitative practices of the previous regime, and; (2) bringing investment, development and employment to an isolated and neglected frontier region.

At the end of March, President Allende gave a speech at the provincial Assembly of the Workers of Cautín. In it, he announced the government's decision to form a frontier zone in the Panguipulli region to introduce a new form of forestry production that would address both the social and ecological outcomes of the previous, private-profit driven mode of exploitation. Investment in forestry capital would end unemployment in the area and even facilitate higher population densities, while new reforestation policies would reverse the earlier destruction of natural forests:

> I want to signal as well, that in these months, a decree of extraordinary importance has been passed. It is that which created the frontier zone to expropriate 270,000 hectares of not only agricultural fields, but rather fundamentally of wood estates near the foothills of the mountains and on the frontier with Argentina. We have done this to preserve the reserves of natural forests implacably exploited by private profit. We have done this because the very Agrarian Reform law prevents the expropriation of forests, and only by creating these zones has it been possible to incorporate into State patrimony the 270,000 hectares where we will construct sawmills, where we will execute a policy of reforestation and where we will seek to create a factory to elaborate cellulose to give work to that zone to enable the increase of the population to intensify the number of men per square kilometer and to put an end to the misery, the hunger, and the lack of culture in which hundreds of Chileans have lived until now, dedicated to the task of the sawmills and wood, a drama deeper and more profound than the very drama of the campesinos.[139]

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[137] Salvador Allende "Discurso en el Dia International del Trabajador, 1 de Mayo de 1971: Primer Mensaje a los Trabajadores de Chile."

[138] As Jaime Toha expressed, "it [the Complejo] was like a symbol, that an economic activity in which the workers had a leading role could be successful. I would say that it was symbolic, not only for the forestry sector, but also in general. The Complejo Panguipulli was spoken of often. Thus, it had economic, social, political importance" (interview by the author, Santiago, 7 November 2011).

[139] *El Poder Campesino*, No. 6, 15-31 March 1971.

In the weeks following the expropriations, *El Correo* ran a number of articles that focused on the prospective Forestry Complex and relayed announcements from Jose Toha and the Intendant regarding official state plans. These articles confirmed that the government would transform the 260,000 hectares of expropriated estates into an industrial lumber complex, with a model sawmill, a plywood factory and a cellulose factory.[140] Jose Toha emphasized that timber exploitation would be "carried out in a rational form with the goal of preserving the forests," and would expand employment, much to the happiness of local workers and campesinos .[141] The Intendant provided a more detailed report of the slick foreign technologies that would be introduced into the area, the level of financial investment these new industrial plants would represent, and the number of jobs each would create. For example, the new French sawmill with a Guillet blade cost one million dollars and would open employment to more than 900 people.[142] By the end of March, Japanese forestry experts would arrive to initiate studies for the installation of the cellulose industry. According to the Intendant, this 60 million dollar investment would provide work for 3,000 people. While Intendant Monreal highlighted the enormous difference this forestry investment would make in the lives of the people of the estates, characterized by poverty, unemployment and the worst infant mortality of the country, the Coordinator for the Forestry Programs of the Valdivia Intendancy, Ernesto Parra, emphasized the novelty of the forestry management techniques that the administration of the Forestry Complex would bring to the region: "the Complex would be oriented in a rational form, enabling the eternal duration of the forest through the alternating use of natural and artificial reforestation. This, he said, has never been done before" (ibid).

In addition to Japanese expertise and investment in short-fiber cellulose production, the Unidad Popular sought technical assistance from the Finnish government. By the end of 1971, these two governments had formalized an agreement centering on technical assistance for the development of Chilean forestry. The cooperation between the Finnish Technical Assistance Agency and the Forestry Committee, INFOR, and CORFO of the Chilean government took multiple forms. The most significant was the Finnish government's commitment to contract Jaako Pöyre, a Finnish consulting company, to carry out a study of the Chilean forestry sector and report its findings in short term (through the 1970s) and long term (through 2000) development plans.[143] In addition to the Jaako Pöyre report, members of the Finnish Technical Assistance Agency were curious about the Panguipulli Complex, and coordinated with foresters at the Chilean Forestry Institute to develop various plans, most importantly, the proposal to build a Polytechnical Educational Complex centered in Choshuenco. This Complex would be a multiuse facility for technical education and forestry investigation as well as for meeting the communities' other needs.[144]

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[140] See *El Correo*, 16, 18, and 20 March 1971

[141] *El Correo,* 18 March 1971.

[142] *El Correo*, 20 March 1971.

[143] Interview by the author, Santiago, 24 May 2011.

[144] This will be further covered in the following chapter.

When asked how this cooperation with Finland came about, Jaime Toha's response, which wound through his university days to his time in the Allende administration, provoked in him a realization of the long-term connection between Chilean and Finnish foresters. This long-term connection operated through Jaime Toha, who serendipitously was a family friend of Allende, and Lars Hartmann, a Finnish forester who continued to be generous with his time and connections across multiple decades. The elements outlined by Toha combined to enable a particularly productive relationship during the Unidad Popular:

> In general terms, if you speak of forestry development, obviously you are thinking of Sweden, Finland, Canada, Europe, New Zealand…And in the university, wow, look at how things are! In the University when we studied, we had many foreign professors. One of the most important was a forestry economics professor—Lars Haartman—a Finn, nationalized Canadian. When my year finished the last year, in 1963, these professors—the director of the school, who was French, there were 2 or 3 more French professors, Lars Haartman and others—organized a tour of six months in Europe for us, which in the end was actually a year. Only five *compañeros* went. We got to know very close up the forestry world of the Nordic countries, and especially Finland, thanks to Lars Hartmann who hosted us for ten days, visiting many plantations, forestry industries, and arranging meetings with authorities in Finland.[145]

This early trip as students laid the foundation for relationships that proved useful when Toha worked in Allende's government:

> There, I met a person that later, when we were in government, we reestablished contact. When Allende won, Finland had a very pro-UP attitude. They didn't have an ambassador, but they had a representative in charge of business: Tapani Brotherus. With him, we developed a very strong friendship. And he organized a first mission to Finland, on which I went; I went alone this first time. And there, I had meetings with FINIDA. FINIDA is the technical cooperation agency of the Ministry of Foreign Relations, and there I met Jaako Pöyre [the owner of the consulting company of the same name] …And we conversed. I have always been a big fan of planning, and in those days… I would converse here in Chile with Astorga, Saravia [fellow state forestry engineers] and other people that Chile needed a forestry plan. And, to make the story short, the government of Finland put up the resources necessary so that Jaako Pöyre drew up a forestry development plan for Chile. And out of this, there were many visits. From here to there, there to here, questions of training, many things… (ibid).

[145] Interview by the author, Santiago, 11 February 2013.

Fernando Saravia worked in the Forestry Institute during the UP, and was one of the four other students who joined Jaime Toha in the European Forestry tour. When asked why the technical assistance agreement came about with Finland, his first thought was "the tremendous sympathy that Finland had with Socialist regimes," but very quickly, he proceeded to highlight the central role of Jaime Toha; "much of the credit goes to Jaime."[146] He followed the same progression from the university through to the time of the Unidad Popular, but provides more information about the central role of Lars Hartmann:

> There were five of us [Chilean forestry engineer students]. We bought a car and we toured 21 countries…There [in Europe] a professor that we had in Chile, Lars Hartmann, who taught us classes, with whom we were pretty close, in particular me, I don't know why, we were good friends. We made a nexus. And he was the boss of the FAO project in Chile to form the INFOR [the Forestry Institute], and from the INFOR, he taught us classes in the University. When we spoke with him about our European forestry tour plan, he said 'I'll help you.' He connected with the FAO and Finland, and on top of that, in the month of July he met us on the northern border with Sweden, awaiting us with a detailed program of the industries. He attended to us at an extraordinary level…He knew Chile completely, and he then taught classes to us in Finland, on the ground. So most likely from that [origins of the agreement with Finland]. Later he was one of the top engineers at Jaako Pöyre. Jaako Pöyre names him manager or sub director for the Americas…and from there remained this link with Finland, and Jaime explores it more. Also, because Jaime had status…When Allende assumes the Presidency, for sure, Jaime plays an important role in international relations. Not formally, but informally, very solid. Who knits together this, who visualized the cooperation with Finland was Jaime. That's my impression. He had the two visions [forestry and political] (ibid).

When members of the Finnish technical assistance mission expressed to Jaime Toha their desire to learn more about the Panguipulli Complex, he called Saravia to lead them on a tour. Saravia was very familiar with the Panguipulli area, having worked as a professor leading two courses of engineer students into the forestry estates to complete fieldwork the summer before and the summer following the first occupations. In these experiences, he developed a strong sympathy for the forestry worker movement that later formed the Complex. Additionally, as the founder and head of the new Division of Productivity and Social Studies within the Forestry Institute, he coordinated with the joint worker and government Administrative Council in charge of the Complex to develop various socioecological projects in Panguipulli. One of these projects was the Politechnical Educational Complex, to be

[146] Interview by the author, Santiago, 7 February 2013.

located in Choshuenco. He had written up a proposal, and members of the Finnish mission were interesting in collaborating. He explained that "the Finnish mission came in the summer of 72. It came to explore this idea of the Panguipulli Complex, but essentially, of the politechnical educational complex, as well as to help with the vision of the master plan" (ibid). Three people made up the mission: one from the forestry section of the Ministry of Education, another from the Ministry of Exterior Relations, and the other, an academic in charge of the Finnish Institute of forestry investigation. Saravia asked how they wanted to explore the Panguipulli Complex, in plane or in a car, and they said in a car. So he took them "*en terreno*." He described a rustic, almost folkloric scene of Chilean rurality—the Finnish mission stopped at the house of a campesino señora and ate *cazuela* (a hearty soup), surrounded by chickens running around, and drank homemade red wine. But as they continued on their trip, they were deeply impacted by the poverty they saw. Fernando explained:

> going toward Neltume, before reaching Neltume where there was a loading zone for wood, they were felling enormous trunks, 2.5 meters in diameter, and transporting them with ox, 3 to 4 yokes of oxen, one in the front and three in the back, supporting it. There was a woman there, she was pregnant, and she said please, could we take her somewhere so she could have her child, she was feeling very bad. The Finns looked at me, and I translated, and they moved to find a space to accommodate her. They were so concerned, asking me to translate. They were so impacted by it (ibid).

Tears filled in Saravia's eyes as he told this story, remembering both the woman, and the reaction of the Finnish mission to her situation. He continued; on that trip, "they arrived at a place with workers, and they asked me to stop. And they saw a boy of 10 or 12 years working with the oxen, without protective clothes, without gloves." The impact on and reaction of the Finns was, in Saravia's words "extraordinary. It meant a lot to them. After the coup, it meant that I could go into exile in Finland. It wasn't happenstance; they understood" (ibid).

The integration of on-the ground-experience of the area into the lives of students, foresters and consultants who participated in forming the Panguipulli Complex, formulating a general plan for Chile's forestry sector, and founding the polytechnical educational complex within the Panguipulli Complex, meant that these various actors, the majority of whom trained in forestry engineering, did not separate technical forestry so cleanly from the social issues of the area.

Following the expropriations in March and the official formation of the Panguipulli Forestry and Wood Complex (COFOMAP), forestry workers, *mirista* students, political parties, governmental officials, and foreign forestry missions would engage in ongoing negotiations over just what form this new Forestry Complex would take. Although all agreed on the central principle of worker participation, the content of this principle was unclear, and would become a key terrain of conflict in this new, ambitious territory. While modern forestry science certainly played a key role in transforming this territory, it was a modern forestry science shaped deeply by the

social injustices of the region and dependent upon contingent relationships both within Chile and across international forestry networks.

Chapter 3
Negotiating the Nation:
The Structure of Worker Participation

"*Due to the agitation, the effervescence, and the activities we were developing, an enormous feeling of solidarity and spirit of rebellion was being forged and was growing minute by minute among the inhabitants of the mountain. The meetings to organize ourselves in each occupied estate, the nighttime conversations around the campfire, the serious and ceremonial form with which we were assuming our responsibilities, the discussions about questions related to work and production, all revealed the enormous jump forward we were creating. Now, everything seemed possible, and the most impressive was experiencing the sensation that* ***the future depended on us ourselves****. All these elemental and transcendent things, we did amidst a tremendous feeling of contentment, a great joy and happiness that seemed to be the reflection of a new time. I felt excited and intoxicated with the bustling reality.*"[147] (emphasis added) --Jose Bravo, a forestry worker who participated in the occupations

The formation of the Complex and the ongoing negotiations to determine how it would operate in practice transformed the organization of forestry production; at the same time these processes of taking over the forestry estates and negotiating how they would be used changed the forestry workers' subjectivities and their relationship to the Chilean nation.

In this chapter, I examine the political and forestry production practices that produced this transformation in the workers and their connection to the nation. Political organizing and decision making over resource use, combined with road building and increased access to transportation, ended decades of social and geographic isolation. New production programs, which prioritized the secure livelihoods of the workers, counteracted the seasonality of forestry work and linked replanting programs with long-term employment. Visits by President Allende and governmental ministers to the Panguipulli Complex strongly communicated the importance of the workers of the Complex, and this importance was further reinforced by these functionaries' speeches emphasizing the key role of the forestry sector in the Chilean economy. Finally, the improvements in living conditions and consumption also reversed the workers' social isolation. Due to these new programs and practices, many forestry workers shifted from identifying with a particular forestry estate or estate football team to seeing themselves as important participants in the Chilean nation.[148]

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[147] José Manuel Bravo Aguilera, *De Carranco a Carrán: las tomas que cambiaron la historia* (Santiago: LOM Ediciones, 2012), 82.

[148] Getting at the transformation experienced by the forestry workers is challenging. In very few interviews does the interviewee come out and say, my sense of self changed in such a manner. (The quotation opening the chapter is a powerful exception). I try to get at this indirectly with the assumption that peoples' understanding of themselves shift when there is a change

Participating in an estate occupation, successfully kicking out the representatives of the patrón and taking over the use of the land were powerful experiences whose transformative effects Jose Bravo beautifully describes in the above quotation from his book, a first-hand account of the forestry estate occupations and the formation of the Panguipulli Complex. For the old men in Carranco, who had recounted to Miguel Rojas and Jose Liendo their previous attempts to take over a small piece of land to cultivate food, this success must have felt decades in the making. That one's actions could produce the desired effect, that one went from working from sunrise to sunset to never-ending conversations and debates about how the newly won resources should be used and how work and life should be organized, must have been phenomenally empowering, intoxicating and disorienting.

There is, of course, an infinite range of experiences of the occupations, and degrees of participation in the "nighttime conversations" about what to do with this newly liberated territory; Jose Bravo provides an extremely vivid and articulate vision of an intelligent, politically active kid who grew up working in the different industries in Neltume. He had the reflection and analysis that led him to this sense of historical agency; even if others were not as articulate as Jose, that shift to being part of a conversation opened up a sense of agency and a glimmer of possibility that had not been part of the daily life of the workers under the patrón system.

The administrative structure of the Panguipulli Complex

After the official expropriation of the estates in March of 1971, the union leaders of the forestry estates and the government functionaries formulated an administrative structure for the Complex that aimed to continue the participation of all the workers in the conversation about the future of this new territorial unit. In confronting this task, the actors involved did not start from scratch, but rather built upon a national set of guidelines that outlined the official structure of worker participation in industries incorporated into the social property area. A joint commission, composed of representatives from the government and from the *Central Unica de Trabajadores* (CUT),[149] had begun developing these guidelines in December of 1970. In February of 1971, the commission released a provisional version of the guidelines, and by June, these had become the official *normas básicas de participation* (Espinosa and Zimbalist 1978: 51).

According to these "basic norms" the top decision making body of a company was the Administrative Council, composed of five worker representatives and five state representatives, and presided over by a state-appointed administrator. A general assembly of all the workers of the company elected their representatives to the council, who served for two-year terms, and could be removed at any time by vote by the general assembly. Each separate work section held sectional assemblies in which they discussed matters of production. They also voted for a leader who served

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in their relationships, both with other people and with their environment. These changes in relationships occur through shifts in practice.

[149]The *Central Unica de Trabajadores* (CUT), was the main federation of trade unions in Chile, from its origins in 1953 until the coup in 1973 (Collier and Sater 2004: 259).

on a production committee, which in turn met with the worker representatives from the Administrative Council to discuss and communicate company policies and production goals. Although the productive committee participated in these discussions, only the Administration Council enjoyed full decision-making powers.

In all examples of their application, the *normas básicas* certainly underwent transformations in their transition from guidelines to actual practice; however, instituting these norms in the Panguipulli Complex necessitated even greater improvisation as the norms were written for large factories located in urban centers. As a nature-based industry combining rudimentary tools of forest extraction with sophisticated industrial production, the Panguipulli Complex posed unique challenges to these official norms of worker participation.

The most significant divergence from the norms emerged not from the unique hybrid agro-industrial form of the Complex, but rather from the protagonism of the workers who pushed for its formation. The Administrative Council of the Complex had eight members: six elected representatives of the workers, and two government-appointed members. One of the government-appointed members emphasized to me how exceptional the Complex was in level of worker control: "COFOMAP was the only Social Company [company within the Social Property Area] that had a greater representation of the workers than the government."[150] In their excellent investigation of worker participation in industries during the Popular Unity era, Espinosa and Zimbalist (1978) explain that it was actually quite common that, in practice, the workers enjoyed a working majority on the Administrative Councils of industries in the social area. The Complex differed in that from the start it diverged from the *normas básicas* by assigning six representatives to the workers and only two to the state, under the state-appointed executive director. That is, the worker representatives composed a majority by deliberate design, not just as an effect of frequent state representative absence in Council meetings, or as the outcome of later conflicts in which workers commandeered more positions from the state (Espinosa and Zimbalist 1978, 55).

The Complex was divided into five different areas with various estates grouped into each area.[151] The decision to divide the Complex into five areas resulted from a conversation between the government-appointed *interventor,*[152] Rodrigo Undurraga, and the union leaders of the different estates.[153] The grouping of the estates was mainly territorial, with the idea that the workers from each area would directly elect their representatives and these representatives would serve on the Administrative Council. Each of the areas elected a single representative, except area two, which included Neltume and had two representatives. When I asked Tomás González, who served as one of the worker representatives of this area if it was because Neltume had the highest concentration of workers, he responded: "the

[150] Email correspondence with the author.

[151] See appendix A: the organizational chart of the Panguipulli Complex, personal files of Fernando Saravia.

[152] The *interventor* investigates when a company has been taken over and decides whether there is a case for it to become part of the Social Property Area. This is a directive role for an in-between state when the future form of a company is being investigated and decided.

[153] Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012.

experience of contestation that we had, the people, I think the workers insisted that Neltume would have two representatives" (ibid).

The workers of each estate would meet in assemblies and choose who would occupy the various leadership positions, such as *jefe de la montaña* (mountain boss) or *jefe del predio* (estate boss), or even the section leaders within the sawmill. In my interviews, no one mentioned an official production committee; rather, the Executive Director and the worker representatives of the Administrative Council would travel to the various estates and meet with the section bosses and union leaders to discuss production plans and policies. Overall, the goal was for workers to participate in discussions at each scale of the Panguipulli Complex. Although the workers certainly composed the majority on the Administrative Council, just how thoroughly the workers controlled the operation of the Complex would continually be a flash-point of disagreement both in practice and in recollections of the past.

Productivity versus politics

Rodrigo Undurraga served as the Executive Director, and as he understood it, his job was to make this company function. He was a 26-year-old forestry engineer when the director of the state Forest Committee appointed him to be the *interventor* in the case of the occupied Panguipulli estates. When the Panguipulli Complex was officially formed in March of 1971, he became its Executive Director. Undurraga, in contrast to many of the forestry-engineering students discussed in earlier chapters, thought of himself as apolitical. In describing the period in which he was in charge of the Complex, he explained "I lived it with a lot of passion, but luckily without political passion. I had a rather neutral position; disposed to the Allende government, naturally because I was an employee of the government."[154]

His vision for what to do with the Complex was to determine how to transform what had been twenty-two separate, private estates into a single, integrated and productive whole. His first goal was "to organize and get it working so that at the least it paid for its costs, and hopefully even generated an additional income" (ibid).

In addition to the Administrative Council, the Executive Director, and the section heads, the hierarchy of the Complex consisted of positions such as the directors of sales, production, and administration and finance. A mixture of technical capacity and politics determined who received these positions. According to a member of the Council, Undurraga would chose possible candidates based on their curriculum, and then the Council would vote the final selection. This was the structure that was put into place with the formation of the Complex; it was run on the basis of worker participation at each level of decision making imbued with a dynamic tension of productivity and political motivations.

Challenges to the ideal of worker participation and *compañerismo*

The necessary transformations, both in the scale of production (from individual estates to a single productive unit) and in social relations (from working in a patron dominated system to participating in decision-making) were substantial and complex. Though the official formation of the Panguipulli Complex occurred with the

[154] Interview by the author, Temuco, 25 August 2011.

signing of legal documents, the remaking of these social and production systems unfolded unevenly.

One worker, who began working in the company's general store in Neltume in 1963, explained the enormous shift in social relations that the formation and operation of the Complex represented. He emphasized social differentiation as "a mentality that they had to overcome."[155] Previously, the biggest differences were those between the patrón's representatives and the workers. As an illustration he explained having to take off your hat if the patrón walked by. The only way to have a conversation with the patrón or his representatives was by scurrying after him like a dog and trying to get your point across before he reached the office and closed the door in your face (ibid).

The categories of *empleados particulares* [white collar workers] and *obreros* [blue collar workers] were also important markers of status or "class difference." Jealousy and rivalry existed between the workers, especially across this line: "There was rivalry. You work over there as an *obrero* but I'm an *empleado particular*. Always looking above the shoulder of the other person" (ibid). The patrón system worked to cultivate mistrust between workers: "Because the patrón had his people, informants. In the moment when they offered someone to be a little better off, they could offer up information that at the heart of it, could harm others, but also harmed themselves" (ibid).

The formation of the Complex marked an attempt to level social relations, to replace hierarchy with the culture of *compañerismo*. Everyone had a right to participate. No one was better than anyone else. People in leadership positions were there because they were chosen for their competencies, but everyone had valuable knowledge and skill. And yet, rivalries and jealousy would find ways of resurfacing.

A different worker, who was in charge of the Neltume company store just before and during the Complex, had a unique vantage point from which to observe the changing consumption of the workers, as well as the continuation of status differences. As head of the general store, he distributed goods to all the workers of the Complex. They had a system of rotating sessions where the different work sections would buy their goods at different times during the week. Those who came first had access to all the goods, but by the time the last groups came around, many items had run out. As he explained, "the spoiled ones [*regalones*] were the sawmill and the workers of the wood collection sites [*cancha de madera*]."[156] They always went first. When they tried to change the system so that others would enjoy the first pick at the store, the sawmill and wood collection workers went on strike" (ibid).

The relationship between the workers and the government-appointed technical "experts," such as forestry and agronomy engineers or accountants, was another problem spot where suspicion and jealousies would emerge. A transcript of the conversation Rodrigo Undurraga led at a meeting with the estate heads [*jefes de predios*] provides an example of this tension. Apparently an enormous uproar emerged when Rodrigo and the administration—his team of experts—took over the patronal house in Huilo-Huilo. They failed to properly talk through the matter with

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[155] Interview by the author, Neltume, 28 November 2011.
[156] Interview by the author and Cristobal Vivanco, Neltume, 10 October 2011.

the workers of the Huilo-Huilo estate. In the conversation with the estate heads, Undurraga explained that they had wanted that house because "it was the house that in reality most lent itself to that purpose. It was not because we wanted to be more or less comfortable, but because it was the house that most lent itself to complete the task of administration."[157] He admitted that the way they did it was a mistake, but "not a serious mistake" and now they had taken care of the problem.

In the rest of this conversation, Undurraga didactically brings up how quick many workers are to take offence; how they misinterpret the technical experts or how they push back when the *Mayordomo*[158] proposes a production goal, calling him a "*momio,*"[159] and how unhelpful this "lack of consciousness" was in moving the Complex forward. Much can be drawn from this, especially the relationship between Rodrigo and the workers, but the key point here is the difficulty of changing social relations and upending deeply entrenched hierarchies.

From identification with a single estate to the Complex as a whole

As the story about the house in Huilo-Huilo demonstrates, one of the most difficult transformations was changing workers' perspectives from the level of the estate to the level of the Complex as a whole. Many practices contributed to this transformation, from increased contact and communication between the workers of multiple estates at meetings and political rallies, to multi-estate work plans and equipment sharing. Among the workers, there was a range of awareness of the larger Complex as a whole and a sense of how they contributed to that whole.

When I asked Don Hernán, who worked dragging logs out of the mountains with oxen, about contact between workers of different sections and estates, he replied, "Of course, there was communication. We, those who worked with wood, we communicated with the agricultural estates that were in the Complex. They sent wheat for us…At that time, they would bring us the wheat, those from Arquilhue, it was called."[160] Don Hernán pointed to the integration of wood and agricultural production that occurred in the Complex. While he knew about this exchange, he did not know much about the technicalities of it, and just said that it was decided by the higher ups: "they arranged it, those who were more in charge. For example, here there was a big office that would send out the money. They paid for this [exchange] and divided it up" (ibid).

Tomás González (who had been the President of Neltume's union at the time of the occupations and was then elected to the Administrative Council) explained that there was beginning to be communication between the estates. From his position as union leader, and then council member, he had a clear vision of the Complex as a single unit and got to know the union presidents of each of the estates. But, he said, at

[157] "Cartilla Nº1: Presentación hecha por el Director Ejecutivo, Rodrigo Undurraga, en la reunión de Jefes de predios, Neltume 11, 12, y 13 de Febrero 1972," Complejo Forestal y Maderero Panguipulli, personal archives of Fernando Saravia.

[158] *Mayordomo de Montana*: the mountain boss; the head of the forest section. The workers in his section would have elected him.

[159] *Momio*, or mummy, is what those in favor of Allende's government would call the bourgeoisie, the rich people, and the conservative political parties.

[160] Interview by the author and Cristobal Vivanco, Panguipulli, 8 August 2011.

the level of the bases, at the level of the workers not in leadership roles, the widening of perspective was still a work in progress at the time of the coup: "[W]e were working on the problem of the larger, more macro identification…"[161]

The cultivation of macro identification occurred through ongoing meetings and conversations between the workers, their delegates, and the government functionaries at multiple scales, from section level to estate assembly to overall general assembly. At the same time, the organization of work itself could produce a wider perspective. One example includes the work and machine sharing programs that crossed estate boundaries, explained in this quotation by the *Técnico* (expert) then in charge of reforestation:

> There was a group of estates that would work together, and modify the work tasks; for example the *maderero* [dragging the logs out of the forest] and the activities of the wood collection sites. They had a central office of trucks with shared machinery. In this way, we were able to make the work tasks operate more efficiently…the idea was good. It had a benefit in the sense that the workers learned to work better together among the estates.[162]

To this expert, the machine-sharing program did achieve greater efficiency at certain tasks, and served to help workers internalize a new scale of production and cooperation.

Undurraga, as executive director, had to directly answer to the Forestry Committee and their expectations for the Complex's production yields.[163] His reflections on "The general objective for the present year of the department of roads and trucks," drawn from the Operation Plan for 1973, paint a much less optimistic picture of the workers' adoption of the larger perspective of the Complex and its needs as a whole:

> [E]ven when inside the Central Pool of trucks they have reached an acceptable level of efficiency, the problem of an inadequate and not too rational use of the trucks of the estates, persists. The estates continue with the attitude of considering themselves a unit separate from the rest of the Company, for the functions in which they are self-sufficient; they lay out their transportation needs looking for the special solution

[161] Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012.
[162] Interview by the author, Valdivia, 14 October 2011.
[163] The Forestry Committee, or Committee of Forestry Industries of Wood, Cellulose, and Paper, was the highest state forestry administration; it oversaw the Forestry Institute (in charge of forestry research), the National Forestry Corporation (in charge of forestry activities, such as reforestation, and the protected areas and national parks), as well as all forestry companies in which the State owned a share. The Forestry Committee depended on CORFO, the State Development Agency, which itself is housed within the Ministry of the Economy.

> for the estate, without having a vision of the whole with respect to the Area to which they belong.[164]

This is a powerful indictment of the endeavor to shift the scale and perspective of work; however, it is a perspective driven by the imperative of production within the context of a broader examination of why the Complex was not able to meet its production goals for the year.

These different interpretations of what the machine-sharing program was able to achieve point to the tension between prioritizing productivity and transforming social relations to enable significant worker control. Perhaps the tone of desperation that emerges from the Operation Plan stemmed from Undurraga's responsibility to fulfill these goals simultaneously.

When reflecting on the change in the estates' production levels from the time of the patrones to the operation of the Complex, Undurraga was unequivocal that production had fallen. To Undurraga, the goals of worker control and productivity were at odds with one another; he offered the lack of discipline and hierarchy in the Complex as an explanation for the decline in production:

> There is no doubt that the workers' yield was worse than before when they were private estates for a very simple reason; because the guy who was the administrator of the estate was no longer Don Raul Ferrera, but his *compañero*, who was not his boss and could not kick him out. From there and down, to the head of the truck division etc, they lost the hierarchy and that naturally means that the guy in charge feels uncomfortable except for some who were very temperamental, but they ended up stabbed in the back. Or the overseer left each to do what they wanted, which was less than what people did before.[165]

From his perspective, there was little possibility of forming alternative and functional forms of discipline. Tomás González, however, gave a different vision, not of high productivity but of the sprouting of new, more horizontal forms of discipline: "The people would punish themselves (*se autocastigaba*) and their *compañeros*. If one guy always failed to show up, the *compañeros* would say, ok, we'll give the work to someone else."[166]

The expert in charge of reforestation provided an alternative explanation for why production levels fell that highlighted the incompatibility of maintaining traditional measures of productivity while attempting systemic social change:

> We went from private estates working to the maximum to working eight hours. More labor justice. This could have had an effect in the fall of productivity. It has to do with this; the people worked in accordance

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[164] "Objectivos generales para el presente año, departamento caminos y transporte; adquisición de medios de transportes," in *Plan Operativo 1973*, personal archives of Rodrigo Undurraga.
[165] Interview by the author, Temuco, 10 February 2012.
[166] Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012.

> with labor laws. There was lots of political-social activity. Lots of assemblies, meetings, much more dialogue, and much more time dedicated to the preparation, planning and discussion of it all. Before, no, the patrón ordered it to function like this…[during the Complex] they would have meetings, working one, two, or three days in meetings, working so that the estate itself decided how to do things, so that the estate itself would get organized. And this was necessary; you had to dedicate time to this because at the root of it, you didn't want to continue in the same line—to order things to be done in a certain way, to change one patrón for another. For this reason, it was necessary to dedicate time to this. And this, I believe, harmed productivity.[167]

How were the workers to get to a level of systemic change and transformation in their perspective if not through the very meetings and discussions that caused the production levels to dip? This tension would eventually open into a larger breach in the context of the polarization of the country and the intensification of external pressures that would plague the Allende government in its last year.

New programs for full employment

One of the main aims of the Administrative Council of the Complex was to provide year-round employment, which was an enormous challenge, not just due to the seasonal limitations of forestry work, but also because of the swell in the working population that had accompanied the formation of the Complex.[168] Relatives of families in the forestry estates came seeking employment. Both González and Undurraga frankly admitted that they had more workers than they had work.

Many of the steps taken centered on more efficient use of the given stock of felled wood to enable the sawmills to function year-round.[169] Sometimes this was a technological task, such as replacing a circular saw blade with a newer, thinner one so that less wood was lost to sawdust. Other times it was ergonomic; Undurraga mentioned rearranging the layout of the Neltume plywood factory, and thereby increasing the amount of plywood that could be produced per day. Forestry engineering students, who continued to carry out internships in the forestry estates of the area, were put to work analyzing sawmill efficiency and yields, the optimization of truck routes, and how to improve the workplace health of the forestry workers, particularly those involved in the dangerous job of transporting the enormous logs out of the forests.[170] However, perhaps the biggest challenge was simply getting the

[167] Interview by the author, Valdivia, 14 October 2011.

[168] The almost 4,000 people employed by the Panguipulli Complex almost doubled the estates' pre-1970 total labor force (Klubock 2014, 219).

[169] *Volteo*, or the felling of the trees, occurred in the winter when the sap of the trees did not flow. *Maderero*, which includes cutting the trees into enormous segments (*trozar*) and attaching the pieces to teams of oxen and dragging them out to collection sites, can only occur when the snow cover of the winter has melted in spring. *Volteo* does not require as many laborers as the next steps, so sometimes the felled wood would not make it to the sawmills.

[170] Folder of hand-written notes on internship studies in the Panguipulli Complex, personal archives of Fernando Saravia.

trees that had been felled out of the mountains and down to the sawmills. This required transportation: more oxen or, ideally, trucks, and above all, better roads.

The Operation Plan of the Complex for 1973 included numerous road building projects; these aimed to increase the connectivity between the forest and the mills.[171] They also aimed to transport workers more easily from their homes to the jobs and to link the sawmills of the Complex to the markets in Panguipulli, Valdivia, and Temuco, as well as northward to Santiago, and eastward to Argentina. The roads of this area were notoriously bad; across the 1950s, 60s, and 70s, the Valdivian newspaper *El Correo* was sprinkled with articles complaining of the isolation in which the people of the area lived and calling for road building projects. As already mentioned, the only access to the outside from many of the estates was the *Enco*, a barge that transversed Lake Panguipulli twice a week.

While the Operation Plan showed how many roads had yet to be built as of 1972, and Rodrigo Undurraga recalled what a challenge it was to travel the Complex from one end to another, after the occupations, the workers' access to a world beyond their estate did increase enormously. Most importantly, access to the properties was now controlled by the workers themselves, not the patrón or estate manager.[172] Additionally, workers used company vehicles to get to football games; go into Panguipulli for food, supplies, or health emergencies; and participate in the mass political rallies in Panguipulli, Valdivia or Temuco.[173]

The incursion of the workers of the Complex *en masse* into spaces they had not previously entered provoked strong reactions. Newspaper articles spoke of the terror that seized the city when "*los del Complejo*," "those from the Complex" descended from the mountains and into Panguipulli.[174] These accounts reported workers forcing *campesinos* or storeowners to sell them the horse in their field or all their flour at the price that the Complex worker demanded. Other stories emphasized the workers' domination of restaurants and bars, suggesting that the strong presence of the workers in these spaces made the regular clientele feel uncomfortable. These visions of "*los del Complejo"* point to the threat posed by rural workers with a new power of consumption.

On the other hand, in almost every conversation I had with Pablo, who was a medical student when he joined the MIR and assisted with the occupations and

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[171] All data concerning the Operation Plan of 1973 come from the personal archives of Rodrigo Undurraga.

[172] See *El Correo*, 10 January 1971.

[173] Undurraga notes that after the coup, when the military was trying to find fault with his management of the Complex, and instead found extremely well ordered accounting, a particular policeman wanted Undurraga severely punished because he allowed people to use the trucks for non-work related things outside working hours (interview by the author, Temuco, 10 February 2012).

[174] There are many articles in *El Correo* from 1972 and 1973 that communicate this fear about '*los del complejo*,' but the most representative is the article, "*Bajan trabajadores del Complejo: Comercio de Panguipulli cierra sus puertas y recomiendan dejar calles vacías"* "The workers from the Complex are descending: the Chamber of Commerce of Panguipulli closes businesses and recommends leaving the streets empty" (*El* Correo, 7 July 1973). Other articles in this vein include *El Correo* 11, 12, and 15 March 1972, and 8 and 9 July 1973.

organization of the Complex, he celebrated with intense bravado the new pride with which the workers walked through the streets of Panguipulli. When he repeated the same phrase "*vienen los del Complejo*", "those from the Complex are coming", the elements of awe and respect overshadow that of fear.

Workers themselves mainly recalled going into Panguipulli for political rallies. When they recounted the story of everyone getting into the big forestry trucks with banners and singing, the main emotion is that of happiness. This image is perfectly captured in the final minutes of "*No nos trancarán el paso*," the documentary made by Guillermo Cahn et al., mentioned in the previous chapter. When I watched this with a forestry worker who participated in the very first occupation, he provided an additional narration. Very animated, he explained, "[T]here, we're going to a rally. All the people would leave to the rallies." I asked "Where?" He replied, "To Panguipulli. We went to Temuco. We went to Valdivia….We got together everyone from the Complex. We got us all together."[175]

Verifying the emotional tone of the new encounters of the forestry workers in these cities is less significant than the practice itself of all the workers gathering together and participating in political rallies in Panguipulli, Valdivia, and even Temuco. These rallies were most likely to show support for the Allende government in the face of the opposition's increasingly transparent aim to oust Allende, especially around the Congressional elections in early 1973. The point is that the forestry workers now participated in a political life that went far beyond the boundaries of the estate.

In addition to counteracting the seasonality of forestry work, the administrative council connected long-term employment with the continued existence of the forestry resource. This represented an enormous shift in the logic driving forestry production in the area. Previously, the estate owners ran their forestry production as a purely extractive enterprise. They would cut down the trees, starting with the best exemplars of the highest value species,[176] clear the highly degraded forest with fire, then use the land for livestock grazing or agriculture. They accumulated the value that flowed from the trees and invested it in businesses outside the area.[177] The owners of Neltume and Carranco were the main exception in that they reinvested in more value-added production capacity, such as the door and window factory, and funneled some of their capital into developing the town of Neltume. But even they had not successfully implemented management plans to renew their forestry stock.

Planes de manejo or management plans were still a novel forestry technology in Chile in 1970, especially as applied to native forests. Historian Thomas Klubock points to two reasons slowing the entry of forestry management techniques into the estates that would become the Panguipulli Complex: first, the density of the invasive species that moved in following the selective cutting of the forests made reforestation

[175] Interview by the author, Panguipulli, 19 August 2011.
[176] This practice was known as *floreo*, which basically means selective cutting.
[177] This is expanded upon in chapter one.

prohibitively difficult;[178] and second, forestry science in Chile had centered on managing plantations of the exotic species, pine and eucalyptus, resulting in a lacuna concerning the management of native forests (Klubock 2014: 218). In seeking to ensure the long-term provision of employment through managing the forest resource in more deliberate, "rational" ways, the Administrative Council of the Complex had to overcome these same challenges. Toward this end, it carried out an inventory of the forests of the area using aerial photography and initiated a replanting program to begin experimenting with reforestation, both with exotic pine and native species.

The Operating Plan of 1973 details the multiple projects planned and underway for that year. The description of "Reforestation" provides an idea of what the Complex's administration viewed as a rational use of natural resources: "Taking advantage of resources does not only mean the planning of exploitation from the point of view of economic yield, but rather also includes achieving an equilibrium of the environment with respect to the human activity which unfolds in the environment."[179] Between October of 1972 and December 31, 1972, the workers of this project had prepared 120 hectares for planting, with the aim of reaching a rate of 260 hectares of Pino Oregon per year. Each project in the Operating Plan had to list the "economic and social justification for the investment," and in the case of the reforestation program, it was "replacement of the exploited forest; creation of forestry resources; creation of sources of employment," a triad of environmental, economic, and social reasons. The records of a sister project, that of "Forestry greenhouses" showed that since its start in July 1972, this program had sown 21 kilogram of seeds, and reached a yearly production capacity of 1,300,000 Oregon pine seedlings.[180]

The forestry-engineering student in charge of the reforestation program gave a more dynamic perspective of the planting program, connecting it to the introduction of a new form of work:

> We did a lot of training. We established a number of plantations inside the Complex in various estates with the philosophy of incorporating into forestry labor the concept that you had to replace the forest because if you didn't, the source of work would come to an end. It was a topic very well received by the workers. The plantations were made with lots of sacrifice because they planted them in winter, and as you know the climatic conditions, lots of rain and snow. And so it was a very demanding activity for the workers. It was an act of dedication on their part to see if they were interested in and would participate in plantation activities. We planted in areas difficult to access, far away and they had to transport the plants on their shoulders.[181]

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[178] Klubock (2014) explains that by the mid-1960s, the owners of only two estates in Panguipulli area—Trafún and Quechuamalal— had begun experimenting with reforestation: the Trafún estate, mainly with exotic species, and Quechumalal, with raulí, laurel, and lingue (218).

[179] "Departamento manejo de bosques; reforestación" in *Plan Operativo 1973*, personal archives of Rodrigo Undurraga.

[180] "Viveros Forestales," in *Plan Operativo 1973*, personal archives of Rodrigo Undurraga.

[181] Interview by the author, Valdivia, 27 January 2012.

When I asked how the workers responded to this training, he said: "Yes, yes, in general they considered it sufficiently important because it was a winter activity. They planted when there was a dip in work… but it didn't form a part of their normal tasks, of their lives, of their work histories. It was a new thing for them" (ibid). The replanting program represented a new work form for the workers of the Complex that both increased the wintertime demand for labor and helped ensure the long-term survival of the forests and provision of work. Later, during the dictatorship, these new planting skills would continue to be used in the territory of the Complex, but rearticulated to temporary and precarious work forms such as subcontracting.

During the Allende period, the renewal of the forestry resource was linked to permanent employment but still operated through a very productivist logic.[182] To weather the storm caused by the US CIA's determination to "make the economy scream," the Allende administration was desperate for sources of foreign exchange.[183] The prospect of transforming the forestry region into a source of income for a cash-strapped government added to the factors motivating the Popular Unity to ultimately agree to create the Complex following the illegal occupations. Thus, forestry, and more specifically, the Panguipulli Complex, was to be a key provider not only of the raw materials to solve the nation's housing crisis but also of export earnings.

Part of this plan entailed encouraging foreign investment. In 1971, the Chilean government initiated a collaboration with a Japanese company, Marubeni, to investigate the profitability of installing a short-fiber pulp plant in the Panguipulli Complex to take advantage of the "over-mature" native forest of the area. Marubeni assisted with the forest inventory of the area; the goals were both to get the baseline information necessary for better management plans enabling long-term employment and to ascertain whether the area offered sufficient raw material to merit a short-fiber pulp plant. The Panguipulli Pulp Plant Feasibility Company was still analyzing the profitability of the potential plant at the time of the coup. The military continued negotiations with Marubeni regarding this plant, but eventually it was dropped because the supply of over-mature forests was not as vast as earlier assumed. [184]

From a sack of straw to a real bed: improvements in living conditions

Significant improvements in living conditions also drew the forestry workers into the more mainstream social life of the nation. Wages almost doubled from less

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[182] It is tempting to draw a line between Allende and Pinochet and put good on one side and bad on another but the situation was more complex than that, including in forestry matters. I want to caution against anachronistically applying the concept of sustainability to the Allende period. Most of the replanting was with Pino Oregon, and it was under Pinochet that the Complex initiated much more widespread replanting in native species, like *rauli*.

[183]The phrase "make the economy scream" comes from the handwritten notes taken by CIA director, Richard Helms during a meeting with President Nixon on September 15, 1970, centering on stopping Allende from assuming power in Chile. See Peter Kornbluh, "Chile and the United States: Declassified Documents Relating to the Military Coup, September 11, 1973," *The National Security Archive: George Washington University*, accessed March 2, 2015, http://www2.gwu.edu/~nsarchiv/NSAEBB/NSAEBB8/nsaebb8i.htm.

[184] More on this in Chapter 5.

than 20 *escudos* a day, in the time of the patrones to 35 *escudos* a day in February of 1972.[185] The increase in wages, getting paid in money and not in tokens [*fichas*] redeemable at the company store, and increased access to transportation meant the workers experienced consumer choices for the first time. More significant than the novelty of choice, however, was the major improvement in the workers' quality of life. One worker provided a particularly powerful illustration of how his life changed: before, "[t]o live, we grabbed the little monkeys [his kids] and stuffed them between us and we called it a stove"; after, "[w]e threw out the little sack of straw where we slept and we bought a little bed. We bought it and a stove and we went along, improving things."[186]

In December of 1970, the World Health Organization gave Chile the tragic distinction of having the highest average infant mortality rate in the world, at 1 child in every 10.[187] Isolated, rural areas, such as the forestry estates, experienced health conditions far worse than the national average. Even the more developed towns, such as Neltume, had only a health post where a doctor and nurse would periodically attend on their rotations through the area. The nearest hospital was in Panguipulli, which was challenging to get to. A man who worked in the company's general store vividly described the desperate health situation in Neltume:

> There wasn't a doctor's office. There was a boat that would depart for Panguipulli…the people would die. The level of infant mortality was tremendous. Here, for example, everyday, people would die, everyday, because they couldn't leave; the means didn't exist. The boat would leave, but if the weather was bad it couldn't. [Even then] it took three to four hours to arrive. There was an airstrip, but that was only for them [the patrones], not for the people. Thus, it was very difficult to live in that time here. Many women would die with their babies in their bellies because there was no hospital.[188]

The formation of the Complex did not magically solve the problems of health provision. The biggest tangible advance occurred through the workers' access to company vehicles, including the plane, and better roads. But the challenge of improving health care in the region was a concern of the workers, the Administrative Council, and the government. The Complex maintained a cooperative agreement with the Ministry of Health, as it similarly did with the Ministries of Education and Agriculture, to provide the Ministry with whatever support it could in the task of

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[185] "Cartilla Nº1: Presentación hecha por el Director Ejecutivo, Rodrigo Undurraga, en la reunión de Jefes de predios, Neltume 11, 12, y 13 de Febrero 1972," Complejo Forestal y Maderero Panguipulli, personal archives of Fernando Saravia.

[186] Interview by the author and Cristobal Vivanco, Neltume, 10 October 2011.

[187] "Tragic Record: Chile registers the highest infant mortality rate in the world, according to WHO report" *El Correo* 9 December 1970. The article quotes the rate as 1 in every 10 children. A report, given to me by someone who worked in the main government Forestry Research Institute, aimed at garnering international technical assistance, cited the infant mortality rate of the native forest worker communities as 400 in every 1,000.

[188] Interview by the author, Neltume, 29 November 2011.

bettering the bare-bone levels of health care. Undurraga explained to me that this mainly consisted in providing the materials and labor to build new health posts and facilitating vehicles to carry medical practitioners on their rounds through the Complex.[189]

As with health care, educational services were extremely rudimentary in the forestry estates. Most estates had one school, but it would only provide schooling up to the elementary level. To advance to high school or even sometimes middle school, families would need the resources to send their children to boarding schools in Panguipulli or Valdivia. Helping out with family work meant that attendance for both girls and boys was spotty; frequently, girls dropped out to help care for younger siblings, and boys left school around thirteen or fourteen to join the work force.

Thus, the majority of workers had received extremely basic schooling, and many were illiterate.[190] During the Complex, there were numerous programs to address the education deficit: summer volunteer programs where university students taught basic literacy; creative accommodation to enable youths to continue studying even while they entered the work force; and training opportunities to improve work skills. Training, or "*capacitación*" was a key phrase in the Complex. González explained that "We did a lot of training. I believe there was a training course in Arquilhue. They looked for the people with the most spark, most talent. We trained drivers…We signed agreements with INACAP (State Technical University). We had very good training."[191]

The biggest attempt to improve education levels in the Complex was a plan elaborated through an agreement with the Forestry Institute to build an "Integral Educational and Polytechnical Complex" (*Complejo Educational Politécnico Integral*) in Choshuenco. The goals of this program were ambitious, spanning from preventing outmigration of youths by providing local higher education and providing local cultural events to improving girls' access to education and using boarding school

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[189] Interview by the author, Temuco, 10 February 2012.

[190] In many of my interviews, there are points of self-reflection where the interviewee discounts himself as a possible leader; when I ask which people were elected to leadership positions, such as estate boss or head of the mountain, they would say, well of course not me, I only studied to such and such level or I don't know how to read. The low levels of education were a very real limit to the ideal of worker control. People differed in their opinions as to what could or should be done about this. While they couldn't be the leader of a section, they could participate in discussions in the estate and area assemblies. The last page on the transcriptions of conversations the executive director and the director of sales had with the estate bosses, shows the awareness of the limitations posed by illiteracy, but also the desire to include all in the political process of discussion: "Unfortunately not all the *compañeros* know how to read. Those *compañeros* have the same rights as you. The duty of whoever knows is to pass on this knowledge. What you have just read, you must pass on to your *compañeros*. Discuss what you have read with the *compañeros* in work and with the *compañera* at home. This is how, with all the *compañeros* with the same information, they will obtain the 'participation' of all the workers in the company. This is how we will construct socialism." The limitation posed by low education levels to the ideal of worker participation is further analyzed in the following chapter.

[191] Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012.

infrastructure as hotels for working-class tourism in the summertime.[192] This Integral Complex was to provide solutions for the educational, cultural, social, economic, and health needs of the population of the Panguipulli Complex. As this plan dates from 1972, it serves mainly to illustrate the intentions of a key planning agency (*Instituto Forestal*) in the Popular Unity government; at the time of the coup, numerous technical training programs were the main piece of the plan that had actually been put into effect.

Similarly, the "Development Plan for habitation and social infrastructure of the Panguipulli Wood and Forestry Complex," dating from August 1972, laid out the construction projects necessary to provide for the housing needs of the workers and their families.[193] One of the main goals was finding a better solution for workers who would temporarily live in the forests while cutting down and chopping up trees. Previously, workers would stay in lean-tos that they put together from the scraps of their own production. This plan aimed to build strategically located *colectivos*, or group housing, that would provide temporary shelter to workers in the mountains. Based on the calculation that the maximum occupancy of a house should be five people, and data on the current population and existing housing infrastructure, the plan estimated a need for 330 houses. Across three years, explained the plan, they would build these 330 houses and 17 *colectivos* (ibid).

The construction of houses within the forestry estates began quickly after the formation of the Complex. This construction program dovetailed with Allende's nationwide plan to provide all the working class with proper housing. The workers of the Panguipulli Complex were to solve their own housing shortage, while at the same time providing materials for all of Chile's working class. During the Complex, they were constructing houses for the people who lacked them, but not everyone had received a house by the time the coup occurred.[194] According to the *Plan Operativo*, by December 1972, they had built 201 houses and repaired 50.[195] But shortages in necessary materials, such as nails when the workers in the main nail factory went on strike, both prevented completion of the building projects and brought home the interconnection of the Complex with the wider economy and worker class situation.[196]

Allende comes to the mountains: forestry workers on the national stage

Visits to the Complex by President Allende and Ministers of the government were key events that also served to draw the workers into the wider life of the nation.

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[192] "Proyecto: Complejo Educacional Politechnico Integral Panguipulli." 1972, INFOR, personal archives of Fernando Saravia.

[193] "Plan de Desarrollo de la Infraestructura Habitacional y Social del Complejo Forestal y Maderero Panguipulli Ltda." 1 August 1972, INFOR, personal archives of Fernando Saravia.

[194] Interview by the author and Cristobal Vivanco, Panguipulli, 8 August 2011.

[195] "Plan de desarrollo de la infraestructura habitacional y social COFOMAP," in *Plan Operativo 1973*, personal archives of Rodrigo Undurraga.

[196] "Cartilla Nº1: Presentación hecha por el Director Ejecutivo, Rodrigo Undurraga, en la reunión de Jefes de predios, Neltume 11, 12, y 13 de Febrero 1972," Complejo Forestal y Maderero Panguipulli, personal archives of Fernando Saravia.

Figure 3. Allende in the Panguipulli Complex. Photo by Osvaldo Alvarado

On October 7, 1972, Allende came to the Panguipulli Complex, his helicopter landing on the airstrip at Neltume. He gave a speech to a large crowd of people from all over the Complex, packed into Neltume's football field.[197] Then he and the Minister of Agriculture, Jacques Chonchol, had a two-hour meeting with the union leaders and directors of the Complex. Allende stayed the night in a guesthouse in the Complex and the next day had lunch in Pirihueico before flying back to Santiago.

El Correo reports that the content of his speech centered on the difficult economic situation of the country and urged workers to work responsibly and not fall into alcoholism. The other main topic was overcoming the isolation of the people of the Complex by building the road that would connect from the Paso Huahún, on the border with Argentina, all the way to Valdivia.[198] However, when I asked ex-forestry workers of the Complex about Allende's visit, they recalled less his words, and more the symbolic power of his visit. Don Hernán told me:

> [I]t was a beautiful experience. Never in my life have I seen a government that got to the point of visiting the workers [*los obreros*].

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[197] The newspaper *El Correo* estimated the number to be greater than 4,000: "Ayer regresó a Santiago: El President prometió volver en Febrero de 72" *El Correo*, 9 October 1972.
[198] *El Correo,* 9 October 1972.

> We were there from all the parts of the estates. What an enormous amount of people! Never before had we supported the government. Because Allende's government let itself be supported by the poor people, and the President recognized this and for this reason he came to see what the situation was like in Neltume.[199]

Don Hernán's words demonstrate not just the excitement he felt at the President's visit, but also the significant and rare connection linking himself, a poor person, and the Allende government. He similarly remembers when the Minister of Agriculture, Jacques Chonchol, and the Minister of the Interior, Jose Toha, visited the Complex as "a beautiful experience" (ibid). He explains that the Ministers came to Carranco, where "we were working…to see the sawmill" (ibid). These memories express not just a feeling of connection to the Allende government but also the sense that the work in Neltume was important enough to bring the President and government Ministers out to the isolated forests of the Andes.

A different worker also remembers the excitement and the uniqueness of Allende's Presidential visit: "He came here, the only one who came, because later, Pinocho[200] came, he flew through but for five minutes and later…the other [later Presidents] never…later he [Allende] stayed in Pirihueico. This is what I remember. How there were so many people…oooh! ".[201] Tomás González, a labor leader and member of the Administrative Council, is the only person I interviewed that recalled details from Allende's speech in Neltume. He remembers Allende emphasizing the importance of the forestry worker to the national economy and the effect these words had on the workers of the Complex:

> [M]any people felt proud of being a forestry worker, but it was like a myth, because Allende had said in Neltume that the forestry worker for him was a very important thing, for the development of the economy of the country, for this reason, obviously this idea stuck with the old men, and they began to believe the story, that they were an important economic source.[202]

The reason González' tone is somewhat negative is that this emerged in the context of discussing whether the workers had taken on a collective identity.[203] Regardless, according to González, Allende's words did make the forestry workers feel important to Chile's economy and proud of their jobs.

The following quotation, from one of the government-appointed directors of the Administrative Council, suggests that Allende's visit reinforced the sense of

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[199] Interview by the author and Cristobal Vivanco, Panguipulli, 8 August 2011.
[200] This is a common nickname for Pinochet. It is the Spanish version of *Pinocchio*.
[201] Interview by the author and Cristobal Vivanco, Neltume, 10 October 2011.
[202] Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012.
[203] At this point in the interview, González was explaining that the sense of importance that Allende's speech gave to the forestry workers often provoked a competitiveness and striving to prove oneself the best forestry worker which sometimes worked against collective goals (ibid).

agency, of "protagonism" the people of the area began to feel with the occupation of the forestry estates and the formation of the Complex:

> Without doubt, one of the most culminating moments in the short history of COFOMAP[204] was the visit of President Allende. Never before had a president been in those zones. Allende was received with enormous affection. COFOMAP was a new era in the lives of humble people who for the first time could influence their lives and had protagonism in their hands.[205]

Although one could perhaps discount this quotation as more demonstrative of the idealistic vision through which Popular Unity functionaries saw the COFOMAP experience than of the transformation in the workers themselves, it offers a generative interpretation linking the workers' protagonism, the founding of the Panguipulli Complex, and Allende's visit. Allende's Presidential visit, the first of its kind, could be seen as called forth by the workers through their occupation of the forestry estates and their stubborn insistence on expropriation. The opening of this historical protagonism, combined with the practices and programs detailed above, were the means by which the forestry workers of the Complex became active participants in the Chilean nation.

The promise and challenge of forestry worker empowerment

From 19-22 of April 1973, forestry workers from all over Chile came together in Santiago for the First National Meeting of Forestry Workers. This four-day conference aimed to include the forestry workers in the formulation of Chile's forestry policies and in the decision-making bodies of the state forestry institutions. As such, the meeting ostensibly represented the pinnacle of national integration for the forestry worker representatives from the Complex, who traveled to the capital (many, for the first time) to meet their counterparts from all regions of Chile; to discuss key topics in the forestry sector; and to hear speeches from many important government men proclaiming the centrality of forestry and forestry workers to the Chilean nation. However, the strong discrepancies between the government functionaries' and the Panguipulli Complex representatives' memories of the event draws attention to the breaches widening between the visions of those who were involved in the Complex. The National Meeting of Forestry Workers occurred in the context of the growing polarization of the nation, convoking forestry workers to Santiago just over a month after the parliamentary elections of March 1973, in which the opposition parties failed to gain the two-thirds necessary to impeach Allende. Both at the meeting and more generally, the political parties of the left fell into intense disagreements over what was to be done, and the relative importance of production versus true worker participation were key terms of the debate.

The question of whether worker control was achieved in the Panguipulli Complex was (and still is) extremely contentious; the negotiations and conflicts

[204] COFOMAP is an acronym for the Complejo Forestal y Maderero Panguipulli.
[205] Email communication with the author.

around this question are the topic of the next chapter. However, regardless of the achievement or failure of worker control, many workers experienced a significant shift in their socio-environmental relations. This shift was one of overcoming isolation from: (1) decisionmaking over the use of nature; (2) basic services, such as health care, housing and education; and (3) the world outside their estate, made newly accessible as much by breaking various social barriers as by road building and the use of company vehicles.

This overcoming of isolation produced a range of effects in the forestry workers—for some, the basic happiness of having a bed; for others, a feeling of importance from their brush with important men, such as Allende or Jose Toha; for still others, it created a strong sense of historical agency: "The future depended on us ourselves" (Bravo 2012, 82). These concrete practices of overcoming socio-spatial isolation were the means by which connection to the Chilean nation was made real for a group of workers whose access to the wider world had been limited by local tyranny and harsh living conditions. However as the following chapter will show, the workers' liberation both of themselves and of this territory made apparent a new set of limitations that would challenge the exercise of worker control, limitations from poor education levels, the immensity of the territory itself and even the political alliances that had enabled the liberation in the first place.

Chapter 4
Negotiating the Nation:
Disintegration of the Dream

"When we went to Santiago, we would get together to dream, what is it that we could do with an extension of 400,000 hectares."[206]

These words were spoken by Tomás González, who served first as President of the union of Neltume in the third year of its existence, and, later, as an elected worker representative on the Administrative Council of the Panguipulli Complex. They refer to the meetings the Administrative Council would have with members of the Forestry Committee in Santiago to work through funding and plans for the Complex. As he spoke the words "*a soñar*" ("to dream") his voice went up an octave and cracked, and he laughed a little, not at his voice, but at the dreaming. This moment stuck with me. His words were a poignant and apt description of the Panguipulli Complex: a dream shared by many different people; an environmental imaginary that drew forestry workers and union leaders, students, forestry engineers, politicians, and foreign statesmen and activists to a project of territorial liberation.

Although this dream unified a diversity of people, it was a fragile unity. In this chapter, I examine the tenuousness of the process of unification through the rubric of hegemony. I understand hegemony to be an unstable process of negotiation, contestation, struggle and domination through which a dominant group tries to forge a cross-cutting alliance[207] in support of its project of state formation. More precisely, this chapter looks at the relationship of the forestry workers of the Complex to the *Unidad Popular*'s (UP's) project of state formation (the Chilean Road to Socialism), to uncover the complexity and difficulty of hegemony, even while popular groups, such as the forestry workers, identified with Allende as "their President" and with his government as "the government of the people."

Within the apparent coin-cidence of goals of the government representatives and the forestry workers to consolidate the liberation of this mountain territory by forming a State-owned, worker-operated forestry company, there was immense room for disagreement and for slippage in seemingly shared meanings. If hegemony can also be understood as the construction of a common discursive framework (Roseberry 1994), "participation" was the keystone in the framework linking popular sectors to the Popular Unity's project.[208] The Popular Unity's Basic Program envisioning the Chilean Road to Socialism centered on the expansion of worker participation (and the participation of the popular sector more generally) in the economic, political, and cultural life of the nation. While each of the political parties composing the UP coalition (as well as the radical-left, extra-parliamentary parties,

[206] Interview by the author and Cristobal Vivance, Malalhue, 8 February 2012.
[207] In the words of Gramsci, a national popular bloc.
[208] William Roseberry, "Hegemony and the Language of Contention," in *Everyday Forms of State Formation: Revolution and Negotiation of Rule in Modern Mexico* (Durham ; London: Duke University Press, 1994).

such as the MIR) inflected "participation" with its own particular emphasis, it was through practices, such as factory occupations, land take-overs and the re-organization of relations of production, that the meaning of worker "participation" had to be worked out and made real. These practices took place on very real terrains, made sticky by holdovers from the past and other unforeseen challenges.

The process of constructing a shared framework of meaning—in this case, defining the concept of participation—does not freely develop, but is hemmed in by the past and limited by the unfurling of the struggle and negotiation itself. As Roseberry puts it, "The points of contention, the 'words'—and the whole material history of powers, forces, and contradictions that the words inadequately express—over which a centralizing state and a local village might struggle are determined by the hegemonic process itself" (Roseberry 1994, 362).[209]

In Chapter 4, I examine the struggles, negotiations, and misunderstandings around the meaning of participation as they played out in the Complex. I show how certain constraints posed by the terrain of struggle in the Complex—such as the extreme lack of education of the workers and the large area of the territory—caused disagreements, which widened into larger and larger breaches. Finally, I link the challenges of constructing a shared framework of meaning inside the Complex to the disintegration of the UP's fragile hegemony nationwide through situating the First National Meeting of Forestry Workers in the events marking the irrevocable polarization of the nation.

The balancing act of the Popular Unity's Basic Program

The UP's "Basic Program," the document that proposes the political alliance's vision for Chile, is a lesson in strategic balance.[210] On the one hand, it celebrates "Popular Power" and the rise of the "Popular State," and on the other hand, it deliberately includes the small and medium bourgeoisie as part of the *pueblo*, as part of the "Unity" behind the Popular Unity. The document calls for the "true and effective" assumption of power by the Chilean Pueblo through expanding the rights of workers and *campesinos*; however, it also attempts to reassure the progressive elements of the middle class that their rights will also be expanded and protected. This balancing act extends to celebrating imminent deep, revolutionary change while preserving and expanding elements of Chile's democratic political structure.

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[209] Roseberry's formulation of hegemony as the construction of a shared material and meaningful framework emphasizes that while the state may have more power over the terms of the struggle, it also operates within a limiting field of force; words can get flipped and inflected with very different meanings. "Once they appear, regardless of the conscious intent of the state functionaries or villagers who first use them, they may seem to call up and call into question the whole structure of domination" (362). Hegemony, in some ways, is about assuring the possibility of having a conversation. The words have to make some kind of sense to the people involved, but that is far from guaranteeing that everybody understands the same thing. Stemming from the duplicity of words and the constrained terrain of struggle, shared meanings can diverge to the point of mutual unintelligibility.

[210] Unidad Popular, *Programa Básico de Gobierno de La Unidad Popular: Candidatura Presidencial de Salvador Allende* (Santiago, 1970).

The Popular Unity's program is a class project to significantly expand the rights of workers, *campesinos* and the urban poor, contained within pragmatic cross-class alliances and a commitment to a nonviolent, legal path to socialism. The tensions of this project—this gradualist revolution—are present in the Basic Program. This balancing act was not only meant to curry good will among members of the middle classes and gain the much needed support of the Christian Democrats in a nonmajority Parliament, it was also necessary to mediate between the multiple leftist strands both inside and outside of the Unidad Popular.

The *Unidad Popular* itself was a coalition of multiple political parties, including the Socialist Party, the Communist Party, the Radical Party, the Social Democratic Party, the MAPU (Movement of Unitary Popular Action), and the Christian left, with the Communist and Socialist Parties exercising the strongest leadership roles. Although these parties came together to formulate and support the "Chilean Road to Socialism," there was ample room for difference and disagreement. The "Chilean Road to Socialism" posited that socialist revolution could occur gradually, peacefully, and through respecting and then changing Chile's institutions from within. According to this vision, the election of Allende put the workers in control of the executive branch; however, the legislative and judicial branches remained part of a bourgeois state. Through the power of the executive branch and of the popular organizations, such as the Committees of the Popular Unity and the Neighborhood Boards, the UP planned to gradually and legally procure the transition to socialism.

Nonetheless, within the coalition, there were strong differences of opinion about the form and speed of the socialist transformation. These differences appeared most basically as the face-off between prioritizing the transfer of power to workers and other members of the popular classes and expanding economic production. The *Partido Comunista* (PC) staunchly advocated a gradual progression of revolution and helps demonstrate how this perspective connects to prioritizing production. One of the PC's mottos, "Consolidate to Advance" emphasized the necessity of meeting the needs of the popular classes before pursuing radical economic and political restructuring. This motto was closely tied to the PC's other principal phrase, "To win the battle of production." González, himself a member of the Communist Party, explained the stance of the Communists: "The issue was production. For us, that was the priority: if there was no production, there could be no wellbeing."[211] This perspective represented the conservative side of the coalition. For the more radical members of the coalition, including parts of the Socialist Party, the immediate deepening of worker control was the priority. Their perspective more closely approximated the view of the Revolutionary Left Movement, which, though outside the UP, maintained a stance of antagonistic support toward Allende's government.

These multiple tensions produced challenging slippages among how the Unidad Popular meant "participation," how different sectors understood "participation," and how the expansion of popular "participation" played out in practice. From the Basic Program, it would appear that the UP intended participation to mean the incorporation of the popular sectors into "the real and effective exercise of power." However, different points in the Basic Program elaborate that this real

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[211] Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012.

exercise of power was to occur through particular, preconceived forms, such as the Committees of the Popular Unity, union organizations, Neighborhood Boards, and in the rural areas, the Agrarian Cooperatives. Additionally, workers would serve in the Administrative Councils of social security organizations and of the companies soon to form the Social Property Area. However, the Social Property Area was to include a very small number of companies: mainly the 150 or so out of 30,500 industries that exercised monopoly control or that the UP considered to be of strategic importance (Programa básico 1970, 20).

The fraught balancing act of stimulating the enthusiasm of the popular sectors while constraining them within the lines of the Basic Program is what French historian Franck Gaudichaud calls the "principal contradiction" of the *Unidad Popular* government: "it [the Popular Unity] defines itself as the 'popular government' and it claims to represent the aspirations of a radicalized social movement, but at the same time beckons the workers to not directly jeopardize the Chilean institutions and its Army, and to not exceed the measures planned by its program" (Gaudichaud 2004, 24).

The *Unidad Popular's* attempts to prune away the actions and meanings that did not fit within official formulations of valid participation were key elements in its performance of the state.[212] These attempts to channel mass mobilizations through the forms that it had laid out in the Basic Program characterized much of the UP administration. The *tomas*, or occupations, of factories and landed estates were the primary examples of the popular masses' transgressing the lines of the UP's program. Workers, emboldened by the new pro-worker government and perhaps inspired by the words of Allende and the Basic Program, took redistribution into their own hands, powerfully enacting the goal of worker participation, but in an unplanned manner. Newspapers reported that these occupations only hurt the Agrarian Reform and that the Minister of Interior was considering passing a law punishing those involved in illegal occupations. The news reports were meant to discipline the unruly workers and reassure the small-scale land owners and factory owners that the law would be respected.[213] However, as in the case of the Complex, the UP government frequently found creative ways to accommodate the occupations of the workers, even when the occupied estate or factory did not figure in the strategic companies the UP planned to expropriate.

Rather than the revolution from below pushing the revolution from above to adjust its programs, the resolution of the illegal occupations forms part of the process of figuring out what shape worker participation would take. "The state" is not on one side and resistant popular forces on the other; rather the multiplicity of state representatives, political parties, workers and *campesinos* interact, however

[212] See Derek Sayer, "Everyday Forms of State Formation: Some Dissident Remarks on 'Hegemony,'" in *Everyday Forms of State Formation: Revolution and Negotiation of Rule in Modern Mexico* (Durham; London: Duke University Press, 1994).

[213] *El Correo*, 13 February 1971.

unequally, through the hegemonic process to determine the meaning of participation.[214]

Worker participation in the Panguipulli Complex

At the level of the Complex, worker participation was supposed to occur through the presence of their elected representatives on the Administrative Council and the multiple scales of meetings and assemblies at which the workers could communicate and debate their concerns. The Operation Plans were an additional means by which information flowed from the Forestry Committee to the Administrative Council, down to the workers of the different sectors of the Complex, and back up again from the workers to the Forestry Committee. The Forestry Committee requested information, and it, or the Administrative Council formulated charts that would be sent out to the section bosses, who provided the requested material. This mainly pertained to production goals—for example, how many inches of *rauli* a particular sawmill could produce in a month. That information went back to the Administrative Council, and Undurraga, working with the Council, would write up a report and send it on to the Forestry Committee.

Outside of the Operation Plans, the members of the Council consulted the workers' assemblies on different topics. González helped clarify the division of topics between those that necessitated wider discussion with the bases, and those that were left to the experts and worker representatives of the Council to decide. For example, questions such as what brand of front-loading trucks to import and from which country, the Council simply decided without consultation. However, issues of production, provisioning, the general store, wages, education and technical training, house building, and even beekeeping were discussed with all the workers.[215]

This division of labor was not planned by anyone; it emerged out of the circumstances and sets of interactions unfolding in the operation of the Complex. The workers' demands for inclusion in certain topics meant they participated in those discussions. González explained that the Council was very careful to include the workers if any type of notification, invitation or special information arrived:

> We were very mindful, as the people would criticize us for whatever thing… they would accuse the Assembly of technocratism so that we always had to take the people into account, when something arrived to us. We would converse about it with the leaders, we would meet, we would hold a convocation. I don't all the way remember, but at least I was always of the idea of transmitting things to the bases. I would meet many times with the assemblies of all the estates, and the information

[214] Although here I am putting pressure on the "Revolution from above" versus "Revolution from below" framework which Peter Winn (1986) uses in his foundational work, "Weavers of the Revolution," I want to be clear that the empirical richness of his account beautifully demonstrates the complex fracturing of "the state" and "the popular" and the unstable interaction of all these pieces.

[215] Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012.

> that I wielded, I would pass it on, I would send it down so that at the very least, the workers were informed (ibid).

The *Tarifado*—a book listing the payment for the different types of work across the whole Complex—was one of the most contentious topics. However, it also demonstrates how discussion was carried out at each level of the Complex and provides an illustration of how the content of worker participation was worked out in practice. The Administrative Council worked for eight months to elaborate a new *Tarifado*. As González recalled, the conversation around this task was "very comprehensive and very complicated….We met with the section bosses, and we worked through the reasoning behind different systems" (ibid). The discussion represented a learning experience for everybody. The dreams and possibilities and castle-in-the-cloud ideals that appeared when the workers liberated their territory had to come down to ground. Some workers wanted equal pay for everyone, whether they worked in the mountains, in the factories or in the offices. Others demanded enormous increases in salary buy did not understand why that could not happen. What were the limits of this new system? What was the value of work when the figure of the exploitive patrón was removed?

Undurraga explained how the Administrative Council determined the wages for the different types of labor in this brave new world of worker control: "We weren't starting from scratch."[216] The union leaders on the Council had worked their way through every type of forestry job in these estates. Their practical knowledge extended to how much time it took to fell a *rauli* in Neltume versus one in Pilmaiquen versus a *coigue* in Arquilhue. They knew how much harder cutting and dragging out logs was in one estate versus another because the stands were farther away from the collection sites. And they certainly knew that the *palanquero* was the most indispensible person in the whole operation because he could read the log and guide its cutting to get the most quality wood out of it. These minute grains of difference entered into the calculations of pay. Some solutions emerged that did not change much from the previous regime. Workers in the mountains continued to be paid by the piece because monitoring their productivity was difficult, whereas workers in the sawmills received a salary. All wages significantly increased due to a desire to raise the workers' standard of living. At the same time, there were limits to how high the new wages could be; the Complex had to work within the budget set by the *Comité Forestal*, which in turn, was working with the data managed by the State Development Corporation (CORFO).

Strikes in the Panguipulli Complex: battling to define worker participation in practice

Despite the consultations with the different levels of worker organization about the *tarifado* as well as other topics, strikes continued across the Complex, sometimes on a daily basis. The motivations and interpretations of these strikes vary enormously depending on who provides the account. According to Undurraga, the issues were all "pretty minor," centering mainly on wages and the rising cost of food:

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[216] Interview by the author, Temuco, 25 August 2011.

> They would find whatever reason, for example, the *tarifado* prices, or they would arrive to the general store at the end of the month and the complaint was that the price of flour had risen. There was tremendous inflation in the country and the prices would rise, but they didn't accept it and they would not go out and work. Or sugar would rise, or they needed the jeep to transport a sick person, or there was a lack of first aid posts…unimaginable the quantity of reasons that could exist to cause a work stoppage. But everything was in route to solution and much better than before (ibid).

He attributed the strikes to the inability of the workers to see the bigger picture and understand the challenges of inflation. He also pointed to the meddling of the *miristas*; by stoking the flame of worker discontent, the *miristas* achieved their aim of escalating conflict, thereby increasing the likelihood of immediate revolution. Undurraga illustrated how these strikes unfolded. He would get a call by radio saying that

> …tomorrow morning in Arquilhue, they aren't going to work. I would take my truck and arrive at one in the morning…with the lights on, I would honk the horn. They knew the truck and the sound that the motor made, and the workers would all be there together. We would converse, and normally I would return successful, very rarely it didn't work out. I would return the same night to my house in Choshuenco.[217]

In an earlier interview, he explained that he would meet with people,

> …[to] explain the reasoning, what we were doing. And they would realize that they had food, they we were trying to fix their houses, that they had work, that we paid their salaries punctually each month. And that not everything could be achieved in the same moment….And well, finally, the people would accept it, they would say, ok, we trust you.[218]

I asked how long it would take to get to that point of understanding, and he replied,

> Oh, sometimes, a very long time. Maybe one or two hours because all the people had some doubts, some concern, and when the General Manager arrived, which didn't happen everyday, they tried to take advantage of the opportunity, how are we going to solve the problems A, B and C? The school, the teacher, the bus, all the familiar social problems, the work conditions, it was the opportunity in which all this appeared (ibid).

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[217] Interview by the author, Temuco, 10 February 2012.
[218] Interview by the author, Temuco, 25 August 2011.

When I asked if there was a different forum in which the people would express their questions, he said,

> No, they simply would say, strike! And when I went, I would notify them by radio, and they would get together all those who wanted to in the night…and naturally in the middle were people from the MIR and there was all this political story in the middle of it all that didn't make it easy. But I remember that it never failed to work out; I never went to an assembly and had to leave with my tail between my legs because the people didn't believe me….This occupied an incredible amount of my time (ibid).

Pablo, a member of the MIR, not from the area, explained the strikes not as basic whining at minor problems but rather as an indication of widespread worker frustration that decisions were increasingly being made behind closed doors. According the Pablo, it felt like the *técnicos*, the experts, arrived at the different workers' assemblies and imposed their decisions, saying, this is what we are going to do, rather than consulting with the workers.[219] It is hard to verify this shift toward restricted decision-making with direct workers' accounts. As one of the representatives on the Council, González clearly recalls making it a point to consult with the workers about most issues. However, throughout 1972, the US-led blocking of Chile's access to international credit and the thriving black market in rationed goods produced an intense shortage of both consumer and industrial products, making both life and work increasingly difficult in the Complex. This may have limited the fulfillment of many expectations in the Complex, pressed the Council to make more efficient decisions with narrower consultation, and caused the workers to be increasingly concerned about defending their gains and their understanding of what was happening in the Complex. According to Pablo, by "the last months of 1972 and the first eight months of 1973, many workers were discontent. They would say, 'and when are we going to construct the houses, and when will we build the high-school?'….Many people said, 'this is worse than with the patrones' " (ibid).

Pablo also explained that in the face of this discontent, and in the wider national context of the building crisis, the MIR tried to push toward greater direct worker control:

> The MIR said, be careful; we don't want the patrones to return. But this form of working—bureaucratic, verticalist, reformist, and a little Stalinist [isn't the way]… Here, what needs to happen is worker management, worker democracy. You can't make decisions behind closed doors. Everything must be discussed in the assembly. And if the union or the assembly says 'We're going work like this,' that is what must be done. If the expert engineer says 'this', that's great, but he has to speak with the assembly: 'We, as experts, think this. What is your opinion?' (ibid).

[219] Interview by the author, Panguipulli, 28 September 2011.

In April of 1973, the *Frente de Trabajadores Revolucionarios* (Revolutionary Workers Front, a more expansive popular front organized by the MIR) declared that the Complex was in crisis and blamed that crisis on CORFO.[220] The FTR argued that rather than empowering the workers in the Complex, CORFO was merely carrying out its official duty of salvaging bankrupt companies. By early 1973, *miristas* and members of their Workers Front had been proposing direct worker management of the Complex in assemblies in Choshuenco. The FTR's April declaration referenced these assemblies, explaining that "the actual state of things is not the fault of all the workers as many want us to believe, but rather of those who reject the assemblies of Choshuenco and who do not allow the total and real participation of all the workers" (ibid). According to Pablo, this push for direct worker management signified "the democratization of the Complex."[221]

The written account offered by Jose Bravo, a worker born and raised in Neltume and a member of the MIR, corroborates Pablo's opinions. He explains the main goal of the MIR: "With respect to the Wood and Forestry complex, our main orientation was to try and obtain worker control or worker management of the Complex" (Bravo 2012, 115). These attempts accelerated in 1972. In contrast to many portrayals of the MIR in the Complex as a group of outsiders who manipulated the folks of the area, Bravo explains that by 1972 "the great majority of the members of the MIR in the Complex were folks from the mountain [natives of the area]. There were very few who had come from the outside, and at this point in time, even fewer stayed" (ibid, 121). Bravo asserts that these *miristas* and their sympathizers had a presence distributed across all the estates of the Complex (ibid, 124). In May of 1973, the FTR (Revolutionary Workers Front, a more expansive popular front organized by the MIR) held a Congress in Toledo, one of the forestry estates, to construct a plan for the reorganization of the administration of the Complex centering on complete worker management. This Congress decided to demand another Complex-wide meeting so that it was "a popular assembly that defined the question of the administrative form, of management and production that we should follow" (ibid, 125). It is difficult to determine how representative this demand for a popular assembly-led reorganization of the Complex was. While agreeing with this demand did not necessitate association with the MIR, Pablo says that of the 3,600 workers in the Complex, there were 50 *mirista* militants (as in, true members of the party), and 300 sympathizers who were either members of the FTR or simply agreed with the *mirista* perspective.

Workers both participated in and were influenced by these highly politicized discussions of worker control, participation, and productivity. They experienced the elation of kicking out the patrones and discussing the new organization of life and work; they experienced the jumps in quality of life and possibilities of consumption, as well as the disappointment when their expectations were not fulfilled. The worsening shortages and intensifying political crisis at the national scale increased

[220] *El Correo*, 3 April 1973.
[221] Interview by the author, Panguipulli, 28 September 2011.

these frustrations, which the workers of the Complex expressed in the form of the strikes, regardless of their affiliation with the *mirista* perspective.

Productivity and participation

El Correo published multiple stories on how unproductive the Complex was, in spite of the greatly multiplied number of workers. Deputies of the Christian Democrats attributed the refusal of the Complex to publish its accounts to the fact that Comandante Pepe was acting as "the accountant" and that the Complex was really a guerilla training camp.[222] The Popular Unity wanted to show that a worker-led company could be just as productive, but less exploitative, as under the capitalist system. Additionally, the UP needed the income that the production and export of the forestry products was meant to garner, to say nothing of helping with the housing shortages experienced both within the region and among the poorer sectors of Santiago.

With these tensions, Undurraga felt the pressure to make the Complex produce. As he explains, "I understood that this was a tremendously large thing, very important, that my responsibility was very large. And that every day there were articles in the newspapers, things, in their majority bad...strikes."[223] In a different interview, he explained, "Anytime there was a conflict, the only one who went was me. Day or night, whatever hour it was, I understood that it was my mission to make this function, and for that reason, I put in an enormous amount of effort. If there was a strike or whatever type of conflict, I would personally go to resolve it."[224] The strikes he had to deal with on a daily basis meant to him that the workers were getting stuck on petty issues and failed to see the bigger picture of the Complex as a single whole, and its place in the national economy and the project of the UP. Under the pressure to produce, he misinterpreted the strikes, which were, in fact, a key forum that the workers used to demand that certain questions be clarified. It was part of a slow process by which an old system, based on clear hierarchies and exploitation, could be replaced by a new system in which workers took part in decision making. This tension between productivity and worker participation evidenced a fundamental contradiction in the UP demands: productivity could not be as high as before because both the workers and the forests were no longer being intensively exploited. The urgency for productivity truncated the time for transition and learning necessary for the workers to be able to lead the company.

Rodrigo Undurraga, as the main representative of the state in the Complex, tried to shepherd worker participation into the proper channels. While the exhausting, spontaneous nighttime meetings are one example of this, the planned meetings between Undurraga and the Estate and Section Bosses provide another. In the transcript of one such meeting, held in February of 1972, Undurraga focused on the importance of organization in the Complex. He explained that there were production issues and social problems, and different organizations took care of these separate spheres:

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[222] See, for example, *El Correo,* 2 November 1971, 4 February 1971, 15 March 1972.
[223] Interview by the author, Temuco, 10 February 2012.
[224] Interview by the author, Temuco, 25 August 2011.

> So, yes, to this fundamental task, which is the organization to solve the issue of producing sawnwood and forests, we add that we also need to organize ourselves to solve other problems of the social order, living conditions, work conditions, the situation of the youth and of women, so we realize that for this, we also need to organize. This is what I discussed with some of the Estate Bosses and Union leaders. We said that some should worry about the problem of producing and that for this, we have the structure of the Estate Bosses, of the *Mayordomos*, these are the *compañeros* who are directly responsible for production. But, on the other hand is the other problem, the social problem. There we find that we need another organization to do this, that organization is the organization of the whole mass of workers, the Mother Centers [*Centros de Madres*], the Unions.[225]

While this appears straightforward, the subtext is an attempt to define the new role of the unions and to limit this to solving social problems rather than protesting working conditions or making economic demands. In the meeting, Undurraga explained that

> …before, the union was the organization that fought to defend the interests of the workers, fundamentally against the patrón. When we erased the patrón, when we changed the structure of organization of the Company and we have the Administrative Council which is composed of the workers themselves, designated by their own bases, then the union no longer has as its purpose to ask the *compañeros* to augment the pay (ibid).

Under the new structure, the interests of the workers were supposed to be sufficiently represented as to make the old tasks of the union redundant. The unions were then main organizations to solve health, education and living problems. They did not deal with questions of production and salary, which were taken care of by the Estate Bosses and the Administrative Council, but rather, they focused on social issues. The continuation of localized strikes likely instigated this discussion in the meeting between the Estate Bosses and the Executive Director; they certainly also signaled that the workers did not agree with the strict organizational structure nor with the separation of production matters from social problems.

Limitations to the Panguipulli Complex as a shared project of worker participation: low education levels and extensive territory

The low levels of education of the forestry workers and the enormous size of the Complex made it especially difficult to align different understandings of

[225] "Cartilla Nº1: Presentación hecha por el Director Ejecutivo, Rodrigo Undurraga, en la reunión de Jefes de predios, Neltume 11, 12, y 13 de Febrero 1972," Complejo Forestal y Maderero Panguipulli, personal archives of Fernando Saravia.

participation, as well as to reconcile the goals of participation and productivity.[226] On a broad level, the Popular Unity understood the challenge that low access to education presented to the ideal of worker participation. It approached this challenge in two different ways: first, the valuation of different types of knowledge—the recognition that workers were rich with experiential knowledge even if lacking formal education; and second, training programs to better position workers for making decisions and thereby exercising real and effective power.

The Popular Unity attempted to merge practical and technical knowledge in the service of the workers. For example, as head of the new department in the *Instituto Forestal* (INFOR, the forestry research institution of the state), called the Department of Productivity and Social Studies, Fernando Saravia tried to bring to INFOR an appreciation that everyone is an investigator in a way reminiscent of Gramsci. He envisioned that everyone who worked in the INFOR, from the janitors to the laborers who watered plants in the greenhouses, would keep a research journal in which they would record questions and ideas. While this suggestion remained unfulfilled, the INFOR had begun developing research directly responsive to forestry workers' needs. They also had plans to incorporate forestry workers into their research teams and send researchers to spend time working in forestry tasks.

The report summarizing the work performed by INFOR given at the First National Meeting of Forestry Workers[227] not only listed a number of studies focused on the occupational health of forestry workers and the technical development of forestry personnel, it also stated that INFOR wanted "investigation to respond better to the interests of the workers. That it is the forestry workers who pose their technological needs, that they are integrated into scientific work, contributing to it their initiative, their talent and their creative push."[228] The Executive Director of INFOR further emphasized this vision of forestry workers directing investigation: "We want it to be you all, gathered together here, who determine the mechanisms so that this Institute of Investigation fulfills its role in the construction of the new society" (ibid). Workers were envisioned as internal to the process of research, as offering valuable direction.

The second way that the UP faced the challenge posed by low education to worker participation was through *capacitación*, or training. Training could span the

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[226] The particularly low levels of education in the Complex contrast with other examples of worker-led companies. In particular, I am thinking of Peter Winn's (1986) example of the Yarur textile workers, as well as of the experience of the Industrial Belts more broadly. These are cases in which worker control was able to work well with productivity goals; in fact, the creativity opened up by worker control enabled the workers to solve certain supply and production problems in the face of the Patrón Strike of October 1972, and keep their production levels high. Much of this success had to do with the higher levels of education of these industrial workers (in comparison to the forestry workers of the mountains), as well as the different territorial span across which they coordinated production. In some cases, this was simply within a single factory, and in the case of the Industrial Belts, a number of city blocks. This territoriality posed very different opportunities and challenges to the 360,000 hectares of the Complex.

[227] This Conference will be discussed in greater detail toward the end of the chapter.

[228] "Encuentro de Trabajadores Forestales: Informe Resumido sobre la Gestion del Instituto Forestal," INFOR, personal archives of Luis Astorga.

range from basic campaigns to end illiteracy to increased opportunity for advanced training and technical outreach, often provided by the Technical Institute of Chile (INACAP). On a more programmatic level, training was presented as the key means of empowering workers to participate in the Chilean Road to Socialism through making decisions.

The forestry functionaries in the UP government had already identified the native forestry sector as one where the lack of education was particularly extreme. Jaime Toha, the head of governmental forestry institutions, expressed to me: "Education wasn't zero; it was less than zero."[229] Most of the workers I interviewed stopped school and started full-time forestry positions by the time they were fourteen, some even earlier. Two workers told me they were illiterate, and others had learned to read through practicing with the Bible. One interviewee emphasized how special his case was, as the son of a forestry worker; with the help of his siblings, he was able to leave Neltume to continue his education, first in Santiago where his sister lived, and later in Valdivia.[230] Most working families in the area did not have the resources to send their children away from the local schools. Few children continued through high school. At the time, the nearest city, Panguipulli, did not even have a boarding school available. The challenge of low levels of education was particularly endemic to the native forestry sector due to the isolation of forestry towns and the exploitation and lack of resources of the people.

As discussed in the previous chapter, the Complex had numerous programs to address this educational deficit, from literacy campaigns and chainsaw workshops, to tree planting programs and the grand plan to open the Polytechnical Educational Complex in Choshuenco. This educational complex was going to have boarding capacity so that the children of the area would have a nearby place to continue their education. Despite the very low levels of formal education, however, the Complex offered powerful instances of valuing and merging different types of knowledge.

During a meeting with the Estate Bosses in February of 1972, Undurraga explained that the elaboration of the budget for 1972 necessitated merging all sorts of expert knowledge, from the financial expertise of government functionaries to the experiential knowledge of workers of different positions in the industry:

> To complete the task of elaborating the Budget of 1972, the path followed was to extract the antecedents from the experience of each *compañero*….These data were taken by those who are experts in the handling of numbers and elaboration of budget charts by program.…This is how the two things mix, the experiences of some *compañeros* in some particular job and the experience of those *compañeros* that work in the offices. Everyone is an expert, in different degrees, but each *compañero* has his expertise.[231]

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[229] Interview by the author, Santiago, 11 February 2013.
[230] Interview by the author, Neltume, 28 November 2011.
[231] "Cartilla Nº1: Presentación hecha por el Director Ejecutivo, Rodrigo Undurraga, en la reunión de Jefes de predios, Neltume 11, 12, y 13 de Febrero 1972," Complejo Forestal y Maderero Panguipulli, personal archives of Fernando Saravia.

While he may also have been trying to assuage the forestry workers' continuing suspicion of the office workers, Undurraga emphasized the useful complementarity of the varying expertise of all the *compañeros*, so necessary for the running of the Complex:

> When one *compañero* is of the "*Palanquero*" profession, he is an expert, because he really knows how to operate the workbench. Now, there's another *compañero* who has studied forestry engineering five years in the university, if they stick him on the lever [*la palanca*] he will certainly screw it up. However, the *compañero* Herrera, once he talks with the *compañeros* in the different meetings, can use all the ideas and antecedents to later translate them into things like this Budget Program that we just looked at (ibid).

The Administrative Council was a key site where different forms of knowledge and preparation melded. In the following quotation, Undurraga explains how the initial encounter across educational backgrounds was challenging, but later became a productive partnership:

> Inside this group, there were people who were incredibly intelligent….At first, it was very difficult for me, very difficult to have to meet with people who did not understand anything of what I had to do, that had no experience, I believe, in what it meant to administer a company. But very rapidly, they started to understand and they transformed into my best collaborators and allies…. It was a team of people who helped me a lot. They would go to all the estates, explaining things to the people and attending the assemblies. Sometimes they went with me to Santiago.[232]

Despite his apparent discomfort, Undurraga honestly expressed the prickly reality of collaboration and alliance across different worlds. And yet, according to Undurraga, the collaboration did function. Undurraga admired the forestry workers on the Council and the value of their knowledge to the administration:

> They were very flexible, very free to learn and in general it surprised me; there were some guys, so intelligent. If they had received the same preparation as I, they would have been geniuses….They helped me enormously because they really knew all the types of work well. They were not very well educated people, but they really knew the work well, every single type of job. It was a great support.[233]

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[232] Interview by the author, Temuco, 25 August 2011.

[233] Interview by the author, Temuco, 10 February 2012. The relationship between Undurraga and the other members of the Council appears to have been one of mutual admiration. In an

González illustrated how the different knowledge types of the Council worked together in practice by describing the relationship he had with Ramon Silva, the director of sales for the Complex. Silva was *un técnico*, an expert in charge of the business and commercial side of the Complex, and because of this, he spent much of his time in Santiago. Whenever Silva had any questions, he would call González and ask him because he was

> …who best managed the productive issues of plywood, doors and windows, of the most powerful industries of the Complex. If suddenly he [Silva] was wondering if we were going to be able to deliver on an order, he would call me, 'How are we doing? Will Neltume be capable of such and such production?' I would tell him, give me until tomorrow. And I would talk with the head men, the shift bosses to see if we could really fulfill the order.[234]

But more frequently, any mention of knowledge or education was linked to the challenges posed by the basic schooling of the people of the Complex. When I asked González how the workers would choose the Estate Bosses, he explained that, by consensus, they would choose whoever was most capable; their political affiliation did not even matter: "There was always someone who stood out in the group…who understood in practice what they needed to do. With such a high percentage of illiteracy, it was hard to find someone who could do the four mathematical operations" (ibid). At a later point in the interview when we were discussing the different emphases that the political parties put on "the battle of production" versus "worker control," he said "the people were not sufficiently prepared to exercise full control….Even just to find an Estate Boss was hard. There were not enough people with sufficient instruction" (ibid).

The low levels of education presented very real limits to the ideal of worker control; additionally, the basic education and the rusticity of forestry workers' lives also hindered political alliances by affecting other people's perceptions of the forestry workers' capabilities. While Jaime Toha's memories of collaborating with the workers of the Complex are very positive, and almost tend toward romanticization, they also reveal the enormous educational and geographic gulf across which he viewed and related to the workers. In my last interview with Toha, he told me the story of *la tabla*, as a parable that captured his relationship to the folks of the Panguipulli Complex. In Spanish, *una tabla* means a plank of wood, but in Chile, it also means an agenda or a list of items to be covered at a meeting. Toha explained this to me by saying that, for example, at a session in Congress, they would start the meeting by discussing what *la tabla* was for the day. Toha continued, relating an experience he had during one of his multiple trips down to the Complex:

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interview, González shared: "The truth is that Rodrigo Undurraga was a genius, a very intelligent guy" (Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012).

[234] Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012.

> I had a meeting with the assembly. There were 150 people. They were still very disorganized. One would talk of one topic, of wages, the other of food, and another of replacement parts for machines. I told them, '[L]ets do the following. You need more time to discuss between yourselves what are the priority topics, and I will continue on my trip around the Complex and come back in three days. Why doesn't someone explain what *la tabla* [the agenda] is with the points?' When I returned three days later, two *señores* appear with *una tabla* [a plank] and with a hot iron, they had written the key points.[235]

The workers had gotten the basic meaning of what Toha was asking, but at the same time, the translation of the concept into their world was clunky—a monumental checklist of discussion points burned into a plank with a hot iron—and revealed the breach across which ideas had to travel for communication to occur. Toha continued, explaining his reaction when he saw the workers' *tabla*:

> …for me, it was difficult to keep myself composed, to not laugh. It's that it is like a symbol of the level of [he doesn't finish his thought] and it was exciting to see this level of education, which wasn't zero, it was less, with first, the political capacity to understand, and second, I would have expected them to tell me, ok, let's just cut everything down and make some money from this. But I would say to you that they were the most firm defenders of what today we would call with elegance, sustainable management, economically, socially and environmentally (ibid).

While Toha was impressed with the unexpected political capacity of the workers as well as their concern for the longevity of the forest resource, his telling of the story of *la tabla* also exposed the social distance that continued to exist between the well-educated foresters and politicians working in the UP administration in Santiago and the forestry workers of the mountain.

The rudimentary conditions of life and education in the Panguipulli area also led some to impute the forestry workers with a lack of agency, or facility of manipulation. In the following quotation, Undurraga described the rusticity of the forestry workers' life as a context for understanding the workers' naivety:

> If one understands how rustic a forestry worker is, who does not have light in his house, who wakes up at five in the morning in the dark, winter and summer, but in winter, with the rain and the snow, and they go into roads opened up in the forest. In the forest, he does not work in a large group, but in a team of two or three, in the winter, cutting down the trees, and later, in summer, cutting up the wood and taking the wood out with tractors. His relationship was very intimate with the forest. It was who accompanied him from the dawn of the day, and he

[235] Interview by the author, Santiago, 11 February 2013.

> would return in the evening, in the almost darkness. This man was all day with whom? Not with his family or with his wife, and in many cases, not even with many people. Only with the work partner and with his ox, and for that reason the people don't realize, they definitely don't realize today the level, that in a way, not disrespectful, he was almost like another animal. Because his condition of life was absolutely trapped by nature. Who were his friends? The trees provided for him to eat, his ox allowed him to work.... And this man was a semi-savage man, of a very low level of education. Many people hardly knew how to read and write, and this was the people who were there. And for this reason it was almost in their nature for the people to have this level of naivety. They would believe almost anyone. For this reason it was so easy for someone to arrive, and if the guy was just fine working, but someone arrived and offered him one more chocolate, oh, he thinks, I want a chocolate. Therefore, tomorrow, I won't work. Because he believed, he didn't think.[236]

This lengthy examination of the forestry worker's rudimentary existence emerged in a conversation about the conflicts and strikes that continued within the Complex. For Undurraga, much of the continuing conflict stemmed from different political parties, mainly the MIR, but also the Socialists and Communists and even the Christian Democrats, coming into the area and meddling in the affairs of the workers. When I challenged his vision of naïve, manipulable workers by saying that the workers of Neltume and Carranco had a history of social struggle and attempts at union formation decades before the MIR even existed, he granted that that was true, but countered that these estates were definitely the exception, as they were associated with the more advanced industries. He maintained that in the vast majority of the estates, the people lived extremely rustic lives, with the forestry workers of the mountains almost animal-like in their intimacy with nature.

This vision of the workers as rustic and naïve not only affected the possibilities and forms of alliance at the time, but also came to play an important role in avoiding punishment and maneuvering the minefield of acceptable identities in the years following the military coup, as well as in the tricky politics of memory that continue in Chile to this day. While this is discussed at greater length in the next chapter, the quotation that follows illustrates how a worker who grew up and worked in Neltume could also come to view the people of the Complex similarly to an outsider like Undurraga: as naïve and gullible. His words, however, must be understood as inflected by the intervening decades of persecution and both a personal and social struggle to make sense of these events through memory. Vasques explained what happened in the Complex once the patrones were all kicked out:

> It was a huge disorder, a very huge disorder fitting of people with little education. There is no reason to blame them, because they have no education. It is not their fault. They didn't have possibilities like

[236] Interview by the author, Temuco, 25 August 2011.

> others. They [other people] took advantage of this ignorance to put things into their heads that were not real. And the people believed.[237]

For him, the innocence of the people was predicated on their lack of education and their manipulability by outsiders. In the following quotation, he portrayed the workers of the Complex as a caged birds:

> It gave me the impression of an enormous cage full of little birds, for many years, raised inside. All their life they lived there in that environment, and suddenly, the doors opened and they all left, flying outside. This was the image that I made comparing us in that moment. And all the little birds exited the cage, they flew, and they were owners of the world, but with no experience; they had never flown before. In the first place, they did not know the world where they were going to fly. We were the same; a group of people whose daily life was wake up, eat, work, eat, work, sleep and nothing more. And then, they give you these changes, so powerful, in which you don't know what you're going to do. In the first place, you don't understand politics, you don't know the political reasoning of what these changes do (ibid).

In this image, the workers are innocents—little birds who found themselves freed when for whatever reason, their cage opened. They did not act, but rather simply reacted to situations; they were not linked to the histories of struggles that saw cohorts of workers fired and deposited on the banks of Lake Panguipulli and witnessed the burning of *campesino* homes. These little birds did not understand politics. The low levels of education that challenged to political alliances across class and geography during the time of Allende came to symbolize innocence and apoliticism at a time when being "political" was punishable by death. In the present, the protection once afforded by claims of low education has produced an ignorance or denial of links to deeper histories of worker struggle, histories that reveal political agency alongside poor education. Reclaiming these histories threatens to expose the dyad of innocent insider/manipulating outsider as a possible scapegoat.

In addition to the difficulties presented by low education levels, the territory itself resisted the transformative aims of the Panguipulli project; these 360,000 hectares were meant to function as a single productive unit, but the sheer size of the Complex and the rustic state of the roads, exacerbated by the intense rains and snowstorms of the winter season, would push the Complex's disintegration, with the old geography of separate estates reasserting itself. Better roads and the installation of a Complex-wide telephone system were attempts to reassert the united whole. A map and a chart of the organizational structure of the Complex were additional technologies to help envision this whole.

As the director, Undurraga lived the challenge of maintaining this unitary vision on a daily basis:

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[237] Interview by the author, Neltume, 28 November 2011.

> …[I]t was a difficult experience, because apart from being a very large territory, lets say 350,000 hectares, the distances were very very large, and the roads weren't how they are today. There were roads, many dirt roads and gravel roads, but the distances that one had to cover were very long. I would be in my office one day, for example, preparing the budget with a pair of employees and at ten at night, they called me—there was going to be a conflict the next day. Ok, I took my truck, I traveled two hours and arrived at twelve at night alone to these forestry encampments, and I honked the horn.[238]

He later explained that "To take a trip around the twenty-two estates was a month" (ibid). Although crossing the entirety of the Complex was challenging, Undurraga, Toha, González, and other members of the Administrative Council occupied privileged positions that facilitated seeing the Complex as a single unit since their jobs as administrators pushed them to operate at the level of the Complex as a whole. For the worker in the mountains, involved in workers' assemblies and enjoying the increased access to transportation, the Complex-wide view would have been difficult to maintain when dragging logs out of the same forest estate as he did in the time of the patrón.

The large area of the Complex also hindered the introduction of modern forestry techniques. First, they were not enough foresters to manage the extent of the Complex' forests: "I would say that principally, the limitation was the capacity to do things. There were five forestry engineers for 300,000 hectares, for 20 sawmills, 40 places of supply. The guy could arrive once every month. It was difficult to arrive to each place of work and know what was happening" (ibid). And second, knowledge of how to manage Chile's native tree species at that scale just did not exist at the time. Simply drawing up a management plan for 300,000 hectares, Jaime Toha explained to me, would take three to four years.[239] Although there had been small experiments with native tree regeneration conducted in cooperation between the FAO, INFOR and some of the forestry estates that later formed part of the Complex, these were conducted on quite a limited scale. During 1971-72, the Complex worked with INFOR, the Austral University and the University of Chile to perform an inventory to establish a foundation of information for further forestry management. As Undurraga explained, the first step is to know what you have. The inventory was also a key tool to test the feasibility of the major investment project the Complex was planning with a Japanese company, Marubeni, to install a state-of-the-art pulp plant to make use of "the stock of over-mature native forests".[240]   While this investment plan was still in the works at the time of the coup, Marubeni had earlier sent over a number of their forestry engineers to assist in the inventory and check over the data.

The final aspect of how territory and geography posed their own challenges to the political alliances supporting the state-owned worker-led company, was the sociospatial distance of Santiago from Panguipulli, and of the politicians, bureaucrats

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[238] Interview by the author, Temuco, 25 August 2011.
[239] Interview by the author, Santiago, 11 February 2013.
[240] Interview by the author, Temuco, 10 February 2012.

and forestry technicians in Santiago from the workers, administrators and foresters of the Complex. Undurraga's description of meetings in Santiago between the Forestry Committee and INFOR, and Undurraga and other members of the Complex's Administrative Council illustrated this sociospatial distance:

> You'd arrived at the Forestry Committee, and all the people would be there in political activity, talking with one another. You realized that in a building in Santiago, you saw the country in one way, and in the Panguipulli Complex and in the mud, you saw a different thing. I would arrive and I would say, you all do not know in which country you are living. I have to provide food for 3,600 men and their families. And you all are talking about pure stupidities that have nothing to do with what the people really need.[241]

Undurraga, preoccupied with the on-the-ground realities, leveled a critique against the government functionaries that echoes more widespread criticisms of the UP as being too caught up in intellectual theorization: "The people who were directing the country were absolutely disconnected from what the country was really living" (ibid). All in all, he summarized the problem in a single word: "disconnection" (ibid).

The First National Meeting of Forestry Workers: the culmination and crumbling of forestry worker participation

By the time the First National Meeting of Forestry Workers (PENTF)[242] drew forestry workers from all over Chile to downtown Santiago, the Chilean nation had divided into two camps: those defending the government and those determined to end it. From the 19 to 22 April 1973, key actors in the forestry world, from workers of the mountains to the head of the Forestry Committee, met in a center built the previous year to host the third UNCTAD conference. For many participants, it was their first time in the capital; yet there they were, in the same space where world leaders had debated global development inequalities, invited to help formulate a new structure for the Chilean Forestry sector. The PENTF was the culmination of a process of worker empowerment that quite literally forged a place for rural forestry workers at the center of Chilean political life; however, it also exemplified many of the challenges discussed in this chapter. Within the wider dynamics of the crumbling of the UP's tenuously stitched hegemony, bringing together all the actors of Chilean forestry only served to reiterate the difficulty of conversing within a shared framework of meaning.

The central goal of the PENTF was to enable the "true participation" of forestry workers in the administration of the forestry sector. Although the planners of this meeting elaborated the concept of true participation multiple times, the meaning common to various descriptions is the empowerment of the workers to make decisions at every level of the forest industry. The very format of the call to participate in the conference enacted what the planners hoped would be the new

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[241] Interview by the author, Temuco, 25 August 2011.
[242] *Primer Encuentro Nacional de Trabajadores Forestales (PENTF).*

norm in forestry decision-making, and decision-making more broadly in the UP-led road to Socialism. The direct participation of the worker bases in all areas of decision-making would hold bureaucracies accountable and ensure that government functionaries served the will of the workers.[243]

A couple months before the National Meeting, the Organizing Committee of the PENTF sent a survey to every forestry company in the Social and Mixed Property Areas, including a proposal of themes to be discussed.[244] This document briefly described each of the five themes—participation, union organization and the role of unions, training, the Social Area, and planning—and asked a set of elaborating questions, such as: "What is participation? How do workers take power through participation? How can workers exercise power in companies and in the forestry sector?".[245] According to the plans of the Organizing Committee, each company held a general assembly in which all the workers discussed the document and formulated answers to the questions. The workers then elected representatives to attend the National Meeting, communicate the perspective of the company, and vote on the final resolutions coming out of four days of speeches, working groups and plenary sessions. As explained in an inaugural speech by the Pedro Vuskovic, the Economic Minister and Vice-President of CORFO, the intention was that "these meetings would unfold, transforming into the maximum authority of each sector."[246]

An enormous amount of work went into preparing this meeting and garnering support among the forestry worker base. The Organizing Committee brainstormed the topics to be discussed; the Forestry Committee's Department of Planning drew up an official document introducing the themes and the sets of relevant questions; from 16-18 February 1973, a Seminar of Workers and Experts occurred in Santiago to help prepare for the meeting; across the country, the workers' assemblies of dozens of forestry companies of the social and mixed property areas discussed the themes and elected representatives; and in Valdivia there was even a Regional Act from 9-14

[243] This section draws on a set of documents from a personal collection generously shared with me by Luis Eduardo Astorga, who served as the head of the Department of Planning in the Forestry Committee during the *Unidad Popular*. These include: documents and speeches from the preparatory phase of the PENTF; different drafts of the themes to be discussed; the invitation to the Meeting; the Program and Schedule of the meeting; a packet of the outcome of the meeting, with transcriptions of the speeches and resolutions, as well as attendance; the responses given by at least eighteen forestry companies to the convocatory questionnaire; the pooled responses of the companies of the Valdivia Region, which sadly did not include any documents from COFOMAP; and two editions of *Poder Popular*, a publication of the INFOR centering on forestry workers' concerns.

[244] The Organizing Committee was made up of union leaders who had been named directly by the workers plus Sergio Valdes (PS) and Sergio Oyanel (PC), who had been named by the CUT to serve in the Forestry Committee as the permanent link between the government and the union leaders (interview by the author, Santiago 7 November 2011).

[245] "Primer Encuentro Nacional de Trabajadores Forestales del Area Social: Proposición de temas para ser discutidos en las bases de los trabajadores forestales," INFOR, February 1973, personal archives of Luis Astorga.

[246] "Discurso de Pedro Vuskovic en el Primer Encuentro de Trabajadores Forestales" in *Resoluciones del Primer Encuentro Nacional de Trabajadores Forestales del Area Social y Mixta, 19 al 22 de abril de 1973,* INFOR, personal archives of Luis Astorga.

April 1973 to pool the responses of the companies of the region into a single document. Under the leadership of Jaime Toha, the Forest Institute started publishing a small newspaper, meant to serve as the forestry workers' vehicle of communication: "*Poder Popular*: organ of the forestry workers."[247] The first issue was published in February 1973 and functioned mainly to publicize the upcoming National Meeting and to call for all workers to support the government in the Congressional elections approaching in March.

Much of this effort was driven by the anti-imperialist goals of the UP to move away from dependence on the previously US-dominated copper industry.[248] Chile's forests offered the promise of greater economic autonomy through economic diversification. That the documents of the PENTF were peppered with the phrase, "*hacer de la riqueza forestal el Segundo saldo de Chile*" ("to make the forestry riches the second salary of Chile") shows that this goal was prominent in the conference organizers' minds. Jaime Toha further clarified the role of forestry in the UP government more widely, as well as the motivation for putting so much energy into organizing the Conference:

> In the government of Allende, there are two fundamental factors [influencing the role of forestry]: the group of professionals that worked in the program of Allende and in the government of Allende—we had a clear vision that on one side, it was necessary to preserve the native forest because it was really coming to an end, and on the other side that it could provide a significant contribution to the economy of the country. Then, the workers; there was a very significant response that for us was a surprise, let's say, that the workers had grasped so clearly the political, social and economic potentials that the forestry sector had….the Panguipulli Complex, the First National Meeting of Forestry Workers were things that we had not imagined could be achieved in so little time.[249]

This happy surprise of government officials at the unexpected advancement of the forestry workers' political consciousness was echoed by Vuskovic in the speech he delivered at the PENTF: "Who, three years ago would have foreseen a meeting in which each site of workers would elect blue-collar *compañeros*, white-collar *compañeros*, expert *compañeros* to go and in a meeting decide what it is that should be done with this sector from now and into the future?"[250] On the one hand, the idealistic goals of this meeting—"authentic worker participation"—could be seen as inspired by the surprising political and organizational sophistication and demands of

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[247] *Poder Popular: Organo de los trabajadores forestales,* Nº1, February 1973, personal archives of Luis Astorga.

[248] "Previously," because in July 1971, the Chilean Congress unanimously nationalized the copper industry.

[249] Interview by the author, Santiago, 11 February 2013.

[250] "Discurso de Pedro Vuskovic en el Primer Encuentro de Trabajadores Forestales" in *Resoluciones del Primer Encuentro Nacional de Trabajadores Forestales del Area Social y Mixta, 19 al 22 de abril de 1973,* INFOR, personal archives of Luis Astorga.

the workers of the forestry sector. However, on the other hand, interpreting this meeting and these documents with the events of the time in mind reveals the PENTF as both a celebration of worker participation and a move to keep it contained within particular forms.

1972 marked an important year in the polarization of the Chilean nation, which became frenetic leading up to the Parliamentary elections in March of 1973. A scattered opposition held its first mass marches, such as the March for Democracy on April 12, and the rightist parties started a campaign in Parliament to dismiss one Minister after another. When violent acts by rightist extremist groups increased, Allende tried to defuse the situation by negotiating with the centrist Christian Democrats (DC), declaring a state of emergency, and passing an Arms Control Law meant to placate the DC by cracking down on the MIR. These tensions exploded in what is called the October Crisis. In October of 1972, the private truck drivers' association organized a nationwide strike against the government. With ample funding from the US government, the truck drivers' strike expanded to include small and medium business owners and professional and student organizations, and helped consolidate a scattered opposition into a unified bloc: *la Confederación Democrática*, the Democratic Confederation (CODE). The October Crisis was marked by the generalization of the strike into the "Patrón Strike" and the consolidation of the opposition, as well as its shift to a more aggressive offensive.

The strike exacerbated shortages of consumer and industrial goods. These shortages galvanized the urban working class and popular sector more generally and contributed to the Crisis. In response to the strikes, Allende and the parties of the UP issued a rallying cry for the workers to fight "the battle of production," both to maintain access to necessary goods and to demonstrate that Chile could function even without company owners and truck drivers. The workers and their neighborhood organizations responded in defense of their government by taking over industries that had been abandoned by their owners and by innovating new solutions to the challenge of production. An overarching solution was the emergence of cooperative relations between occupied industries and companies in the Social Property Area within a given span of neighborhood blocks. These territorial units were called *Cordones Industriales*, or Industrial Belts, and because they were the autonomous response of popular sectors to the threat of the Patrón Strike, they came to be the most celebrated example of *Poder Popular*, or Popular Power. French historian Franc Gaudichaud provides a helpful description of the Industrial Belts:

> One of the greatest originalities of this response of the social movement was the creation, in the principal industrial zones and popular neighborhoods of the country, of unitary and transverse organisms that functioned across a territorial base and permitted the connection between different unions of a determined industrial sector or the base organizations of a neighborhood (Gaudichaud 2004, 34).

While the Industrial Belts as popular organization forms had emerged before the October Crisis, they became, in Gaudichaud's term, "generalized" after the Patrón Strike in October.

The Crisis was not simply about the Patrón Strike; it also refers to the confusion among the leftist political parties as to how to respond both to the opposition's growing offensive and to the emergence of this new, powerful and seemingly autonomous popular movement, exemplified by the Industrial Belts. While the spectrum of leftist political parties combined excitement at the display of popular power with the desire to direct it with varying degrees of control, Allende feared that the more autonomous the popular movement appeared, the less likely any political negotiations with the opposition were to succeed. Allende viewed the nation as on the precipice of intense violence and attempted to negotiate with the Christian Democrats and with the rightist parties to move away from that prospect.

The October Crisis ended with an agreement to form a civil-military cabinet, which also eventually included the incorporation of two members of the *Central Unica de Trabajadores* (CUT)[251] as the Ministers of Labor and Agriculture. The new composition of the cabinet demonstrated the government's commitment to law and order, while the CUT representatives aimed to rein the popular movement in to the government line. Including members of the CUT in the cabinent was the result of a series of negotiations between the CUT and the government centering on workers' participation in administering companies of the Social Property Area. The other element of the negotiation was the Prats-Millas Plan which centered on returning 123 companies that had been occupied by the workers in the formation of the Industrial Belts to their owners. Representatives of various Industrial Belts thoroughly rejected this plan in January of 1973.

In the Parliamentary elections of March 1973, the opposition did not win the two-thirds necessary to officially impeach Allende. As a result, they turned toward planning the extra-institutional means of a coup and temporary military rule. Following the elections, the leftist parties, trying to regroup, opened up an enormous debate on the meaning and direction of Popular Power in multiple forums such as unions, newspapers, and plenary meetings of Communist and Socialist Parties.[252] The biggest issue was the relationship of Popular Power to the government; were the Industrial Belts an autonomous alternative to the government or a supportive force; should the government or the CUT try to direct the popular movement, and how? In his 3rd Presidential speech, on May 21, 1973, Allende recognized the experience of Popular Power, and in July, he issued a national call to maintain "[P]opular [P]ower subordinated to institutions" (Gaudichaud 2004, 83-84).

Thus, underlying the PENTF were these discussions about the significance of Popular Power, the Industrial Belts, the Parliamentary elections, the position of the CUT, and the compromises the UP was making to court the DC and the military back into their alliance. The very choice of *Poder Popular* as the forestry worker

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[251] The United Workers' Center, or the national labor federation, founded in 1953.

[252] A large content of this debate centered on interpreting Marxist theory about the emergence of the dictatorship of the proletariat; Would it occur through dual power, where the Industrial Belts/Popular Power would oppose and eventually replace the UP state, or was popular power working along with the UP state, and together, they would eventually bring about the end of the state? Gaudichaud explains that most Chilean leftist parties rejected duality of power, and that the Industrial Belts, although emerging with autonomy, did so with the aim of defending the UP government, not replacing it (Gaudichaud 2004).

newspaper's title pointedly shows the UP's attempt to recognize the power of the popular movements but constrain them within UP-approved institutions. A close look at the content of *Poder Popular* helps link the PENTF to these wider spanning dynamics. One article focused entirely on the history of the *Central Unica de Trabajadores* (CUT), ending with a celebration of the alignments of the workers' interests to the CUT and the CUT with the government.[253] The fact that the presidents of the PENTF, Sergio Valdes and Sergio Oyanel, were not forestry workers or their union representatives but rather the heads of the CUT, illustrates the UP's attempt to use the CUT to draw the worker base closer to Allende's official line. This supports Gaudichaud's observation that during the *Unidad Popular*, the CUT lost its radical class independence and was often subordinated to the interests of government projects (Gaudichaud 2009). That the PENTF served to transmit the agreements that the CUT made with the UP about the official forms of worker participation in running the companies in the Social Property Area is further evidenced by the documents focused on the role of the unions, one of the five themes planned for the conference. These documents discussed the necessity of forming a single, unified union structure, linked to the CUT (thus avoiding any parallel institutions), and detailed the new issues that concerned the unions, which no longer included economic complaints. [254]

The radical differences in the memories Jaime Toha and Luis Astorga, Rodrigo Undurraga and González had of the PENTF exemplifies the intensifying disjuncture between the multiple participants in the forestry conference. Both Toha and Astorga recalled the conference with happiness; the Allende years were crazy, busy, exciting, hopeful years for them, and they were proud of the far-reaching goals and implementation of the PENTF. I interviewed Toha and Astorga together after I had organized all the files Astorga shared with me. Astorga was excited to share his documents with Toha, especially some of the original copies of their speeches, as well as original issues of *Poder Popular*. This was an amazing and emotional interview for the comradeship that emerged, the ongoing resonance that both still felt with the principles expressed in the documents, the silences that fell at the mention of fallen *compañeros*, and the nostalgia for proximity to knowing they were changing things. Toha explained the specialness of the PENTF: "This meeting is the most significant I have ever seen in Chile in terms of worker participation. Due to the organization, I don't know…it was a real encounter, it wasn't just a thing; I have participated in thousands of things, you know, pseudo-participation, everything decided beforehand. This, no."[255] Astorga excitedly emphasized the openness of the meeting: "We didn't know what was going to happen…it was a very good group" (ibid). For Toha and Astorga, this meeting achieved true worker participation. As expressed in the documents, they had wanted to rid the UP administration of the problems of bureaucracy and the bickering among the leftist political parties, and give the workers at the base a voice. For them, the meetings held by the workers in each company to discuss the proposed themes, and the election of conference

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[253] "Los veinte años de la Central Unica," *Poder Popular: Organo de los trabajadores forestales,* Nº1, February 1973, personal archives of Luis Astorga.
[254] "Organización Sindical y Papel de los Sindicatos," personal archives of Luis Astorga.
[255] Interview by the author, Santiago, 7 November 2011.

representatives by all the workers represented the participation of the full forestry worker base. Unfortunately, the conference did not have such a positive impact on the people of the Panguipulli Complex.

Undurraga recalled the conference with a bit of indifference: "A lot of people went. I was there. I don't have a clear idea of if it was good, but it was interesting to share opinions with all the different people. But I believe that I had a reasonable disillusionment with that adventure. I remember that the people were worried about things that weren't important in reality."[256] His memory of the event was very similar to that of the meetings he had with the forestry administrators in Santiago—that of disconnection from the issues that actually mattered.

González had a more actively negative memory of the conference. To begin with, he remembered *not* getting the pre-program with the topics and discussion questions. He recalled:

> Just the invitation arrived to us; the agenda did not. That would have been optimum. But the agenda, what we were going to discuss, didn't arrive. They simply invited us. This was a bit annoying. One supposes that there needed to be a guide to say, I'm going to a meeting in Santiago and we're going to talk about this theme, and I am going to contribute in this way etc. But it arrived to us half-baked, and we didn't like that.[257]

While Astorga's collection did not include any responses from COFOMAP, a very detailed agenda did arrive to at least twenty other forestry companies, as evidenced by the completed responses of these companies to the questionnaire. When I challenged him about this lack of prior information, as the second issue of *Poder Popular* includes a quotation from him that not only expressed high hopes for the meeting, but also implied he participated in a pre-conference planning meeting, he replied:

> …the truth, what I remember from this meeting in the UNCTAD, what really marked me was the discord that there was between them, between the political party leaders [*cuadros politicos*]…. Maybe in the smaller meetings, because later we got together in smaller groups, maybe I made a contribution, but I don't remember very well. I just remember that I told a speaker that he should simplify his language (ibid).

These three elements—the bickering among politicians, the minimal level of his own contributions, and asking the speaker to simplify his language—returned multiple times in our discussion of the conference. He recalled that the arguing between the politicians was especially counterproductive for clarifying things for the workers: "But what was especially distasteful, they began to argue in front of all of us that were

[256] Interview by the author, Temuco, 25 August 2011.
[257] Interview by the author and Cristobal Vivanco, Malalhue, 8 February 2012

there; the communists with the socialists with the others about ideas that were not thought out. We left worse off then when we came. For me, it was very poorly planned, the Meeting of the Forestry Workers" (ibid). He felt limited to participating either by supporting his communist *compañeros* or in concrete discussions:

> Maybe if I saw a communist *compañero* speaking, I would clap more for him, regardless of if what he was saying was good or not…. I'll say it to you again, I'm a worker [*obrero*] still. I got to sixth grade…for us, it's complicated the topic of education…the technical stuff. One lacked more discernment to see whither we were heading. The concrete things that one could discuss, ground yourself on. The *tarifado* was an extremely grounded discussion because it was something that we knew…We knew we needed to organize ourselves at the national level; this we had clear. And undoubtedly there were also the political appetites. Let's say, who runs this thing, if the president had been communist or whatever, the type of thing, why not say it, occurs. But I'll tell you, I was not in accordance with the meeting, I remember that I was not (ibid).

Here, he refers back to his limited education almost to justify why he could not participate in the "technical stuff," the more abstract projecting of the forestry sector into the future. However, the issue he most emphasized was the foreignness of the language of the speakers:

> What I remember, I was in an argument with a speaker…. I had been the only leader that had brought the guy who was speaking back down to earth. I don't remember who it was. But yes, a very technocratic speech. I told him, please, don't speak to us in another language, we come from the mountains…
>
> How are they going to bring us so far, the people that were there, all the humble forestry workers, some agricultural, we didn't even know Santiago, how are they going to have speeches so technified that we don't understand then. For me, that was just, no (ibid).

In these quotations, the issue of language crosses into that of geography so that his experience and rejection of the PENTF centers on sociospatial disconnection.

Within the Complex, the forestry workers' low levels of education and the large area of the forestry estates made it difficult for the alliance of people collaborating on this shared project of "territorial liberation" to work out the meaning of worker participation. These factors also challenged attempts to put this multiply inflected principle of worker participation into practice. Even while the PENTF illustrated the Popular Unity's deep commitment to this principle, it revealed how the tensions and challenges hindering implementation of worker participation in the Panguipulli Complex were only magnified when spanned out to the national scale. The Popular Unity aspired to value different types of knowledge and training to

enable workers to participate fully in decision-making. And yet, when the functionaries of the Forestry Committee, INFOR, and the CUT attempted to articulate this vision of worker participation in the widest forestry forum yet, the language was so "technified," the workers could not understand.

Under the amplifying pressures following the October Crisis, the shared dream of the Complex and the fragile project of the Popular Unity could not be maintained. The common framework of meaning centering on popular empowerment disintegrated into fractured groups speaking past one another. On September 11, 1973, the military coup put a definitive end to the principle and practice of worker participation.

Chapter 5
From Exceptional to Mundane:
Instituting Precarious Work in the Panguipulli Complex

Both leading up to and following the military coup, the opposition and the conservative media portrayed Chile as on the brink of civil war. The imminence of civil war served both to justify the coup and to bolster characterizations of the military and its actions as the salvation of the nation. Groups that espoused the necessity of a violent path to revolution, like the MIR, provided the basis for the projected threat of civil war, as did the organization of the Industrial Belts as territorial units of popular resistance. The Complejo Panguipulli—as a supposed training camp for guerrillas, a frontier territory commandeered by Comandante Pepe—contributed a key strand to the national civil war story.[258]

The failed armed resistance a group of forestry workers and *mirista* collaborators attempted to mount in Neltume following the news of the coup had the retroactive effect of corroborating earlier representations of the Complex and solidified as Truth the vision of the Panguipulli Complex as guerrilla territory. Within the first days of the new regime, the military installed itself in the Complex. The sounds of gunfire and fighter jets echoed through the forested mountains and valleys as special military units hunted the guerrillas who had escaped into the dense forests, and arrested other "extremists" from the Complex's population. Following the capture and execution of the "extremist elements", newspapers celebrated the reintegration of the liberated territory back into the nation and reported the forestry workers' gratitude for the return to order and the ability to focus on productive labor, freed from the outside imposition of politics.

Without diminishing the significance or the trauma of the repression experienced in the estates, I argue that the violence and the sensational stories of the guerrillas act to obscure the mundane ways the dictatorship remade work, people, and their expectation of connections to each other and to the nation.[259] First, the official recounting of the experience of the Panguipulli Complex as the manipulation of workers by outsider extremists both denies the agency of forestry workers who

[258] See Rojas (1991), Espinoza Cuevas et al. (1999) and Barrientos in Pino and Jelin (2003) for more on how representations of the Panguipulli Complex contributed to the national construction of the threat of civil war.

[259] The lasting trauma of the violence and fear experienced by the people of the Complex during the dictatorship has been well documented by CODEPU. Starting in 1989, they carried out investigations in the towns of the Panguipulli Complex, working in teams to provide psychological treatment while at the same time documenting the violation of human rights in this area under the military regime. From this, CODEPU published two books: "Derechos Humanos: sus huellas en el tiempo," and "Chile: Recuerdos de la Guerra; Valdivia, Neltume, Chihuio, Liquiñe." These volumes also document the ongoing stigmatization the people of the Complex experience due to their association with leftist extremism. In the first years of the return to democracy, the repression and trauma rightly received the focus of all investigations; however, the unexceptional, banal ways in which the military regime also shaped Chileans has received less attention. This is my contribution in this chapter.

actively participated in the formation and running of the Complex, and erases a concrete example of an alternative work form based on worker participation. Second, although the military regime maintained state ownership of the Panguipulli Complex, the new Complex administration established a novel *precarious* work form that became the new norm under the neoliberal authoritarian regime and into democracy.

Currently, forestry is Chile's third most important export earner, after mining and industry. Most workers in the sector face unsafe working conditions exacerbated by temporary contracts and labyrinthine subcontracting networks while the Chilean holding company that owns the top forestry corporation is one of the wealthiest of Latin America.[260] While the forestry sector is now based on plantations of pine and eucalyptus, not the native forests of the Panguipulli Complex, the history of the military regime's actions in the Complex reveals the manufacturing of precarious forestry labor conditions to be a deliberate punishment for previous worker activism. Moreover, this history suggests that the institutionalization of forestry worker precarity through the use of Minimum Employment Programs during the dictatorship continues to accrue benefits to the top forestry companies of this highly concentrated sector.

After encouraging workers to 'voluntarily' renounce their positions, the new Directors of the Complex innovated agreements with the National Forest Corporation (CONAF) to rehire the workers through various Minimum Employment Programs. Not only did the contracts expire yearly, the pay was frequently one-third of the minimum wage. The precariousness of work was further exacerbated by the generalized uncertainty concerning the future of the Panguipulli Complex. Internal struggles within the military regime over the implementation of the new neoliberal orthodoxy played out in the administration of the Panguipulli Complex; periodically badgered by the Ministry of Economics, a bulwark of the new orthodoxy, the Board of Directors of the Complex resisted new visions of the proper role of the State to justify keeping the Complex a state company. The prospect of privatization hovered over the inhabitants of the Complex as well as over the different government appointees who struggled to manage a company whose future could change on the whim of higher-ups.

This chapter examines the significant remaking of work and life in the Panguipulli forestry estates underlying the military regime's maintenance of the Complex as state property, from the early days of concentrated repression in 1973 to the final privatization of the last of the estates in 1988. The violence, the official telling of the Complejo story as the manipulative scheme of outsider extremists, and the mundane remaking of forestry work functioned in concert to reduce the realm of imaginable work forms to basic relief at having access to a job.

The coup comes to the Complex

News of the military coup traveled to the inhabitants of the Complex via radio. By nine in the morning of September 11th, the military controlled Valparaiso, Concepción, and most of Santiago. They ordered Allende to surrender; he refused.

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[260] Anacleto Angelini, once the owner of the holding company, COPEC, held the 119th spot on Forbes' list of the World's Billionaires before he died in 2007.

Out of the Presidential Palace, Allende gave a last speech on *Radio Magallanes*, reiterating his resistance and encouraging his supporters to continue to believe in and work toward a better society. In the Complex, many people had already left for work when reports of the air force's bombing of La Moneda traveled through the airwaves at midday.[261]

The following account of the morning of September 11th was given to the CODEPU researchers by the wife of a forestry worker who was arrested and assassinated by the military regime:

> We would always listen to the news. Sergio went to work, and Rene also early in the morning; they entered at 8. I would listen to lots of disturbing news, but I had never worried myself too much about the news, but that day I was hearing that there was a General, that he demanded that the President renounce his position… And all of a sudden they say 'Extra, extra!' and they start to announce that La Moneda had been taken, that there was a coup. The truth, I didn't know what a coup was because I had never lived a coup. I thought that it was a rebellion at the level of the military, nothing more. I woke up my brother-in-law who was still sleeping… I went to the house of my mother-in-law and I knocked on the door and went inside and I told her 'you know, it seems that something strange is happening, I don't know what, but I am going to wake up Jose'.[262]

She, like many in the Complex, did not know what the coup would mean. The previous disturbing news she would hear on the radio perhaps, like the coup, occurred hundreds of kilometers away in Santiago with little effect on the social worlds of the forestry estates. Unfortunately, September 12th the military would materialize much closer to home, and the people of the complex would obtain a concrete understanding of a military coup.

As the news spread, many workers congregated in Neltume, which had become the organizational center of the workers of the Complex due to the largest industries' location there. The account provided by forestry worker and *mirista*, Jose Bravo (2012), paints a scene of confusion and disagreement about what was to be done. The forestry workers looked to the union leaders and the leaders of the political parties to provide instructions as to how they were going to defend the government of Allende and their achievements in the Complex. According to Bravo, many communist and socialist leaders encouraged simply continuing to work calmly. The local *miristas*, which included many forestry workers, who like Jose Bravo were born and raised in the estates, firmly advocated defending the Complex against the military; how was still unclear. The group disbanded, and many went home, not knowing what to do.

Later in the day, Comandante Pepe and workers from other estates arrived at Neltume. A smaller group of *miristas* and their supporters met again to discuss what

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[261] La Moneda is the Presidential Palace.
[262] CODEPU archive, Valdivia.

should be done. They elaborated a plan to attack the local jail; they had very few weapons with which to fight the military regime and hoped that the local police would willingly contribute their munitions, or at least surrender them if it came to force. Just before midnight on the eleventh, a group of about ninety people surrounded the police station.[263]

According to this account, shortly after midnight, Pepe addressed the policemen with the intention of asking them to join in the defense of the government or simply to surrender their weapons. He started, "Compañeros, Police…" but could not finish because the police inside responded with a spray of gunfire that appeared to purposefully go over the heads of the group. They exchanged fire, but as the siege on the prison became more complicated than anticipated, many of the workers went back to their homes, leaving a dwindling force increasingly composed of *miristas*. After the attacking forces threw two molotov cocktails at the back patio, the police yelled out not to burn down the jail since their families—their wives and children—were inside. Despite the massive amount of gunfire exchanged, no one was injured. The attack on the jail, especially after the revelation that the families of the officers were inside, increasingly became a symbolic action with both sides firing, but avoiding actually hitting anyone.

Military reinforcements arrived from Choshuenco around five in the morning, and with this, the majority of the attackers disbanded. Pepe and a couple people departed through the mountains toward Carranco. Others reunited in the local sport club center. They decided that those most linked to the MIR should go into the mountains to avoid arrest. Early the next morning a group left Neltume and headed toward Pilmaiquen as military transport vehicles were arriving to the towns of Neltume, Liquiñe and Choshuenco. After an encounter with police helicopters in Pilmaiquen, eleven members of the group fled into the forest where they were pursued by the military for the following three months. The IV division of the Chilean army set up barracks in the different estates, and special units from Santiago, trained in guerrilla warfare, combed the forests in search of the escaped extremists. The military also conducted inquiries and searches to locate, arrest, and sometimes kill workers purported to be leaders and participants in the extremist movement of the Complex. Thus, with the attack on the jail and the arrival of the reinforcements, the reality of the coup arrived in full force to the forestry estates of the cordillera.

The "restitution of the Complex to the national territory"

[263] Bravo (2012) describes the weapons they had available for the attack; the members of the MIR had two Garand rifles, a Winchester semi-automatic rifle and two revolvers. Other participants added a rifle, a revolver and a pistol. They complemented their short supply of ammunition with some sticks of dynamite and Molotov cocktails. This is significant because the military would later report that the extremists in the Complex had stockpiles of weapons. A common practice in the early days of the dictatorship was to have press releases with a sampling of all the weapons they had found in hidden stashes. The military would display an array of weapons on a table for the local press to document. Florencia Mallon discusses this in *Courage tastes of blood.*

Although the military had already been present in the Complex for a number of days, *El Correo*, did not report on the forestry estates until the 16th. The opening page that day included a photo of the Armed Forces' display of the "gigantic arsenal" it had seized in the region of Valdivia through raids on industries, establishments, private residences, or in the *Complejo Maderero*. A separate, front-page article covered the military operation in the Complex in greater depth, representing as "public knowledge" the conversion of the Complex "into a center of guerrilla training and into an arsenal of extremist elements."[264] The article opens with a vivid description of the forested topography of the area as the perfect place for guerrilla activities before bringing readers up to date on the *mirista* attack on the Neltume police station; facing the valiant defense of the police, the *miristas* fled into the forests, heavily armed with powerful weapons. After emphasizing the violent threat the extremist elements represent, the article concludes with an interesting commentary on the place of the Complex relative to the nation: "We do not know if the operation in grand scale recently initiated by the Armed Forces has as its final objective to restore the Complex to national territory, seeing that there for a long time now different rules apply from those of the rest of the country, even entrance [into this area] is difficult for any person…"(ibid). Out of this, the Complex—with its own distinct set of rules—emerges as a place separate from the national territory.

Locating the Complex outside the nation was one of a set of tactics to render the leaders of estate occupations outsiders to the area and more generally, to Chile. The label 'extremist' clearly performed this work, as did equating everyone functioning in a leadership capacity to the MIR. The label, MIR, served to render people outsiders, even though many of the *miristas* in the Complex were born in the forestry estates and had worked in the industries their whole lives.[265] Other tactics of rendering the participants outsiders included: discursively separating them from the population of the area by portraying them as a tiny minority manipulating a vast majority; reiterating the foreignness of their ideology, especially by linking Communism or Marxism to Cuba; and finally, highlighting connections to foreigners. The different tactics employed to emphasize the outsider status of the "extremists" functioned to place them outside the nation. These strategies all fit within the military regime's National Security Doctrine and its justification of eradicating these internal enemies.

The representation of the Complex as separate from the nation continued the campaign carried out by representatives of the opposition—Pabla Toledo and Eduardo Koenig—in congressional sessions and in conversation with the media prior to the coup. Six months earlier, Koenig had characterized the Complex as "a true police state" in which the workers did not enjoy the right to freedom of movement, and into which even the Socialist representatives did not have freedom of entrance.[266] In their vision, extremists were responsible for transforming the forestry estates into

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[264] *El Correo*, 16 September 1973.

[265] Jose Bravo is one key example of a *mirista* native to the area, as were four of the guerrilleros who came back to Chile in 1980 to establish a base from which to launch a resistance movement against the dictatorship in the forests of the area.

[266] *El Correo,* 13 March 1973.

a "police state" and were controlling the workers against their will; they could not even "listen to the radio that they want" (ibid).

Across the final months of 1973, media coverage portrayed the military operations in the Complex as a liberation enabling the reintegration into the nation of a territory and population taken hostage by a group of extremists. For example, the article "Comandante Pepe and the guerrilla bosses of the Complex fall," reports that with the arrest of Comandante Pepe and the guerrilla bosses, the whole extremist and illegal process of this area would come to an end. Comandante Pepe and his gang are posited as responsible for the occupations and for terrorizing the people of the area: "From the first instant, the extensive forestry estates of the precordillera…that passed from private hands to the power of the State through a violent process of illegal occupation, were the scene of every type of outrage by the band of Liendo that implanted terror in the rural and urban population of the department of Panguipulli."[267] A subsequent article digs deeper into the relationship between the extremists and the workers: "There are examples of people who saw themselves forced to participate in trainings as a form of securing their daily bread."[268] And finally, after the arrest of twenty-two 'extremist elements,' a headline boldly declares the restoration of normalcy to the rebel territory: "Normalcy returns to the Complex. All the extremists fell. Any person can visit the place now."[269] In complete opposition to the Complex as 'police state,' where freedom of entrance and movement was denied all, "whoever wishes can enter into the precordillera [and] visit the very heart of the Complex" (ibid).

Coverage also emphasized the limited numbers of the group responsible for 'implanting terror'; "this precordillera sector is no longer a problem for the authorities and the inhabitants of this vast sector of our province, [previously] submitted to the terrorist rule practiced by a deranged minority and [now] totally neutralized and detained" (ibid). The phrase 'terror exercised by a minority' reappears along with other sentences highlighting that the transformations starting in the area in the early months of 1971 were the work of a small and deranged minority acting on, not with, the campesinos and workers of the Complex.[270]

Associating the 'extremists' with foreignness was another way of segregating them from the people and place of the forestry estates, and more generally from the Chilean nation. Not only was Jose Liendo (Comandante Pepe) repeatedly likened to Che Guevara, at one point *El Correo* described him as "of Mapuche origin".[271] This inaccurate description of Liendo as Mapuche was, unfortunately, another way of portraying him as Other, non-Chilean. Both before and after the coup, newspapers and oppositional representatives stressed the presence of foreigners in the Complex. For example, an article from September 25, 1973 reporting on twenty-eight individuals detained in the Complex, only specifically referenced among the detained,

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[267] *El Correo*, 20 September 1973.
[268] *El Correo,* 29 September 1973.
[269] *El Correo*, 30 September 1973.
[270] See *El Correo*, 2 October 1973.
[271] *El Correo*, 5 October 1973.

Jose Liendo and “a citizen of Ecuadorian nationality.”[272] They could have listed any number of detainees from the actual estates of the Complex, but they chose to emphasize the foreign presence, in addition to the notorious Comandante. The point is not that there were no foreigners in the Complex; interviews referenced two Ecuadorian sociologists working in the Complex, as well as a handful of volunteers from Sweden. Rather the aim is to show that oppositional coverage of the movement in the Complex selectively emphasized association with foreigners and foreign ideologies.

The above tactics functioned as part of the National Security Doctrine, separating and bounding the small group of extremists as enemies of the nation, and thereby justifying their elimination. However, these tactics also operated to deny the existence of any alliance between the *mirista* university students and the forestry workers of the Panguipulli area. As Chapter 2 demonstrates, these alliances were the result of relationships built across multiple years. Crucially, the figure of the manipulative, outsider extremist produces as its flipside, the passive, manipulated “*lugareño*,” or local—the “object of extremist terrorism.”[273] As the history of activism of the campesinos and workers of the area demonstrates (see Chapter 1), the people of the Complex were far from passive. However, in the early days of the dictatorship, discursive strategies combined with violence (or the threat thereof) to effectively discipline workers to accept a new identity; good workers were non-political, hardworking, and stability-loving. By definition, they could not willingly have participated in the very political act of occupying the forestry estates. On the one hand, political extremists were safely bound up in the label “internal enemy,” while on the other, non-political became the character-trait upon which membership in the Chilean nation was now contingent.

Good workers, good Chileans

Not only did the military operation restore the territory of the Panguipulli Complex to the nation, in doing so, it also secured the conditions for the restoration of the region’s workers to their ‘natural’ state: productive, non-political diligence. In the midst of the military campaign led by special units from Santiago, *El Correo* received special information that “the majority of the workers are ready to work and consider the operations and the actual situation as a liberation.”[274] With the extremists “thwarted”[275] and normalcy restored, conditions were secured that enabled productivity and cooperation to bloom in the heart of the Complex and in the hearts of the workers within. A very poetic article reports:

> In these instants whoever desires can enter the precordillera, visit the very heart of the Complex, and observe the new spirit that now reigns there and unites as brothers, experts and workers. In each of them, one may observe an extraordinary spirit of cooperation and of confidence

[272] *El Correo*, 25 September 1973.
[273] *El Correo,* 2 October 1973.
[274] *El Correo*, 29 September 1973.
[275] See *El Correo* September 29, 1973

> in the days to come. Now the terror exercised by a minority has disappeared and one hears in the solitary mountainous places only the noise of the machines that pierce the native forest in the search of wealth hidden in the mystery of the ravines.[276]

Following articles develop the before and after theme into a powerful refrain. The general in charge of the Valdivia region reports that in the place of terrorism is "a source of incalculable resources managed by responsible and efficient experts together with workers interested since forever in working in peace, tranquility and in security."[277] Once again, the "cleansing," ("*limpieza*") of the area of all extremist terrorism facilitated the expression of the eternal wish of the workers to work in peace. And finally, previously, workers were misused for political activities; "[a]lmost 95% of the workers that were previously used for rallies, parades, political activities, now are working normally," whereas now they are productively used for their intended purpose.[278]

As 1973 came to a close, prospective investment plans with the Japanese produced proclamations of the renewal of the Panguipulli Complex. The Coronel in charge of the Complex explained that with rational and scientific exploitation, "we are determined to make of the Complex the second copper of Chile." As part of this rebirth, the worker of the Complex is celebrated as an example of the hard-working Chilean: "the 3,700 workers who work there are now giving an example to the world of the perseverance of the Chilean."[279] Inasmuch as workers complied with this new role, they could become the embodiment of the Chilean on the international stage.

Violence and its echoes

Even while the return to normalcy was being proclaimed and the worker of the Complex lauded as an example of the Chilean's perserverence and hard work, the military raided the homes of the inhabitants of the estates and interrogated neighbors and family members about leaders and participants of political activities. Within the first two weeks of October, these operations of intimidation and information gathering rose into three puntuated moments of violence: October 3rd and 4th, October 9th, and October 10th.[280]

Following the attack on the Neltume jail, twenty-two people of the Complex were arrested and held prisoner in Valdivia. They were processed by military tribunals which sentenced twelve of the twenty-two prisoners to death by firing squad. Of these twelve, three were students from the Austral University and militants

[276] *El Correo,* 30 September 1973.
[277] *El Correo,* 2 October 1973.
[278] *El Correo*, 30 October 1973.
[279] *El Correo*, 23 December 1973.
[280] This section relies on Rojas (1991) as well as Barrientos (2003) for information. Barrientos offers a more in-depth analysis of the "logics of the performance of violence" in these three different instances. The executions of those from Neltume fit more into the national construction of the coup, whereas those of Chihuío and Liquiñe fit within a grid of local conflicts; for example, the patrón taking revenge against the union leaders and workers of the Complex.

of the MIR, including Jose Liendo, the infamous "Comandante Pepe," and one was from Valdivia and also a member of the MIR. The remaining eight were from the area, the majority from Neltume and Panguipulli; all were forestry workers in the Complex and all were members of either the MIR or the MIR's two extension organizations—the *Frente de Trabajadores Revolucionarios* (FTR), the Revolutionary Workers Front, or the *Movimiento de Campesinos Revolucionarios* (MCR), the Movement of Revolutionary Campesinos.

On October 9th, a military troop toured through Futrono, Llifén, Arquilhue, Curriñe and Chabranco and detained seventeen campesinos. The local police and the patrón who had owned the fundo Chihuío before its expropriation assisted the military with a list of names and accompanied the military on its operation. The majority of those detained were not members of any political party, but did participate in the local union, and some occupied leadership positions in the Complex. Later that night, the owner and administrator of fundo Chihuío organized a barbeque for the military and the local police at an old house in the estate. Afterward, they beat and stabbed the campesinos, before shooting them to death. They were buried in a mass grave behind the patronal house.

The following day, October 10th, the same military troop continued on to Liquiñe, where they searched for and detained fifteen union members and campesinos named by the local police and other collaborators. They took them to the bridge over the Toltén River, where they shot them and knifed the bodies so they would sink once they were thrown into the river. While the remains of those killed in Chihuío were recovered with the discovery of the mass grave during the transition to democracy, those who were thrown into the river are still classified as disappeared.

These executions are the most concentrated form of the presence of the military regime in the Complejo estates; however, these moments of violence radiated outward with ongoing effects among the living. The search for the 'extremists' who fled into the forest following the attack on the jail, like the search for the campesinos and workers on local police lists, brought repeat military and police raids into the living rooms of many family members. In an interview with CODEPU, the wife of one of the workers who was assassinated with Jose Liendo described the scene when the military raided both her and her mother-in-law's homes looking for her brother-in-law, Jose, one of the workers who had gone into the forest:

> The soldiers would come by every so often in the night and ask for Bravo, but they didn't identify well, let's say, which of all of them he was, and Rene had even been there many times but they were not searching for Rene or Sergio.[281] I don't know if they knew Jose's name, but they would enter the house of the mama, Sara, to the second floor, and they would search for him, but he wasn't there... They would

[281] Jose Bravo was the worker who went into the forest. He had many brothers; his older brother, Sergio, and his younger brother, Rene, were both detained and taken to the prison in Valdivia. While Rene was eventually released, Sergio was assassinated in the same firing squad as Jose Liendo. Rene went into exile, and later participated in the *Operación Retorno*, or Operation Return, which will be discussed in further detail later.

> search, that is, they would rustle through everything, those guys turned everything over in the house. They practically threw out our flour, since we had a barrel with three quintales of flour, by overturning it, they meddled there to know if there were things.[282]

On September 16th, the soldiers returned to her house, looking for Jose; however, this time, they detained her brother-in-law, Rene, with little concern whether they had gotten the correct person:

> Rene was in the bathroom, and to me, it impacted me very much because to take someone right out of the bathroom is, like, well…the soldiers came in, and Sergio was there as well, at that hour it was not yet time to go to work and Sergio went pale, white, and he stayed seated there, he was sitting with the baby in his arms and watching how they carried his brother, how they took him from the bathroom. Because they ask for 'Bravo', and Rene says, he didn't know, maybe Rene didn't realize who was there, he says 'what's going on with the Bravos, I'm here,' he says it like that, and the soldiers don't think twice about it and they take him from the bathroom, just how he was; they don't even let him pick up his pants, nothing. They take him out and they take him away the 16th (ibid).

Following scenes like the one above, family members endured years of trying to locate their loved ones to determine which prison they had been taken to, if they were alive or dead, and if dead, the location of their bodies. They endured terrible treatment by military guards who would send them back and forth from one jail to another. The narrator above reported that the guards at one jail threatened to put a bullet through her head if she did not stop sobbing (ibid). In addition to these travails, the family members of detained or disappeared people suffered stigmatization through their association with those targeted by the dictatorship. Many neighbors assumed detained persons must have done something truly bad to merit being taken away by the military, while others were afraid and wanted to keep a safe distance. Regardless, the stigma made life even more challenging for those already affected by the trauma of loss both through the withdrawal of social support and through more active taunting. One woman, who lived in Trafun leading up to the coup, illustrates this dynamic.

She moved to Trafun to live with her parents and brothers after her husband died around 1971. Her father and brothers worked in the Complex. She was in the house, holding her baby when the soldiers burst in with their rifles, shoved her aside and took her brothers. She never saw them again; as she would later learn, her brothers were part of the group that was killed and thrown into the Tolten River. She and a sister-in-law moved to Paimun and struggled to take care of themselves and their children. There, she explained, she and her family faced much discrimination: "The people in the school discriminated against my children, they discriminated

[282] CODEPU archives, Valdivia.

against me. When they saw me—I was poor, I had only one dress—they would say, 'here comes she of the green dress, of the communists; they killed her three brothers'."[283] It was not just verbal taunting; her family history also made it difficult to collect some of the few benefits the military regime provided the poorest social sector. For example, she was due to receive a kilo of milk, but they made her wait; they did not want to give her the milk "because I was a sister of the communists. But what did I know of politics? Not a thing. Because I was the sister" (ibid).

The aim of juxtaposing the repression experienced in the area with the media's portrayal of workers grateful for their liberation is not to claim that the dictatorship was dissimulating its own actions; rather, the point is to understand how the tactics of violence and representation worked together. The repression produced fear and a lack of trust that broke down sociality in the small towns of forestry workers. The stories of outsider, extremist manipulation and the vision of the forestry worker as eternally hard-working and apolitical broke the connections of the workers to the past, to their own participation in producing change, and to each other. It also made earning a living that much harder for the people of the Complex. While those directly tainted by a death in their family suffered the greatest stigmatization, the mere connection to the Complex could be enough to give potential employers pause before hiring.

Eight years into the dictatorship, in mid 1981, a skirmish between the military and a group of thirteen guerrillas in the forests outside Neltume led to the return of a strong military presence in the area, thereby renewing all the above effects of violence, fear and suspicion, and reinforcing the stigmatization of the inhabitants of the Complex estates. At the end of 1980, a group of *miristas* in exile initiated the execution of a plan to return to Chile and establish resistance bases from which to fight the dictatorship.[284] The forested mountains of the Complex were selected to serve as one of these bases both due to the terrain and the area's history of social mobilization. From the first contact with the guerrilla group in June of 1981 through the end of the year, the area of the Panguipulli Complex swarmed with military and the mountains once again echoed with gun fire, bombings, and fighter jets as the military sought to eliminate the guerillas through force.

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[283] Interview by the author, Valdivia, 6 December 2011.

[284] This plan was called "Operation Return." While a vast network logistically assisted with this plan, both internationally and in Chile, in the forests outside Neltume, there were thirteen men who lived in the mountains for six months digging underground shelters. Eleven guerrillas died in confrontations with the military in 1981, five of whom were forestry workers from Neltume. For more on *Operación Retorno*, please see the book written by the survivors, *Guerrilla en Neltume* (Comité Memoria Neltume 2003). While this is an extremely significant component of the history of the people and the estates of the Panguipulli Forestry Complex, I have chosen to give it as brief a treatment as possible. Inasmuch as Neltume and the Complejo Panguipulli are known in Chile, it is because of the sensational story of the guerrillas of 81. As this chapter argues, the magnetism of the sensational elements of the history of the Panguipulli Complex draws attention away from: (1) the participation of the non-guerrillas in taking over the estates and creating the Complex; and (2) the mundane ways the dictatorship remade forestry work.

"Victims of deceit"

When Pinochet visited Neltume in 1975, his words to the workers contained in condensed form each of the discursive dynamics summarized above. At the massive ceremony that kicked off his visit to Neltume on the 8th of December 1975, Pinochet drilled in a Manichean vision of good and bad Chilean:

> In previous periods, you all have been the victims of deceit. You were fertile terrain for foreign ideas, but I see with happiness as a Chilean, that today I find myself with a group of Chileans that are well grounded and also fighting for the wellbeing of Chile.
>
> And I also say that those who continue insisting secretly, those who throw rocks and then hide their hand ¡be careful señores! because they are bad Chileans, and you all, as good Chileans have to be the judges in the case that they continue acting in this form.[285]

In this speech, Pinochet offers the inhabitants of the Complex an out; if they assumed the role of "victim of deceit," the "fertile terrain" of outsider manipulation, they could continue living and working as good Chileans. But if they admitted any political, let alone personal, agency, they would be bad Chileans, and ¡cuidado señores!, by 1975, they knew what happened to those classified as bad.

At the close of his visit, Pinochet reinforced this vision of diligent workers manipulated by outsiders at the same time he singled out the area as the key problem spot for the government:

> I have come here, especially, to be in contact with the workers, to give them the hope and the faith to continue advancing, working, because this zone is the most conflictive that the Government has at the moment.
>
> For many reasons they grouped together the workers and they offered them many guarantees, and not even one did they follow through on.
>
> This was the zone of preparation of guerrilla schools. Now, we see with satisfaction that they have left this to the margin.
>
> However, as I showed in the meeting I had, there are some who continue with insistence, trying to suffocate the morale of this people.
>
> I believe that solving the problems that exist, we are going to advance…[286]

[285] *El Correo*, 9 December 1975.
[286] *El Correo,* 9 December 1975.

In the years following the coup, Pinochet kept this "most conflictive" zone in state hands. In the next sections, I look at the many methods the military regime used to solve "the problems" of the forestry estates after the initial peak in violence.

The rebirth of the Panguipulli Complex

Following the coup and the military operation 'cleansing' the forestry estates of extremists, the local newspaper brimmed with reports of the advances being achieved in the Panguipulli Forest and Timber Complex. Discovery after discovery of the failures of the previous regime—from the scandalously poor housing conditions of the population to the wasteful lack of productivity—provided new frontiers for the military regime to display its superiority. With the military's efforts, diligent workers, and vast forestry wealth, a glorious future was proclaimed for the Panguipulli Complex: "once actual potential is transformed into effective yield, it should occupy as a company a place only surpassed by the Grand Mining of Copper."[287]

In October of 1973, Pinochet named General Rene Lopez Garcia the military delegate in charge of the Complex. He also charged Lopez Garcia with investigating the current state of the Complex—its resources, population, organization, and programs—and writing up a report of recommendations for its new political-economic direction (Rojas 1991, 33). The findings that Lopez Garcia shared with *El Correo* in February of 1974 emphasize the previous regime's complete lack of concern for the needs of the resident population:

> The organization imposed on the Complex by the prior regime—says the Military Delegate—was destined only and exclusively to the extraction of forestry and livestock riches. Rather, this constituted a type of screen for other activities very foreign to a company of this nature. In any case, the activities of support necessary for the development of its activities were not considered. There was no social assistance, nor was there any concern for the housing problem, the promiscuity, health, education, nor other aspects. Everything was directed only to exploit wealth, without any projection into the future.[288]

In contrast, the new organization of the Complex did address the needs of the "twenty-five thousand people that depend on its activities for their subsistence" (ibid). Lopez Garcia described the new organizational chart of the Company, listing all the social services included in addition to the production-oriented departments. He also explained how they divided the Complex into five large areas, each made up of three to four estates, that both work together and are granted flexible independence. He reported that despite their focus on restructuring and not on productivity, the new tranquility of the environment had enabled the workers to enormously increase their production, to the point of oversupply. He closed with the terribly housing conditions of the people: "The promiscuity in which many families

[287] *El Correo*, 21 February 1974.
[288] *El Correo*, 21 February 1974.

live is horrific…there are cases in which in one single home, up to five whole families live"(ibid).

As the military transitioned out of 'cleansing' the area of extremists it embarked on a new operation to cleanse the area of disease and other health hazards. Starting at the end of 1973, the Military and the National Health Service worked together to form a Civilian-Military Program for social assistance, health and sanitation. The reports of their activities served both to shock with the wretched conditions the poor people of the Complex endured, thereby discrediting the prior regime, and to illustrate the solid, efficient work of the military. For example, revealing the rat and parasite-infested environment of the forestry estates, an article reports that the Civilian-Military Program is carrying out "a complete sanitation campaign that includes rodent control, anti-parasite treatments, health education talks, and inspections."[289] Further communicating the military regime's concern for the workers, Coronel Lopez Garcia shared the aims of the newly established Department of Wellbeing of the Complex to "elevate the housing, nutrition and health levels of the people of the Complex."[290] The new directors of the Complex were even coordinating with the National Health Service to ensure that the general stores of the Complex offered a nutritionally and scientifically balanced diet.[291]

By July of 1974, Lopez Garcia celebrated the "new reality" of COFOMAP, listing the transportation, health and housing challenges that they faced, but were overcoming. He drew out the novelty of their housing construction program: "in these moments, settlements are built for the workers in the heart of the Complex, something that before did not exist, not even was it planned" (ibid). But the central element of the Complex's new reality was the "spirit of cooperation that animates the workers of the complex. When we have needed extraordinary quotas of force from them, it has been amply offered to us" (ibid). This image of the cooperative, enthusiastic worker emerged in the early days following the coup and continued across 1975; freed from the political yoke of the extremists, workers enthusiastically worked over ten-hour days, without being asked and provided voluntary labor to construct clinics and new roads, fueled only by their patriotic fervor.[292] Lopez Garcia used his interview with *El Correo* to bring home the lesson on the straight-forward character of the worker of the Chilean fatherland and the pesky, manipulative minority who wanted to destroy this: "When one confirms the sincerity of the worker of our Fatherland, his wholesome concept of life and of relations with others, indignation is renewed against the scarce minority that tried to wield them…The Panguipulli Lumber Complex today is a different thing, a new reality full of vigor and patriotic spirit."[293]

The emphasis on newness belied the fact that most of the interventions that the military trumpeted as its own were actually the extension of programs initiated by the previous regime. Whether of his own accord or following an order, Lopez

[289] *El Correo*, 26 February 1974.
[290] *El Correo*, 21 July 1974.
[291] *El Correo*, 4 July 1974.
[292] See *El Correo*, 10 October 1974; 14, 20 June 1975; 1,2 July 1975; 12 September 1975.
[293] *El Correo*, 4 July 1975.

Garcia publically portrayed the Complex as an absolute mess with no organizational structure, little concern for the health and wellbeing of the workers, and out to make exploitative use of the natural resources as a mask for political, underhanded undertakings. However, selections from the report Coronel Lopez Garcia prepared on the organization, resources and population of the Complex reveal a *positive* evaluation of the previous regime's programs (Rojas 1991, 179-182).

In stark contrast to what he told the press, in his report Lopez Garcia wrote, "To date, there is an operable organizational structure."[294] Far from a haphazard exploitation of forestry resources, he recorded that the administration of the Complex had been carrying out a development plan drawn up through agreements with the Austral University (UACH), the FAO and the Forestry Institute (INFOR); specifically, with the UACH and INFOR, it had performed a Forest Inventory and with the FAO it had developed a management plan based on the principal of multiple use. Additionally, he noted the industrial projects emerging out of partnerships with Finland and Japan, particularly the Japanese company, Marubeni, and its study on the feasibility of a cellulose plant. Regarding COFOMAP's Farming and Livestock Program, he explained that it both served a productive, functional purpose by supplying forest production with healthy work animals and helped provide food for the population of the Complex. Overall, the Agriculture and Livestock program represented a "rational… and technical development of the use of the resource…based on the concept of multiple use." He identified as key goals generating work and counteracting the "occupational seasonality of the work in the mountains," noting that the agricultural, livestock and beekeeping programs already functional in COFOMAP helped in this regard. This is indeed a far cry from saying the previous regime neglected the needs of the population and irrationally exploited the forests.

The main message of Lopez Garcia's report is that COFOMAP is a project with great potential; it could "foster a regional economic development in integral and profound terms with national projection." He firmly recommended keeping the company in state hands because: maintaining the forests as a renewable resource "requires large investments whose fruits are collected in the long term," something the private sector would not be disposed to provide; and the large resident labor force requires investment in roads, schools, heath centers and housing. He also emphasized keeping the estates of the Complex together because the previous administration's investment and work effectively transformed the separate estates into a functioning unit of production:

> The current situation, derived from the centralized administration of this area, conceived as an economic and social unity, meant studies, work, and investment that today is manifested in buildings, installations and engineering works of various undertaking, that would end up unused upon disaggregating into estates the units that gave

[294] The quotations from the next three paragraphs come from selections of Rene Lopez Garcia's Report, "Brief Synthesis of the Panguipulli Forest and Lumber Complex Ltda. (COFOMAP)," provided as an annex in Rojas (1991). The authors date the document as from January 8, 1974.

> origin to and constitute blocks or hegemonic sectors of resources to manage, indifferent to their old inclination.

The final conclusions leave little doubt as to Lopez Garcia's opinion of the great potential of the Complex and the necessity of keeping it an economic unit and a state-owned company:

> The Panguipulli Forest and Timber Complex, the source of wealth of renewable resources SHOULD CONTINUE IN THE HANDS OF THE STATE, due to the economic and social possibilities that it represents for the country and consequently for the region…The state is the only entity that guarantees and responsibly enables the best conditions and possibilities in its scientific and rational management so that this wealth may be permanent…A special emphasis is made in these conclusions that the perspectives of new industries and related investments, cannot change in the immediate future the policy of ECONOMIC UNITY IN THE HANDS OF THE STATE.

While this document would later serve as a resource for subsequent directors trying to defend the Complex and its estates from the privatizing passion of other governmental institutions, in the moment of its writing—January of 1974—it confirmed that COFOMAP as a whole could be a useful resource for the dictatorship; the nature of the utility, however, was multifaceted.

A central element of this utility was, of course, beating the Unidad Popular at its own game, showing that it could more effectively bring development to this neglected frontier region. To this end, the new directors of the Complex adopted the plans and the rhetoric of the previous administration; from the organization of the Complex into five areas, to forest inventories, partnerships with INFOR and the Austral University, and multiple-use forestry to housing and health programs, the military presented plans and programs as their own innovation.

Across multiple articles celebrating the great potential of the Complex, heralding it the largest forestry company of the country, run references to the mining section and statements of making the Complex "the second salary of Chile" or "the second national wealth," directly echoing the previous administration's own boosterism.[295] Lopez Garcia declares "We are determined to make the complex the second 'copper' of Chile," and if the echoing was not sufficiently clear, *El Correo* elaborates his intention; "When it is said that the Lumber Complex of Panguipulli will mean the second salary of Chile, it is because truly so it will be."[296]

Much of the excitement for the glorious future of the Complex and the confidence in its status as a second copper was pegged to the Marubeni pulp project. The Allende administration initiated conversations with the Japanese Company, Marubeni, about investing in a short-fiber cellulose plant in the Panguipulli Complex. The plant would transform the over-mature trees that were not usable in other

[295] *El Correo*, 23 December 1973; 15, 27 April 1974.
[296] *El Correo*, 23 December 1973.

industries into profitable pulp. Japanese representatives had toured the Complex and were studying the feasibility of the pulp project when the coup interrupted. The military regime quickly resumed these negotiations, closing 1973 with the exciting announcement that "the Japanese would invest 100 million dollars in the Lumber Complex" (ibid). This 100 million dollar project became the stuff that dreams of the rebirth of the Complex and of the whole Valdivia region were made of.

The rebirth of the Complex and the renewal of the Valdivian region as an industrial power rested heavily on this pulp factory. When CORFO and Marubeni signed a contract to investigate the feasibility of the cellulose plant, *El Correo* escalated its importance to national levels: "The installation of this plant in our environment will not only affect the regional economy, rather, at the same time it will be transformed into a source of the influx of currency for the national economy."[297] As Japanese experts toured the estates collecting data for their feasibility investigation, General Lopez Garcia firmly linked the pulp plant to the Complex's fulfillment of its 'second salary' destiny: "Once the industry of short fiber cellulose is concretized, the Forestry Complex will truly come to constitute itself as the second economic power of Chile after copper, with its enormous forestry extension of over 400,000 ha."[298]

As investigations of feasibility crept into 1975, the Marubeni pulp project assumed a mythical force that the military wielded to resign the workers of the Complex to their shabby present with the promise of a glorious near future. By July of 1975, many workers had not received wages for three months. The general in charge of the province traveled to the Complex to converse with the workers, solicited their patience, and explained that the current situation was due to the past administration's mismanagement. He then reassured the workers about their future: "Soon, there will be a Cellulose Plant where there will be 'work for you all, your children, and the children of your children'."[299] In November they still had not been paid, and across 1976, references to Marubeni slowly disappeared.

By 1977, celebrations of the Complex as a great wealth of the nation and praise for its hard-working resident population had also disappeared from the media. Internally, the directors of the Complex had left the Department of Wellbeing far behind, initiating a widespread eviction policy and lamenting the drag on the company's resources represented by the large resident population. While in 1976, the leadership of the Complex had passed to Julio Ponce Lerou, a figure notorious for using public positions for private gain during the dictatorship, the about-face in COFOMAP policies cannot be attributed solely to this singular personality.

Although the positive portrayals of the military's intervention in the Complex and the hyperbolic celebrations of the area's potential did not condense into the multi-million dollar project, they produced non-economic dividends for the dictatorship. The new regime sought to cleanse the area of extremists and to delegitimize the Unidad Popular—to neutralize the Complex as swiftly as possible. With military operations, wellbeing programs and industrial investment plans, the

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[297] *El Correo*, 24 January 1974.
[298] *El Correo*, 10 April 1974.
[299] *El Correo,* 1 July 1975.

new regime flipped the Complex from a rebellious territory into a showcase of the development it could provide. The Marubeni plant played a key role in this process by symbolizing the promise of an imminent, glorious future within the crucial first years of the dictatorship. The Marubeni project was the perfect forest industry investment for this purpose. Not only was it already partially planned, once built, it could immediately make use of the over-mature trees that the plywood and door and window industries could not use. That is, unlike these other industries, the pulp plant did not have to wait for the replenishing and maturation of the deteriorated forests to produce.

In those first years, the dictatorship benefitted from its connection to this state-of-the-art (Japanese technology!) plant and its promise of fast returns and ongoing employment. By the time the two-year contract between CORFO and Marubeni expired in July of 1976, the area of the Complex had been neutralized violently and symbolically. Once the low-hanging fruit of Marubeni fell through, however, the dictatorship was not interested in investing in the research and time necessary to coax out the economic promise of the native forests of Panguipulli.

From rebirth to renunciation

After the Marubeni project disappeared, the administration of the Complex underwent many shifts; the most significant was the marked swing from celebrating the potential of the Complex to intense neglect (or even abuse) of the people and resources of the estates following Pinochet's nomination of Julio Ponce Lerou, his son-in-law, as the President of COFOMAP.

Julio Ponce Lerou served as President of the Administrative Council of COFOMAP from March 1976 through June of 1983, when an anonymous document circulated among the top ranks of the military regime detailing Lerou's use of public positions for private enrichment, generated sufficient scandal that Lerou voluntarily stepped down from his numerous public posts (Osorio and Cabezas 1995).[300] Lerou is a notorious figure in Chile. He is one of the central people María Olivia Monckeberg (2001) profiles in her book, *El Saqueo de los Grupos Económicos al Estado Chileno*, an investigative work exposing how the most wealthy holding companies [*grupos económicos*] of the country built their fortunes through the questionable privatization of public companies during the dictatorship. Victor Osorio and Ivan Cabezas (1995) devote a whole chapter of their similarly focused book, *Los hijos de Pinochet,* to Ponce Lerou.[301] In these important studies, COFOMAP appears as one in a long list of state

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[300] In 1983, a journal of the opposition, *Revista Hoy*, denounced Julio Ponce Lerou for "using the Panguipulli Complex of 500,000 hectares as if it were his own estate, making use of the technical, human, and economic resources of the complex for his own personal activities related to the forestry and livestock sector, which are strong in the south of the country," quoted in Espinoza et al. 1999, 39.

[301] He also appears in the Congressional investigation of the irregularities associated with the privatization of state companies, started in 1991, and then resumed and completed in 2004. The report of the investigative commission, entitled "Informe de la comisión investigadora encargada de analizar presuntas irregularidades en las prviatizaciones de empresas del estado ocurridas con anterioridad al año 1990," is accessible here: <http://www.archivochile.com/Chile_actual/21_est_ide/chact_estidea0001.pdf>

companies that Lerou used for his own benefit. However, Lerou's scandalous behavior is not the only content of the story and should not overshadow how his actions significantly affected the people and territory of COFOMAP.

Lerou innovated the application of a new precarious work form in the COFOMAP estates that endured long after he had left the Complex; after accepting the workers' 'voluntary' resignations, he pushed mass evictions, and then rehired workers through agreements with CONAF under new, and supposedly temporary, Minimum Employment Programs.

Even the official notes of the meetings of the COFOMAP Board of Directors illuminate Lerou as a crafty character. Within the first session, the legal counsel of the company, Hernan Rosenthal, explains that it is of utmost importance that the powers and rights exercised by the Administrative Council be granted to the President of the Council, otherwise the company would not be able to operate with the necessary agility. The Council agrees this should be done, and Rosenthal is charged with investigating how to make this project compatible with CORFOs regulations, which exist precisely to limit the ability of a Council President to singlehandedly commit the patrimony of the company. In session three, Lerou explains that he received a communication from the VP of CORFO that "imparts instructions to the Board of Directors to delegate to the person of the President of Council the powers necessary so that the management that it carries is the most efficient and expeditious possible."[302] That very meeting, a legal contract is signed that passes all the power that resided in the council to the person of Ponce Lerou.

In many of the sessions, Lerou simply informs the other directors what is going to happen, or what already has been decided, and smooths over their concerns or questions. For example, in the second session he informed the Board that "production activities in the company have been suspended and that the personnel of blue collar workers has been transferred to CONAF. From a staff of 2,500 people, only 100 white collar workers and 44 blue collar workers remain, with 24 of these last financed by the Klingenberg company, which is renting the plywood factory of the Complex" (ibid). Now, "the main activity of the company is directed toward selling wood," as opposed to producing it (ibid). Thus by the end of 1976, the Complex had stopped any productive activity and focused on selling off its existing stock. This meant it could seriously downsize its personnel.

The next session, convening on January 27, 1977, reveals more about the fate of the reduced work force. President Lerou tells the directors that "based on the CONAF-Complejo Agreement…CONAF has contracted some 2,500 people through the system of Minimum Employment, to allocate them to forest management tasks, improving the quality of the forests" (ibid). When one of the directors asks about the situation of the workers who were transferred to CONAF, Lerou reassures him that "the people of the Complex renounced voluntarily and were contracted as a worker [*obrero*] of CONAF in the same act, and in equality of conditions as the personnel of CONAF." To really put this director's concerns at ease, Lerou continues, "in general,

[302] Vol. 115, COFOMAP, CORFO Archive, ARNAD.

they have improved their situation, since the real income that they were receiving was pretty low" (ibid).

In this meeting Ponce Lerou also explains that "he has been obligated to take drastic measures of internal ordering" (ibid). These measures basically emerged from Lerou's perspective that people living in the Complex constituted a nuisance. However, he arrives at his point—that the people and their 3,000 houses scattered across the Complex should be concentrated in nearby towns—through some interesting steps. First, he explains that he had to prohibit the people from keeping animals in the forest because they threaten the regeneration of the trees. Second, that he has asked anyone who neither works for CONAF nor COFOMAP to vacate their homes, because only the functionaries of these organizations should enjoy the rights to use the houses. Finally, he concludes that he has offered the people that they emigrate to nearby towns, for their own good:

> [I]nside of the Complex there exist some 3,000 houses located in different places and…the people who occupy them have been offered to emigrate to neighboring towns, with the goal that the population is concentrated, to avoid the isolation to which they are submitted in winter, and to avoid in this way, the mortality problem that is produced, more than anything, of children, due to not counting on nearby means of assistance…to realize this change, they have been offered the house as a gift, and to pay them the transport charge and 200 inches of wood for the converting and improvement of their dwelling (ibid).

While the drastic reduction of directly employed workers had been carried out at this early point in 1977, the eviction of the forestry workers and their families would take several years, with most being kicked out in 1979.

The work settlement of Julio Vasquez Alarcon provides an example of the paperwork that closed the contracts of the workers of the Complex. "Voluntary renouncement due to strictly personal reasons" is recorded as "the cause of termination".[303] Among the ex-workers of the Complex, these 'voluntary' renouncements are notorious. One worker described these renouncements as forced: "They made many people sign….They presented them the letter of renunciation, and as they didn't know how to read, many signed it, they signed the letter of renunciation."[304] (October 10, 2011). He continued and emphasized the trickery involved in obtaining the signatures:

> One signed on top, but underneath came other papers, all arranged, and the last of these papers came saying, 'I signed voluntarily, I retired.' Then they didn't pay anything of social security [*libretas de seguro*]. They lost them [the social security booklets]. They burned them.

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[303] Vol. 414, COFOMAP, CORFO Archive, ARNAD.
[304] Interview by the author and Cristobal Vivanco, Neltume, 10 October 2011.

> Therefore there are many that don't have their green booklets where they recorded the taxes…but I kept my social security book (ibid).

Whether or not the crafty stacking of papers and taking advantage of illiterate workers were how the new administration obtained the voluntary renunciations, this worker's story clearly questions the "voluntary" nature of the signatures. Additionally, it signals the loss of social security benefits, which for many workers added up to decades of contributions docked from their wages.

As the worker noted above, he kept his social security book. Unlike the other workers, he did not sign. He happened to be in the hospital when the renunciation letter arrived at his house. According to this worker, the company sent a young woman to the hospital to get his signature. Because he did not know how to read, he asked her to read the letter to him, but she said the company was only interested in his signature. He refused, saying he wouldn't sign anything without understanding it first and pressed the bell to call the nurses to summon his doctor. He explained to his doctor that they were trying to get him to sign a letter. The doctor read the letter and explained it to him. When the young woman returned, the hospital staff refused her entrance. This is how this particular worker kept his social security benefits and his job, continuing to work as a herder in Pilmaiquen into the 1980s (ibid).

A different worker helps illustrate what the shift from COFOMAP to CONAF meant, a transfer Lerou portrayed as an improvement in situation. They removed him from the new house he had built in Carranco. He only got to live in that house about a year before the coup, after which they sent him to Quechumalal.[305] He and his family lived in Quechumalal for four years before they were definitively kicked out of the Complex. During this time, he worked for CONAF:

> They transferred me to La Union, in the South…But alone, without women, to work. There we went to work in forestry, cleaning, removing undergrowth and weeds for CONAF. There, we were in a camp. One of the men in the crew, we had some eighty people, one or two of these would make the food and give it to all the people. They paid us for the tasks. They would bring us here [Panguipulli], once a month, they would bring us in bus and let us off here in Panguipulli. From here, we would take a boat, a passenger boat to take us back to our houses in Quechumalal.[306]

He and many other ex-workers of the Complejo worked in forestry labor camps. They lived in temporary housing in the worksite and returned home to their families once a month. He made sense of this new work in forestry labor camps as a move on the part of the Administration "to vex the people [*aburrir a la gente*] who had carried out the occupations in the Complex" (ibid).

Instituting minimum employment in the Panguipulli Complex

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[305] Interview by the author and Cristobal Vivanco, Panguipulli, 8 August 2011

[306] Interview by the author, Panguipulli, 19 August 2011.

From 1976 through the later 1980s, CONAF and COFOMAP formed and renewed agreements, like that referenced by Ponce Lerou in the Second Session, based on Minimal Employment Programs centering on tasks like soil rehabilitation and forestry management.[307] In 1974, the Ministry of the Interior created the first Minimum Employment Program, the PEM (the Program of Minimum Employment) to address the surge in unemployment following the initial implementation of neoliberal reforms.[308] Originally meant as a temporary measure to assuage the adjustment pains to the new political-economic system, the PEM operated from 1975 to the end of the dictatorship. By 1983, those enrolled in this program constituted 8% of the labor force, while official unemployment levels still averaged 18.1% of the labor force from 1974-1982 (Ruiz-Tagle and Urmeneta 1984).

The PEM was a very demeaning program; enrollees earned a third the minimum wage to perform tasks like road construction and playground repair. In 1975, the Ministry of the Interior formed an agreement with CONAF to allocate the PEM toward contracting labor for forestation and reforestation programs. By 1976, this agreement was adjusted so that workers contracted to CONAF through the PEM program would receive a minimum agricultural wage, with the PEM income subsidizing this wage for CONAF (Ruiz-Tagle and Urmeneta 1984).

In April of 1976, CONAF and COFOMAP signed an Agreement of Management and Forestation, active in all 22 estates, 390,000 hectares of the Complex. The agreement employed 1,676 people through the PEM, and 1,252 permanent workers through CONAF.[309] The tasks centered on silvicultural interventions to restore the native forest or the rehabilitation of soils for livestock pasture. The partnership between COFOMAP and CONAF would be renewed each year with varying allocations of PEM and 'permanent' positions depending on the PEM quotas the Ministry of the Interior offered to the partnership.

In the first few years of the program, much labor was directed toward rehabilitating soils for livestock grazing. The livestock program was Ponce Lerou's pet project and it is very likely that Lerou extracted most of his illicit gains through this program.[310] Even while he proposed the eviction of the human population and forbid their keeping of livestock, he concentrated more and more animals in the COFOMAP estates.[311] For example, he used his position as head of COFOMAP to take over Hacienda Rupanco, a nearby livestock operation.[312] As he explained to his fellow directors, the idea was to buy mini-estates, incorporate them into COFOMAP, improve the terrains, and then sell them to the private sector. PEM workers, employed through CONAF-COFOMAP agreements performed these improvements, prepping the terrain for pasture. A worker from Neltume explained how Lerou used the PEM

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[307] See Vol. 38, COFOMAP, CORFO Archive, ARNAD.

[308] A second program—the Occupational Program for Household Heads (POJH)—started after the economic crisis of 1982, will be covered later in the chapter.

[309] *El Correo*, 30 June 1977.

[310] Those with a mind for business might be able to decipher some tricks in Lerou's creative accounting, evidenced in Vol. 115, COFOMAP, CORFO Archive, ARNAD.

[311] The headcount of company animals went from 7,118 in March of 1976 to 10,573 in December, 1980 (Vol. 122, COFOMAP, CORFO Archive, ARNAD).

[312] Session 2, Vol. 115, COFOMAP, CORO Archive, ARNAD.

workers as his own personal workforce: "The other part that the Complex had was the Hacienda Rupanco in Osorno. There, Don Julio Ponce was the owner, and he had people from the Mínimo [the PEM] working in that estate, his dairy, his animals, all people from the Mínimo."[313] Within the COFOMAP estates, ex-COFOMAP workers, mostly of PEM, converted 4,300 hectares to pasture between 1977 and 1982.[314]

The CONAF-COFOMAP agreement did also contribute to the management of the native forest, and even while Lerou was extracting personal gain from the livestock program, experience within the COFOMAP estates produced new knowledge about the region's native forests. Within the first year of the agreement, 1,622 hectares were reforested with native species and a greenhouse system produced four and a half million plants for future reforestation.[315] The COFOMAP administration also opened their estates to experiments; starting in 1980, CONAF, the FAO and professors from the University of Chile carried out studies on the regeneration of native forests of rauli in different sites within the Neltume estate[316] and in 1980, COFOMAP signed an agreement with the Austral University to carry out an investigation on rauli in Pirihueico and Neltume.[317]

The efforts at understanding and recovering the forests increased upon hiring Tomás Monfil as the head of the Forestry Management Area. He served in this position from March of 1979 through November 1986.[318] Monfil was a silvicultural expert steeped in practical experience. Prior to being hired by COFOMAP, he led a reforestation campaign in the southern region of Aysen that recuperated 10,000 hectares with forests. While at COFOMAP, Monfil developed a system of native forest regeneration combining reforestation with the management of secondary forests that gained the recognition of university forestry engineers. Luis Otero, a forestry professor at the Austral University, summarized Monfil's work in COFOMAP as part of an overall homage to him as a practical forestry expert:

> There, he developed a fruitful work of the management of secondary forests of roble, rauli and tepa, and a selective management system of the heavily exploited forests of rauli, based on economic use, the creation of natural greenhouses, and the enrichment of forests through plantation, and the shaping of natural regeneration. In the ex Complex, he developed the Method of the "future tree" for the thinning of secondary forests. In total, they came to manage around 10,000

[313] Interview by the author, Neltume, 30 November 2011.
[314] Vol. 136, COFOMAP, CORFO Archive, ARNAD.
[315] *El Correo*, 30 June 1977.
[316] Harald Schmidt, Alvaro Urzúa, and Antonio Rustom, *Ensayos de Regeneración de Bosque Nativo de Raulí: Resultados Iniciales* (CONAF, 1983).
[317] Session 14, Vol. 115, COFOMAP, CORFO Archive, ARNAD.
[318] Vol. 63, COFOMAP, CORFO Archive, ARNAD.

> hectares and to plant about 2,000 hectares with roble, rauli and coihue.[319]

As the head of the Forestry Management Area, Monfil worked with many Minimum Employment workers, training them in forestry management techniques, like thinning, pruning, and ringing, as well as in the collection of seeds and production of seedlings in greenhouses. By 1985, 170 people, mainly women,[320] worked in three greenhouses in Molco, Reposito and Arquilhue.[321]

Monfil's work managing and regenerating the forests complemented the production arm of COFOMAP, which was performed by private, third party companies. While private companies would cut and process the wood through logging concessions and renting different industries in COFOMAP, COFOMAP would manage the forests. The workers of the Complex were hired by the logging companies, but not in great quantities, thus most depended on the Minimum Employment positions. Whether working in production with private contractors, or learning and performing forestry management with CONAF, workers had temporary, poorly paid positions. Although pay slightly improved in 1983 with the inauguration of a new national Minimum Employment Program – the Occupational Program for Heads of Household (POJH), workers' contracts were still temporary, fluctuating from year to year and seasonally. A document summarizing the work the administration of COFOMAP carried out to "heal a company absolutely deficit and lacking in every type of formal organization," uses the seasonality of forestry work to justify the fluctuating contracting of labor:

> The contracting of labor (blue collar workers), is very changeable across the year, since due to the climatic conditions where the work tasks of the productive activities of the company are performed, all the work that is undertaken is of a transitory type; for this reason, the company's activities are essentially of a period, seasonal, which makes the calendarization [sic] of the programming of labor considered in the plans and productive goals of each season unpredictable.[322]

While under the Unidad Popular, COFOMAP linked the longevity of the forestry resource with long-term availability of employment and sought ways to ensure year-long employment by counteracting the seasonality of forestry work through complementary programs, the new administration saw the seasonality of forestry

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[319] Luis Otero, "LuisOtero: Mis Libros, Pinturas Y Opiniones: Homenaje Al Silvicultor Tomás Monfil," *LuisOtero*, June 26, 2009, http://luisotero1.blogspot.com/2009/06/homenaje-al-silvicultor-tomas-monfil.html.

[320] As the dictatorship progressed, the portion of women in both minimum employment programs—the PEM and the POJH—increased. See Heidi Tinsman (2002) for more on the interesting shifts in the gender dynamics of labor across the Unidad Popular and the dictatorship.

[321] Session 47, Vol. 30, COFOMAP, CORFO Archive, ARNAD.

[322] 29 July 1980, Vol. 83, COFOMAP, CORFO Archive, ARNAD.

labor as necessitating new fluctuating, temporary work forms, best typified by the regime's Minimum Employment Programs.

Eviction

In February and March of 1978, CONAF carried out a survey of the families living in the COFOMAP estates. As the introduction to the survey report makes clear, kicking people out of the COFOMAP estates had already been decided upon as the goal; how best to achieve that goal was the object of the study: "With the objective of finding a rational solution to the problem raised with the eviction of the people who live inside of the COMPLEJO FORESTAL Y MADERERO PANGUIPULLI (COFOMAP), a Survey was made to be applied to the total of the Family Groups that live inside of the Complex, including 25 sectors, with an area of 337,000 Has."[323] 1,163 surveys were carried out across the twenty-five sectors, with 6,472 people forming the groups of immediate family, and 486 "*allegados*," or other relatives who had arrived to live with these family groups. One of the data collected was whether the head of the household owned a house outside of the Complex. Of all the family groups, only 4.64% of the heads of household did, which would provide alternative housing to only 295 people.

Across the notes from the directors' meetings, "the social problem" makes frequent appearances. This survey represents an attempt to get the full measure of this problem, to find out just how entangled the population was with the territory and how challenging the uprooting would be. The survey recorded the number and location of schools and health posts within the COFOMAP territory. Twenty-six schools with an enrollment of 2,242 students must have been a disheartening discovery.

Lerou notified the other directors of the survey at the 10th meeting of the Administrative Council, on May 4, 1978:

> [T]hey carried out a survey on the people who live inside the Complex, and due to the need to improve the internal organization of the company and to take advantage in a better form of the human resource that they have, it is indispensable to reduce the number of personnel and to uproot these people from the place that they presently occupy.[324]

Because the provincial government of Valdivia opposed this plan unless there was a clear physical site awaiting the relocated people, Lerou proposed getting CORFO to transfer to COFOMAP the terrain where a plant nursery was currently located in Curalelfu: "this would be the indicated place to install said people, which could then form a village and no longer continue scattered inside the Company, which would also offer a solution to the existing social problem" (ibid). While the nursery of Curalelfu was never mentioned again, it appeared that Lerou found a different solution to the social problem: to kick people out without securing any relocation site.

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[323] Vol. 188, COFOMAP, CORFO Archive, ARNAD.
[324] Vol. 115, COFOMAP, CORFO Archive, ARNAD.

Lolquellén, a settlement [*población*] at the northwest entrance to the city of Panguipulli, originated as a collection of make-shift homes built by families as they arrived to Panguipulli, kicked out from the COFOMAP estates.[325] The owner of the land, José Mercedes Vergara, provided sites to the incoming families for little to no rent and subsequently faced harassment and imprisonment by the military. One worker described the process of relocating to the current site of his home in Lolquellén:

> This same house, I had… before in Quechumalal, it was sent by the patrón. He said that the people had to leave the estates, and he took charge of the estates. Pinochet then decided…they handed over the houses to us, to those who worked in the Complex…In 1978 they took me out of Quechumalal. They lent me a truck, they lent me the boat to take out the wood. They gave all the wood that's here. I had to make the house. They gave me the master carpenter for four days, because I'm not a carpenter. And so I bought this piece of land, here, and here my house has been until today.[326]

Thus, just as Ponce Lerou planned it, upon eviction, people were given the means of transportation to transfer their wooden houses to a new site. While people came to Lolquellén from all the estates of the Complex, Quechumalal provided a large percentage of the incoming population as many had first been located there from other properties, like Carranco: "[here] there are many people from Quechumalal, from the whole Complex: Chan Chan, Enco, Puñir, Releco, Neltume. There are people from all the estates of the Complex…they arrived with their houses. Some first, and others later"(ibid). Although all the other estates are represented in the current population of Lolquellén, the local kindergarten is named after the Quechumalal estate. Through this eviction process, entire villages, grown from the working populations of the estates, were completely dismantled. A forestry worker experienced this process in Pilmaiquen:

> They took apart Pilmaiquen. They took apart Releco. There had to have been more than 100 people that lived inside, with houses. We were 200 and something inside of Pilmaiquen. Then everyone left, they began to kick out, to remove the people to Los Lagos, the side of la Union to plant. They stuck them in that planting company, pine planters, reforestation. The others, they fired…Here they kicked out lots of people to the outside, to Panguipulli.[327]

[325] For more on the origins of Lolquellen, see work by Chilean journalist Mauricio Duran, as well as "Panguipulli, tierra de leones," an article by Ramon Vergara Galledos.
[326] Interview by the author, Panguipulli, 19 August 2011.
[327] Interview by the author and Cristobal Vivanco, Neltume, 10 October 2011.

While the area measured in carrying out population surveys in 1972, 1978, and 1984 may not have been isomorphic, since by 1984, some of the estates had been sold, the overall gesture of the numbers is eloquent:

1972	20,000[328]
1978	6,472[329]
1984	6,000[330]

Within five years of the coup, over half of the resident population of the Complex had been expelled from the forestry estates with no secured destination.

"*Operación Retorno*": the return of the guerrillas

The reappearance of a group of guerrillas in the forests of the Complex in June of 1981 drew new attention to the Forestry Complex and restored a powerful military presence to the estates. The government sought explanations for how a small group of *mirista* exiles had succeeded in establishing a network of underground camps and storage units in the surrounding mountains. In the eyes of CORFO executives, the administrative policies of the COFOMAP board facilitated the guerrilla action in Neltume.

The board spent the session of November 1981 discussing a secret document the executive vice-president of CORFO sent to Lerou, which included a list of policies CORFO considered problematic and leveled charges against the administration. The line of logic laid out in the document argued that the indiscriminate firing of workers, the irregular manner in which auctions, sales and rentals to private interests were conducted, and the prohibition of inhabitants from sowing and keeping animals all produced discontent with government policy, which in turn enabled the reappearance of guerrilla camps in the surrounding forests.

The board of directors was given seventy-two hours to respond. Overall, these accusations linked policies that made life more challenging for the inhabitants to the emergence of guerrillas. The more discontented the people, the more likely they would be to cooperate with the guerrillas rather than with the armed forces. (Even at the moment of this meeting, the armed forces were trying to track down the last of the guerrillas with a very heavy military presence across the COFOMAP estates). The rest of the meeting was filled with various board-members' protests against the charges, and justification for how they had acted. They had no choice but to fire the workers if they were to comply with their main goal of "*saneando*" or healing the company. One counselor admits, "effectively, there were some dismissals, but this was solved, in part, by contracting people through Minimum Employment and carrying out a Work Plan."[331] Ponce adds, diminishing the particularity of the problem, that there is unemployment across the whole country, and also says the

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[328] "Plan de Desrrollo de la Infraestructura Habitacional y Social del Complejo Forestal y Maderero Panguipulli Ltda." 1 August 1972, INFOR, personal archives of Fernando Saravia.
[329] Vol. 188, COFOMAP, CORFO Archive, ARNAD.
[330] Vol. 30, COFOMAP, CORFO Archive, ARNAD.
[331] Vol. 115, COFOMAP, CORFO Archive, ARNAD.

guerrilla problem is more a sign of the failure of Security Services. The meeting ends with a very self-righteous agreement to "respond to the Secret Document, rejecting in an energetic form the formulated charges for not corresponding with reality and lacking any prior foundation" (ibid).

Regardless of the counselors' protests, the confrontation with the guerrillas across the end of 1981 brought scrutiny to COFOMAP at an increasingly difficult time for the military regime. By 1981, a group of ex-COFOMAP workers had sent a letter to Pinochet denouncing the illegality of their firing.[332] The unemployment problems the population of COFOMAP faced following Ponce Lerou's policy of "voluntary renouncement" were nationwide and were on the brink of getting much worse. By 1982, Chile had entered the biggest economic crisis since the Great Depression; GDP contracted by 14.2% and unemployment rose to 23.7%.[333] The severity of unemployment was masked by the Minimum Employment Program, which in 1982, had 225,290 people enrolled (Ruiz-Tagle and Urmeneta 1984, 166). Already in August of 1981, Pinochet instructed the Ministers in his Cabinet of a new policy of greater transparency in the communication of the state's activities to the public. In this new public relations approach, Pinochet called for an efficient and more ample "opening to the press," to be carried out by all state institutions and companies.[334]

With the economic crisis fully underway, the military regime further elaborated its public relations campaign. In November of 1982, the General Secretariat of the Government sent a document to state companies instructing them to "promote with the greatest possible diffusion the positive aspects of public companies."[335] The government pinpointed the high unemployment rate as the root of its image problem, or as the document put it, the high levels of unemployment were "central elements of attacks against the Government" (ibid). This diffusion of the positive aspects of public companies centered on information-sharing to achieve certain priority objectives, the first of which was "to demonstrate harmony in relations with workers and, particularly, the levels of employment of the respective company." To achieve the objectives, the document recommended strategies such as how to "clear up the negative effects of expectations of mass firings" and salary decreases. "Facilitating the graphic display of production activity (filming, photography, etc.)," is another recommendation, but "with the indispensible characteristic that workers in action appear." Just to be clear, the document provides a complementary recommendation to "reduce the close-ups or exclusive focus on executives to just the absolute necessary. Unnecessary publicity of the higher executives should be avoided." The overall impression of the document is that the workers themselves were the target of the public relations campaign. With unemployment levels hitting 23.7% and then 13.8% of the working population employed in PEM or POJH doing menial labor for far less than minimum wage,

[332] Session 23, Vol. 115, COFOMAP, CORFO Archive, ARNAD.
[333] "Crisis económica 1982." *Memoria Chilena*. Biblioteca Nacional de Chile. Web. 15 March 2014. < http://www.memoriachilena.cl/602/w3-article-98012.html>
[334] Vol. 16, COFOMAP, CORFO Archive, ARNAD.
[335] Vol. 136, COFOMAP, CORFO Archive, ARNAD.

frustration, desperation and low morale must have been widespread.[336] Directives "to obtain the opinions of workers" in interviews and ensure "the display of equipment and machines in action" in reports were the military regime's attempt to show the workers that they mattered and that their work was useful.[337]

This campaign was all the more important for COFOMAP due to the recent guerrilla presence in the estates, the ongoing reports of possible guerrilla sightings, and the government's linking of COFOMAP's careless employment policies with the emergence of the guerrillas. The "Plan for the diffusion of positive activities of the Panguipulli Forest and Wood Complex" summarizes its approach as focusing on the good work it is doing in its Forestry and Livestock programs, as well as its great effort to carry out the special programs created by "the Supreme Government oriented toward the absorption of labor in the 10th Region" (ibid). As the plan boasted, in Forestry, COFOMAP is a national leader in the management and exploitation of native forests. Its Livestock program has produced a mass of animals highly prestigious both regionally and nationally, and contributed to the absorption of labor through employing workers in the turning of soil to pasture. And finally, that following the instructions of the government, COFOMAP created an employment program for 500 workers this May thereby fulfilling the promises of his Excellency, the President. The document emphasized that these workers were performing dignified and productive work, that the tasks were needed, not simply activities "created for the mere absorption of the unemployed" (ibid).

The creation of public relations campaigns and new employment programs reveals the dictatorship's worry that the discontent caused by the extent and intensity of unemployment emerging out of the economic crisis would spread out of hand. Within a year, the increasing desperateness of a widening swatch of Chilean society would eventually erupt into the first protests under dictatorship. However, in mid 1982, the dictatorship attempted to contain the problem through creating new employment programs that would complement the supposedly temporary PEM (Minimum Employment Program), started in 1975. The Occupational Program for Household Heads (POJH) began in October of 1982. It improved upon, but did not replace, the PEM through focusing on heads of household and providing higher wages. Only household heads with no other source of income were eligible. The recipient would receive an income higher than the PEM, but lower than minimum wage, for working full workweeks in various activities organized by municipalities.

Chilean scholars, Ruiz-Tagle and Urmeneta (1984) observe that the POJH was a great deal for the state: "Workers are contracted without social security costs and almost all are remunerated with salaries below the minimum wage....Infrastructure and construction work are realized without major costs," and best of all, "a significant decrease in the official unemployment figures is obtained" (annex 3). The POJH and PEM could indeed greatly disguise the severity of unemployment; while the recorded rate for August-October of 1983 was 16.8%, including the underemployed workers of

[336] The unemployment percentage is taken from the *Memoria Chilena* website and the percentage of the working population enrolled in the PEM and POJH comes from Ruiz-Tagle and Urmeneta (1984), which is calculated from data from 1983 (167).

[337] Vol. 136, COFOMAP, CORFO Archive, ARNAD.

the PEM and POJH, the rate rose to 30.6%. This point in 1983 represented the maximum number of PEM and POJH participants, with over 500,000 people registered in these programs (Garcia-Huidobro 2002). To get a better sense of the scale of this program, at this peak of 1983, the number of employees of the POJH was equal to 70% of people employed in public administration (Ruiz-Tagle and Urmeneta 1984, 66-67).

POJH was a key vehicle of employment in COFOMAP for the duration of the program's existence, from 1983 through 1988. Each year, workers were hired through the POJH program to work with CONAF in the COFOMAP estates, with employment positions vacillating depending upon the quotas the Ministry of the Interior provided to COFOMAP.[338]

To privatize or not to privatize?

The publicizing of the special employment program in the Complex ordered by President Pinochet himself represented an about-face in the news coverage of COFOMAP. The first half of 1982, *El Correo* reported the pending auctioning of the COFOMAP estates. In early March, the provincial governor "signaled that in the short term these estates would be auctioned, which had not yet been achieved because some titling problems had arisen, which they had resolved with the best of wills."[339] The article acknowledged the terrible unemployment facing the inhabitants of the COFOMAP estates, and positively predicted that the private interests that bought the estates would surely develop projects and need labor, and who better to provide it than the folks of the area.

Before the detection of the guerrillas, the privatization of the COFOMAP lands appeared to be completely decided. June 17, 1981, the President of COFOMAP received a terse letter from the Executive Vice-President of CORFO: "It is the intention of this corporation to auction as soon as possible the totality of the estates that integrate this Complex, having fixed for this objective the period between the days 15 and 30 of the next month of July to publicize the pertinent advertisements."[340] The legal trouble with the estate titles, referenced in the *El Correo* article, delayed CORFO's privatization plan into the troublesome year of 1982. By the end of April, Pinochet had ordered the creation of a special employment program to absorb "60% of the unemployed labor" of the area of Panguipulli, which created confusion about plans for privatization.

Both *El Correo* and *24 Horas*[341] announced the employment program April 25th, explaining that it would focus on the rehabilitation of the soil in the Complex. Importantly, the workers would receive an agricultural wage, and not the wage of the *Plan de Empleo Mínimo*, which represented a significant increase in payment. Editorials in *24 Horas,* however jumped swiftly from details of the program to

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[338] For more on POJH in the Complex, see Vol. 30, 38, and 42, COFOMAP, CORFO Archive, ARNAD.

[339] *El Correo*, 4 March 1982.

[340] Vol. 16, COFOMAP, CORFO Archive, ARNAD.

[341] *24 Horas* was another Valdivia-based newspaper that had just been established in 1982. It lasted through 1986.

celebrating the "Reactivation of the Panguipulli Complex."[342] Jobs for 60% of the area's unemployed, which amounted to 500 people, came to signify the savior of the region and the valorization of the wonderful potential the human and forest resources of the area had long offered: "But not in vain have the inhabitants of the province of Valdivia waited for years for this Complex to return to resurge. No one does not recognize the repercussion that it will have on the growth of the region. It is known that there, valuable forestry reserves and great livestock resources are kept. The exploitation of these will renew the productive energies of the zone" (ibid).

But even the celebratory articles remarked on the confusion concerning the state's contradictory policies toward COFOMAP. The very article titled "The Complejo Maderero Panguipulli will not be auctioned," notes that "The Complejo Maderero de Panguipulli is one of the companies included in the naming of the auctions that should be carried out in the present year."[343] The article continues, articulating the hopes of many in the region: "it is presumed that after the presidential announcements, the indicated measure will not be applied, leaving it delayed for following years" (ibid). Similarly, the editorial announcing the reactivation of the Complex, observes that "the intervention of the State has been bifurcated in its attention to the Panguipulli Complex."[344] The article specifically identifies the contradiction between CORFO and the declarations of President Pinochet:

> On one side, we see CORFO which proposes to auction estates of the Complex, transferring them to private entrepreneurs, and on the other, the incorporation of the State into the productive tasks by taking on the contracting of five-hundred people, the formulation of a management plan for the area and other measures, as can be presumed from the declarations following the intervention of President Pinochet (ibid).

The shifting fate of COFOMAP across 1982—from privatization to reactivation—is a particularly powerful illustration of the uncertainty under which the inhabitants and ex-workers of COFOMAP were living. They did not know whether they were to become part of the property of private landowners who would likely fire and evict them upon taking possession of an estate, or if they would be hired, through whatever minimum employment program, by the state. Although 1983 appears to herald in a new era in the management of COFOMAP—one based on the commitment to maintain COFOMAP as a state company—the threat of privatization was never far off.

A new President for COFOMAP

Two image crises in 1983 consolidated a shift in the style of COFOMAP's administration: the first protests against the dictatorship since its start rippled the length of the nation May 11, and around the same time, the scandal of Ponce Lerou's rampant use of his public positions for his own 'illicit enrichment' circulated among

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[342] *24 Horas*, 5 May 1982.
[343] *24 Horas*, 25 April 1982.
[344] *24 Horas*, 5 May 1982.

the top ranks of the military administration. Although Ponce denied the accusations and accused various journalists of defamation, he left all his public positions by mid July. Pinochet named General Claudio Lopez Silva as Ponce's replacement as President of COFOMAP.

Silva served as President for only a year. In that time he strongly advocated keeping COFOMAP a state company and worked to counter the negative public image of COFOMAP following the guerrillas, the Ponce scandal, and the previous Council's careless treatment of the inhabitants and workers. However his efforts to secure the future of COFOMAP as a state company hit up against the different plans of CORFO and the Ministry of the Economy.[345] The discord between these different institutions meant that Pinochet was frequently called upon to serve as the final arbiter of COFOMAP's fate. The disagreement between the Board of COFOMAP and the Ministry of the Economy boiled down to the latter's neoliberal position that the state had no place in forestry or livestock production. The tension with CORFO, however, stemmed from the ambiguity of the Board's power over the COFOMAP estates.

Technically, all the estates were owned by CORFO; COFOMAP was simply the administrator of CORFO's property. This had multiple ramifications. For one, all the investments COFOMAP put into the estates, such as the soil rehabilitation and forest regeneration programs, got counted as costs and made COFOMAP's balance appear negative. This led to other state institutions looking down on COFOMAP. More importantly, however, the purely administrative status of the board meant that at any time, CORFO could meddle in COFOMAP's affairs, upending whatever plans the board had carefully crafted. Thus while the various boards of directors that came after Ponce Lerou expressed the good intentions of looking out for the employment of the population, it was difficult to obtain the continuity of plans to make this happen. The population of the estates lived these years in uncertainty, as did the actual Board of Directors, who sought security by appealing to Pinochet's final say.

In attempt to make a coherent plan for COFOMAP and improve its negative balance (and image), the new Board of Directors called for the end of the haphazard sale of the estates; not only did the unpredictability of the sales upend attempts at planning, the new owners did not follow the stipulation that they provide employment to the resident population, plus the prices paid for the estates were low.[346]

In the meetings of the board following General Lopez Silva's appointment as President, they quickly developed the central justification for keeping the estates of

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[345] The conflicts between the approaches of COFOMAP and these state institutions had not emerged as strongly during Lerou's Presidency as he concurrently held positions in CORFO and CONAF in addition to COFOMAP. In contrast, the latter Presidents served as the Governor of Valdivia Province while they were head of COFOMAP, which, perhaps, made them more aware of and concerned for the problems of the province, especially unemployment.

[346] At this point in mid 1983, CORFO had sold Releco-Puñir to Juan Dazarola Marchant on May 28, 1983 (Vol. 108, COFOMAP, CORFO Archive, ARNAD); returned Mae to previous owners in 1981 (Vol. 92, COFOMAP, CORFO Archive, ARNAD); returned Quechumalal to the National Fund of Public Employees and Journalists; and sold Chan Chan to Andronico Luksic at the end of 1982 (Rivas 2006; 66, also referenced in Session 32 in Vol. 30, COFOMAP, CORFO Archive, ARNAD). In mid 1983, Luksic also bought Quechumalal from the Nacional Fund (Rivas 2006).

the Complex state property; they argued that it was the role of the state to protect the valuable renewable forest resource of COFOMAP.[347] The development of this argument was assisted by the recent appointment to the Board of Professor Peñaloza, the Dean of the Faculty of Forestry Science at the Austral University, who emphasized that the COFOMAP estates were the only genetic reserve of rauli in the world, and therefore should be especially protected. In addition, they resuscitated two old documents to make their case to CORFO. The first of these documents—the report written by General Lopez Garcia in 1974—was slightly modified and submitted to CORFO later in 1983. The new report concluded that COFOMAP "SHOULD STAY IN THE HANDS OF THE STATE [sic]" both to protect it against the depredations of holding companies [*grupos económicos*] and because the state is the only entity strong enough to resist the siren song of short-term profits to protect the permanence of this renewable resource for Chile.[348]

The second document was a letter that Pinochet wrote to the Vice-President of CORFO on April 17, 1975 instructing him that "the Panguipulli Forestry and Lumber Complex will be a geographic unit of the property of the state."[349] This letter, reflecting in Pinochet's own words the necessity of keeping COFOMAP state property, took on a mythic status for the Board, periodically resurfacing as its shield against the Ministry of the Economy's threats of privatization. With it, President Lopez Silva forged ahead with the campaign to consolidate the estates into a single geographic unit, owned by the state; COFOMAP would be run according to the concept of multiple use, thereby ensuring the sustainable employ of the estates' numerous natural resources (ibid). Although he failed in his attempt to get CORFO to transfer ownership to COFOMAP, the incorporation of the phrase "multiple use" into the Social Statute of COFOMAP left him feeling that his year as President had set the company on the right track.

However, in his penultimate session as President, Lopez Silva shared an unfortunate communication from the Minister of the Economy, expressing "the inconvenience of the State maintaining those estates in its power…Forestry, livestock, and other forms of exploitation do not correspond to the state, and these should pass to private hands, and for this reason, it has been decided to take the pertinent measures to initiate the program of selling those estates."[350] Although they received reassurance that the Vice-President of CORFO agreed that the Complex should stay in state hands for at least the next five years, the words of the Economic Minister renewed frustration and feelings of futility among the COFOMAP board.

Taming the "monster of seven heads"

In August of 1984, General Castellon took over as the new President of the Board, as well as the new Provincial governor. He carried the torch of gaining ownership of the estates, and consolidating their status as a state-owned,

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[347] For an especially lively debate on the role of the state, see Session 32, Vol. 30, COFOMAP, CORFO Archive, ARNAD.

[348] Vol. 136, COFOMAP, CORFO Archive, ARNAD.

[349] Session 33, Vol. 30, COFOMAP, CORFO Archive, ARNAD.

[350] Vol. 30, COFOMAP, CORFO Archive, ARNAD.

geographical unit centered on multiple and sustainable use. However, the continuing vague status of the Board over the forestry estates led multiple Board members to finally boil over in frustration at their apparent lack of power. Professor Peñaloza exploded, asking, have we been "legislating things that in practice never will be carried out or that will be permanently modified or changed?".[351] He continued his rant, expressing "preoccupation that they have wasted a year in defining what they intended to do with the Complex. Technical definition has been achieved that…in these moments has been erased with the stroke of a pen in some instances within CORFO itself" (ibid). Two sessions later, a different director, exasperated by their inability to solve the multiple problems of the Complex called it "a monster of seven heads."[352]

Within this mess, CORFO and COFOMAP attempted to carve out a solution for the seven-headed monster. At the end of 1984, CORFO started to more directly and consistently intervene in the administration of COFOMAP; it began selling the peripheral estates and instructed the COFOMAP Board to work toward self-financing. In response COFOMAP decided to transition to direct production, ending concessions with third party producers. Because they found that these concessionaires failed to offer much employment, the turn to direct production was as much a result of the desire to provide the dependent population with more employment opportunities as it was of the new policy of self-financing.

At this point the majority of the resident labor force was either enrolled in the POJH or unemployed. In April of 1985, the General Manager estimated that of the labor force of 2,500, only 500 people earned minimum wage or more, while the remaining people earned the POJH salary or less.[353] When the POJH quotas diminished in 1986, COFOMAP tried to pick up the slack by expanding its own direct employment, an effort that was helped by this recent switch from third party producers to direct production. However, these efforts were limited as the machines, vehicles and tools necessary for production had either been auctioned, when it was assumed COFOMAP would not produce, or had become dreadfully old.

In mid 1985, CORFO finally reimbursed COFOMAP for all the investments it made in the estates, bringing COFOMAP's balance into the black for the first time. Amid celebrations of COFOMAP's 'healing,' CORFO and COFOMAP continued negotiating COFOMAP's desired future. They both agreed that the peripheral estates should be sold,[354] and the remaining core estates consolidated into a single, geographical unit composed of: Molco, Payahuinte, Neltume-Carranco, Pilmaiquén, Huilo-Huilo [technically part of Pilmaiquén], Pirehueico, and Arquilhue. They both agreed that keeping these estates together as a unit was important because of the forestry resource found there, and because of the need to create new sources of employment; however CORFO wanted to privatize this unit as a corporation, and the

[351] Session 40, Vol. 30, COFOMAP, CORFO Archive, ARNAD.

[352] Session 42, Vol. 30, COFOMAP, CORFO Archive, ARNAD.

[353] Session 43, Vol. 30, COFOMAP, CORFO Archive, ARNAD.

[354] At this point, at the end of 1985, COFOMAP consisted of 12 estates, with an area of 174,000 hectares. The peripheral estates to be sold included: Toledo, Maihue, Riñinahue, El Caulle, Enco, and Mocho Choshuenco. This would leave 125,316 hectares in the core, 'geographical unit' (volume 145).

COFOMAP board insisted that only the state would properly care for the resources and population of the area. The last information on this standoff comes from Session 54 of the meeting of the Board; the archive volumes of the official notes from these meetings cuts off at Session 55. In this meeting, the directors agreed with the plan drawn up by the General Manager with three maps indicating: the estates of COFOMAP in its present state; the peripheral estates to be privatized; and the future situation of the estates that remain. They simply voted that the phrase "estates to be sold as a unit" be replaced with the phrase "estates to be maintained as an economic unit in the power of the State."[355]

The plan to maintain the geographical unit of the core estates collapsed by the end of 1986. In December of that year, CORFO advertised the sale of the core estates and their inventories, including Payahuinte, Pilmaiquen, Molco, and Arquilhue (both the forestry and livestock sectors). The process of prequalification for the interested parties would start January 30, 1987 and the official submission of offers was to occur on April 3, 1987.[356] Apparently, the rules of the auction were not even previously discussed with the COFOMAP Board of Directors; COFOMAP President Castellon sent a letter to the executive Vice-President of CORFO pointing out some contradictions with the contents of the promised inventory, and making it clear the Board was not responsible for any consequences of the contradictions as "the rules were elaborated and provided to the interested without first making them known to the Board or to the Management of COFOMAP, as would have been appropriate."[357]

The collapse of the previous plan was likely due to the difficulty of including Neltume and Carranco. The previous owners of these estates—the *Sociedad Agricola y Maderera Neltume* and the *Sociedad Agricola Carranco*—represented by Juan Echavarrí had maintained a battle in court to get their property back since the mid 1970s. Although in 1979, the Agricultural Court of the Province of Valdivia had ordered CORFO to return Neltume to its previous owners on the basis of a Supreme Court finding that invalidated the expropriation of 1971, CORFO challenged the findings and kept possession of Neltume and Carranco until 1988.[358] When the Board of Directors first discussed the plan of consolidating the Complex estates into a geographic unit, the general manager emphasized the importance of Neltume and Carranco, especially "the latter for its reserve of rauli."[359] When the plan was discussed again in August of 1986, the General Manager expressed his expectation

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355 Session 54, Vol. 30, COFOMAP, CORFO Archive, ARNAD.

356 *El Mercurio*, 21 December 1986.

357 Vol. 75, COFOMAP, CORFO Archive, ARNAD.

358 This differs from what previous scholars have reported. Many, like Rivas (2006) working from the archives of the Agricultural Court of Valdivia report that both Neltume and Carranco were returned to their previous owners in 1980 and 1981 following the trials in 1979 and 1981. However the notes on the Sessions of the Board of directors of COFOMAP repeatedly mentioned ongoing negotiations of the Neltume and Carranco cases across the 1980s (see Vol. 30, COFOMAP). Finally, Vol. 100 of the COFOMAP archives includes the notarized contracts signed on July 1, 1988 whereby CORFO transfers ownership of Neltume and Carranco to the Sociedades represented by Juan Echavarri, and July 11, 1988 is settled upon as the date of the material transfer of the properties in their current state to the previous owners.

359 17 July 1985, Session 45, Vol. 30, COFOMAP, CORFO Archive, ARNAD.

that Neltume-Carranco would be included in the unit once the legal matters were settled and mentioned that they had started negotiations with the ex-owners that would hopefully soon resolve the issue.[360] Considering the final resolution in 1988, it is likely that the negotiations failed shortly after that session, removing Neltume-Carranco from the desired geographical unit.

As was common practice for CORFO, CORFO probably jettisoned the plan without consulting the COFOMAP board, and turned to privatizing the remaining estates individually, as a group, or however the buyers wanted. It is hard to verify this as the archive volumes with notes from the meetings of the Board cut off at Session 55, in October of 1986. However, the letter from the COFOMAP President referenced above, makes the scenario of CORFO's independent decision about the auctions highly likely.

The auction itself was a huge bust. Headlines declared the bidding for the COFOMAP estates a failure. There were so few legitimate offers that CORFO extended the pre-approval period almost an additional month.[361] Although CORFO eventually received sixteen applicants for pre-approval, only six candidates submitted final offers, and these pertained just to Molco and Payahuinte, representing only 12% of the area up for auction. Pilmaiquen and Arquilhue received no offers (ibid). CORFO considered a second round of bidding or simply opening the remaining estates up to public auction, but ultimately decided upon a far more interesting solution: popular capitalism.

Popular Capitalism: toward a new "Company of the workers"

The turn to "*capitalismo popular*" in Chile in the mid-1980s was the result of the return to favor of the Chicago Boys after a brief retrocession in their influence following the economic crisis of 1982. The aim of this program was to spread private property to the greatest number of people possible through selling shares in what were once public companies. This program also functioned to push widespread buy-in to the notion of private property; according to the then Minister of the Economy, Modesto Collados, popular capitalism was meant to "create a national consensus around the idea of the unrestricted respect owed to the right to property" (quoted in Schamis 2002, 62). As the Manager of Normalization of CORFO enthusiastically explained, the government "hoped to arrive at one million new proprietors."[362]

This program picked up steam in 1988 in the lead up to the plebiscite in which citizens voted yes or no to eight more years of Pinochet in power. Whether Pinochet won or lost, this vote was meant to signal the restoration of democracy in Chile. When the dictatorship wrote it into the Constitution of 1980, the intention of the planned plebiscite was to lend greater international legitimacy to Pinochet's 'protected democracy.' Popular capitalism fit within the military regime's larger gesture of democratization in the latter half of the 1980s. As the CORFO manager of normalization explained, democratization was one of two main objectives of this form of privatization. According to him, popular capitalism would bring about:

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[360] Session 54, Vol. 30, COFOMAP, CORFO Archive, ARNAD.
[361] Vol. 75, COFOMAP, CORFO Archive, ARNAD.
[362] *El Diario Austral*, 3 July 1988.

modernization, because as everyone knows, the State is not a good businessman, and a modern, efficient economic structure is built through the private sector; and, democratization, because it takes the productive apparatus out of the hands of "a bureaucracy that administers in a centralized and rigid form" and diffuses it "in the maximum of people."[363]

Popular capitalism marked the final wave of privatization under the dictatorship and centered on the large state companies of CORFO, which included among such important businesses as the National Telecommunications Company (Entel) and the National Air Line (LAN), COFOMAP and its remaining estates.[364] When CORFO opened up the shares of these companies to individual investors, they often gave priority to the workers of the company. As of mid 1988, 26,000 of the 154,000 new 'proprietors' were workers of the companies being privatized.[365] When *El Diario Austral* asked how the workers have fared with their new investment, CORFO's Manager of Normalization replied: "very well. In general, they have had capital gains due to the evolution of the price of the shares and in their capacity as shareholders, they have obtained revenues from the dividends" (ibid).

In September of 1988, 140 ex-COFOMAP workers became Chile's newest shareholders as they took over partial ownership of Pilmaiquen, Arquilhue Forestal, Rio Chico and Puerto Fuy.[366] *El Diario Austral* represented this event as the transformation of the workers into the owners of COFOMAP: "yesterday the Panguipulli Forest and Lumber Company was transferred to its workers in a ceremony carried out in Neltume."[367] However, the celebratory portrayal of this "new Company of the Workers," differed greatly from the workers' own experience of the resulting *Compania Forestal y Maderera*.

To begin with, the workers were only partial owners of the new Company; the division of the shares between the workers and investors who came from outside the area was highly unequal. The 140 workers had 48% of the company while the 15 to 30 outsiders had 52%.[368] A labor leader of the workers involved in this company explained Popular Capitalism as a scheme to benefit the friends of Pinochet:

> They formed the Popular Capitalism, and a part of it is formed by people that came from Santiago, especially friends of the regime. They

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[363] *El Diario Austral,* 3 July 1988.

[364] The first wave of privatization began with the rise of the Chicago Boys' influence in Pinochet's government in 1975, and continued until the economic crisis of 1981-82. During the crisis, many of the privatized companies, especially banks, were bailed out by the state, and returned to the public sector. Following economic recovery, a second wave of privatization began in 1985; popular capitalism was part of this second wave. The rate of privatization intensified after Pinochet lost the plebiscite, to divest the state of as many assets as possible before the return to democracy. See Collins and Lear 1991.

[365] *El Diario Austral,* 3 July 1988.

[366] This number comes from an interview I conducted with an ex-worker who participated in the Popular Capitalism company formed out of Pilmaiquen and Arquilhue, in Neltume, 30 November 2011.

[367] *El Diario Austral*, 15 September 1988.

[368] These numbers come from two separate interviews with the same person.

> formed a type of popular capitalism with shares that enabled, for example, the worker to be simply the side dish [*arroz graneado*] of this thing, to accompany it. To the worker was sold, at the most 100 shares, but to the employees, his friends from Santiago, 1000. That was the difference more or less that there was in the shares, 1000 to 100.[369]

Apart from the inequality in shares, the other shareholders froze the workers out of the running of the company, making decisions behind their back. When the workers noticed the machinery disappearing and the suspicious loss of wood, they formed a union; the workers, the so-called owners of the Company formed a union to better counterbalance the collusion of the other shareholders. The Company did not last long; the 52% sold their shares to a forest company called BOMASA. According to the labor leader, this had always been their plan:

> The 52% always wanted to sell. The regime practically gave them the estates, for such a low price, they gave it with all the machinery and inventory. This 52%, the first thing they did was to take out all the agricultural machines. They took them out in a mysterious way. They took all the inventory and sold them for themselves… This is why afterward there was the dissolution of the Society" (ibid).

Without machinery and with difficulty obtaining credit, the workers also sold their shares. The union represented them in negotiating the price. This final loss of the "Company of the Workers" was painful: "The workers never doubted in us, never. And we, as leaders [of the union] we sank, as leaders, we sank with our own Company…we sold the Complex and everything was auctioned, everything, everything… and later, BOMASA was already hiring people. We sank them with the flag raised."[370]

Chilean scholars, journalists, and even a Congressional Investigative Commission have looked into the experience of privatization under the name of popular capitalism and found it intimately linked to the highly unequal distribution of wealth in post-dictatorship Chile.[371] Participating in these popular capitalism ventures brought limited benefits to workers as they were denied access to the direction of the companies. Maria Monckeberg describes the experience of popular capitalism thus:

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[369] Interview by the author, Neltume, 30 November 2011.

[370] This quotation comes from an interview with the same labor leader, but conducted over a decade earlier by the CODEPU team (CODEPU Archive, Valdivia).

[371] See Monckeberg 2001, Marcel 1989, and the report from the Congressional Investigative Commission. The report, entitled "Informe de la comisión investigadora encargada de analizar presuntas irregularidades en las prviatizaciones de empresas del estado ocurridas con anterioridad al año 1990," is accessible here: <http://www.archivochile.com/Chile_actual/21_est_ide/chact_estidea0001.pdf>

> What is certain is that just as it was later demonstrated, the participation of the workers—denominated as 'popular capitalism'—was nothing more than a set of formulas to be able to obtain resources and credits which, at the same time, served to placate the criticisms of the unions interior to the respective companies. But the control of the privatized companies was held from the start by the ex-executives of the regime, that through these paper companies were able to perpetuate themselves in the leadership roles and wield the destiny of the companies (2001: 60).

Within Neltume there is disagreement and controversy concerning how and why the workers sold their shares in the company. However, if what these authors say about the more general experience of popular capitalism applies to what happened in Neltume, the shareholding arrangement was designed from the start for the other investors to benefit from receiving the company very cheap and selling the land and the company capital for profit.

The end of dictatorship, the return to democracy, and the continuation of precarious labor

On October 8, 1988, Chileans voted Pinochet out of power in a plebiscite mandated by Pinochet's own Constitution of 1980. From the end of 1988 through March of 1990, when Patricio Aylwin was sworn in as Chile's new democratic President, the military regime and the coalition of oppositional parties negotiated the terms of the transition to democracy. In the midst of this process, the workers sold their shares and returned to the scramble for employment.

Chile's high economic growth from 1987 to 1998 led many to label this decade the 'Chilean miracle,' attributing this spectacular economic performance to the combination of Pinochet's neoliberal reforms with the restoration of democracy (Winn 2004, 4). The forestry sector was a key contributor to this 'miracle,' with its own growth rates sometimes reaching double digits. Many authors have pointed out that this forestry boom, often attributed to neoliberal restructuring, depended upon prior decades of state-led investment, particularly under Presidents Frei and Allende (see Clapp 1995, 1998 and Klubock 2004, 2014). Others have documented how the forestry sector's success was achieved at a high cost to forestry workers and to the campesinos of the areas of forest expansion.[372] To build on this previous work on the history and costs of the forestry boom, I ask, what is the specific relationship between the Minimum Employment Programs (PEM and POJH), the allocation of PEM and POJH positions to CONAF for soil rehabilitation and reforestation work tasks, and the current concentration of forestry wealth in the hands of a few companies? This is a finer grain question than simply saying that during the dictatorship, Chile's holding companies (*grupos económicos*) were able to take advantage of the waves of privatization of state forestry property at extremely reduced prices. It goes beyond

[372] See the fantastic work of Maria Elena Cruz, Rigoberto Rivera and others at the Grupo de Investigaciones Agrarias of the Academia de Humanismo Cristiano.

pointing out the enormous subsidy private companies received (and continue to receive) from the state for plantations due to Decree Law 701.[373] It points to the double subsidy private companies received in the form of: (1) extraordinarily cheap and exploitative labor that prepared terrains for planting; and (2) the normalization of this type of work in the forestry sector. Normalization is not to say that workers take this work form sitting down. Rather, it means that substantially different ways of organizing work are now outside the realm of the imaginable; challenges take the form of wage increases, not substantial increases in worker participation.

The PEM and POJH became a template for a new way of organizing forestry work that has continued operating even under democracy; the large forestry companies that currently dominate the lucrative forestry sector benefited and continue to benefit from the legacy of these programs. That is, for Arauco and CMPC, the PEM and POJH are gifts that keep on giving.[374]

The erasure of the story of how forestry workers and their allies—*Miristas*, Socialists and Communists; politicians, forestry engineers, agronomists, and sociologists; Chileans, Finns and Swedes—attempted to forge a form of forestry work based on worker participation has ongoing effects today in the reduction of imaginable work forms. This erasure and its replacement with precarious work were achieved through a combination of violence, official representations centering on the sensational figure of outsider extremists, and mundane transformations of forestry labor.

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[373] Decree Law 701, passed during dictatorship in 1974, regulated forest lands. Most importantly, it established extensive incentives for replanting. It has been critcised as effectively subsidizing the converstion of native forests to pine plantations.

[374] Additionally, based on the work of Olivia Monckeberg and Victor Osorio and Ivan Cabezas, I believe that machinations involving Julio Ponce and his cronies—possibly Jaime Contesse and Ivan Castro Poblete across their various stints in the administration of COFOMAP and as Presidents of CONAF—laid the foundation for the current highly unequal, and socially and environmentally destructive forestry sector. Without overstating the coherence of how this operated, the people and territory of COFOMAP, while presently irrelevant to the pine and eucalyptus plantation based forestry sector, served as a de facto laboratory for the employment practices of this lucrative industry.

Conclusion

Along the stretch of road cutting through what once was the heart of the Panguipulli Complex, bizarre buildings rise out of the surrounding trees. The fantastical wooden structures, one in the shape of a Baobab tree, another with a cascading waterfall running off its peaked roof, are the high-end hotels of the Huilo-Huilo Biological Reserve, an ecotourism outfit that has won numerous awards for sustainable tourism.[375] The Reserve spans the old forestry estates of Neltume, Carranco, Pilmaiquen and Huilo-Huilo, and is owned by Chileans, Victor Petermann and his ex-wife, Ivonne Reifschnieder.[376] Petermann is in charge of tourism while Reifschnieder directs the Huilo-Huilo Foundation, which organizes conservation and community outreach programs. These programs aim to produce a new way of seeing the forests, "reconverting" the local communities and economies from "an exclusively timber destiny to a vision of conservation and sustainability."[377]

The turn from the forest industry to ecotourism appears as a natural progression, and the "reconversion" of lumberjacks to environmental entrepreneurs, perhaps a commendable transformation. However, this eco-architecture built out of the surrounding forests is just another, greener veneer that erases alternatives from the past with the story of enlightened evolution; as this dissertation shows, things could have been otherwise.

In *Liberating Forestry,* I have told the story of forestry workers' struggle to improve living and labor conditions in the south of Chile. I examined the alliance-formations and territorial transformations that founded the Panguipulli Forest and Lumber Complex, and the debates and practices aimed at implementing a form of forestry based on worker participation. I proposed that the practices of the forestry workers—from executing the estate occupations to negotiating new forms of organizing forestry—developed their political consciousness and increased their participation in the nation. Finally, I examined the multiple tactics through which the dictatorship contained this as a threat and restored the workers to a place at the nation's margins. Overall, I argue that identifying key components of the dictatorship as strategies to contain working-class participation in the nation is essential to dissecting many of the ongoing limitations of Chilean democracy. In the remaining pages, I further develop the implications for the quality of democracy of worker participation in decision-making and knowledge production.

The Panguipulli Complex illustrates an early attempt to forge participatory forestry, and as such, counters standard understandings of modern forestry science as a force of dispossession. For example, while James Scott (1998) presents modern

[375]The German Travel Association (DRV) recently awarded the Reserva Huilo-Huilo the EcoTrophea Award. In 2012 it received the Virgin Holidays Responsible Tourism Award.

[376] Petermann bought Neltume and Carranco from a French company that had bought these estates from the Echavarri. In the mid 1990s, he was also part of Bomasa, the company which bought all the shares of the so-called Workers Company.

[377] These quotations came from the Huilo Huilo Foundation website, as accessed in March of 2014. The website has since been updated, and the language, changed.

forestry science as a metaphor for the universalizing and rationalizing forms of knowledge used by the state to systematically extract information and control people and resources, this research reveals that forestry science can be liberating of local forest communities. Forestry workers' demand for the creation of the Complex and participation in defining the desired organization of production constituted a liberation through simultaneously increasing their political consciousness and control over their labor. Further, recognizing forestry workers as producers of forestry knowledge was a key component of this liberation. The encounters between forestry workers, forestry experts, politicians, activists and the historical-geography of the area produced a novel space enabling of new forms of knowledge production about the native forests, forms that valued the non-expert knowledge of the workers. The managerial structure of the Panguipulli Complex helped formalize this space of knowledge encounter by incorporating workers into decision-making, thereby directing resources to new topics of investigation, such as how forestry production could be combined with other land uses to enable year round employment.

The outcome of this experiment in participatory forestry—however measured, as productivity, worker satisfaction or forest health—is difficult to gauge as the experience was so brief. Regardless, by the time of the coup, state foresters had clearly identified the goal of creating new knowledge through the combined contributions of trained experts and forestry workers. At the First National Meeting of Forestry Workers, an official from the Forestry Institute of Investigation (INFOR) gave a speech describing the advances and the work yet to be done in incorporating forestry workers into institutions of investigation. He emphasized the need to realize this vision of workers as creative contributors to investigation:

> It troubles us profoundly that even still a true link has not been achieved between investigation and the technological needs of the industries, between the investigators and the workers, and this, compañeros, is not sufficient, we believe that the Institutes of Investigation should open themselves to the presence of the workers. We believe that in each factory the workers should become investigators of the technological problems of their industry. Every worker should look at the machine where he works with a feeling of creativity…[378]

During an interview, a forestry engineer who worked at INFOR at this time and was intimately familiar with the Panguipulli Complex reiterated this vision of blue-collar workers as investigators, as thinkers:

> We asked, are the workers of the Forestry Institute of Investigations [INFOR], those who work there, who clean the floor, are they part of investigation or not. We posed that question. I had a response, that yes, they were. We had to rescue their capacity to be thinkers. Their

[378] "Encuentro de Trabajadores Forestales: Informe Resumido sobre la Gestion del Instituto Forestal," INFOR, personal archives of Luis Astorga.

> capacities were there. We just had to give way to them [darle camino]. I had a concrete proposal, I'm not sure if I was able to write it up. It was that the workers in the greenhouses, on top of watering, could have a place to write down what they observed. To make observations of insects, to bring new developments, they could give us clues about things. It was necessary to encourage this...I saw it as absolutely doable, possible. Maybe you couldn't increase the salary, but you could make work dignified.[379]

While it would be easy to dismiss these quotations as the idealistic imaginings of political party intellectuals, chapters three and four of this dissertation document the lived experience of worker participation in forestry that dynamically developed along with this vision of the worker as thinker. Chapter four, especially, lays bare the messiness of constructing this space of encounter between expert and non-expert knowledge and the challenge of striking the right balance on an electric edge of collaboration and miscommunication, suspicion and trust. While clearly complicated and often tense, this attempt to create a space of knowledge encounter opened an exhilarating sense of possibility and empowerment among many forestry workers.

James Scott's account of modern forestry science cannot make sense of this experience. Scott contrasts modern forestry science, as a symbol of the rationalizing, universalizing knowledge of the state, to metis—contingent, local, playful knowledge. In setting up this duality, he reinforces science's claims to rationality and universality, making it difficult to understand how the local knowledge of forestry workers could ever forge a place in the practice of modern forestry. In contrast, David Turnbull (2000), among others in the Sociology of Science literature, decenters science by setting it alongside other knowledge production practices; science is a particularly powerful form of knowledge production, but there is a mundane history of how it came to exercise that power. Turnbull emphasizes the social labor that goes into producing scientific knowledge as one type of local knowledge that has the ability to travel. He examines the practices, policies, technologies, institutions and people that must be mobilized for scientific knowledge to move from its site of production to other sites. By rejecting science's claims to universality, Turnbull helps ground forestry science as an earthly, embodied practice; forestry science, like all forms of knowledge, is a motley of activities, people, and places (Turnbull 2000, 4). This emphasis on the social labor of science—the embodied practices of knowledge production—restores the contingency extinguished in Scott's account of scientific forestry. That is, the politics of knowledge production becomes an open question rather than a foregone conclusion. What kind of space is desirable to produce what kind of knowledge? Turnbull concludes with a call to produce a third space of knowledge production, a space of encounter where different knowledge traditions can perform together. While Chilean forestry workers hardly come from a non-Western knowledge tradition, the Panguipulli Complex constituted a third space where expert and non-expert knowledge attempted to co-produce a performance,

[379] Interview by the author, Santiago, 7 February 2013.

providing an early example of the imperfections, difficulties, and potential of participatory science.

The stakes of worker participation in shaping the production process expand beyond the politics of knowledge to the quality of democracy. Gramsci proposed that hegemony functions by leaving deposits in common sense; peoples' daily activities can consolidate this hegemony or challenge it. Thus work, one of the most time-consuming of people's habitual practices, becomes extremely political. In Chile, disrupting patrón-controlled forestry work with the estate occupations and replacing it with a production system based on the principal of worker participation transformed the consciousness of many of the forestry workers, creating an awareness of their own agency. I argue that because of this, forestry workers were no longer marginalized from the nation, but rather, became central participants. The labor process is a key site of the production of peoples' worldviews; it shapes understandings of self and of the world and affects how one acts inside and outside of work. Thus, a key question emerges: what kind of democracy is possible when the majority of a nation is excluded from the creative processes shaping and directing labor?

The Chilean student movement has importantly focused attention on the relationship between neoliberalism and democracy, asking, how can democracy function with the extreme inequality produced by neoliberalism? My aim is to give a new inflection to this understanding of inequality: a gulf separates not only the incomes and opportunities of the highest and lowest quintiles of society, but also the relationship these quintiles have with their labor. This qualitatively different relationship to labor shapes who has the time and the habit of questioning, judging, debating and proposing, necessary to actively participate in democracy. While this inflection relates most directly to Marx's concept of alienation, a concept that connects the capitalist labor process to the alienation of the worker from her labor, from the product of labor, from society and from self, it is not only leftist political thinkers who decry the political effects of an alienating organization of work. Adam Smith, famous for his wondrous description of a pin factory and the jumps in efficiency unleashed by the division of labor, worried about how this division of labor and the confinement of workers to one or two simple tasks would affect workers' minds and ability to participate in the public life of the nation. In book five of the Wealth of Nations, he paints a cautionary portrait of the risks the unchecked division of labor would pose to a country and calls for government intervention to prevent this from happening:

> In the progress of the division of labour the employment of the far greater part of those who live by labour, that is, of the great body of the people, comes to be confined to a few very simple operations, frequently to one or two. But the understandings of the greater part of men are necessarily formed by their ordinary employments. The man whose whole life is spent in performing a few simple operations, of which the effects are perhaps always the same, or very nearly the same, has no occasion to exert his understanding or to exercise his invention in finding out expedients for removing difficulties which never occur.

> He naturally loses, therefore, the habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creation to become….Of the great and extensive interests of his country he is altogether incapable of judging" (Smith 2004, 461).

My focus is not so much on the division of labor per se as the connections Smith makes between the form of employment and the possibility for effective participation in national politics. The division of labor, the deskilling of labor, and the concentration of decision-making in a separate managerial class remove creative, directive thought from the main activity of 'the great body of the people,' and this affects the practice of democracy.

In *Economic Democracy*, Juan Espinosa and Andrew Zimbalist (1978) explore the converse situation, examining what happens when workers have greater power over the labor process. *Economic Democracy* analyzes the experience of workers' participation in Chilean industry from 1970-1973 based on a random sample of thirty-five enterprises in the Social Property Area. They operationalize worker participation, and using a statistical model, identify the key factors affecting the level of participation attained, as well as the effects of the level of worker participation on the economic and social performance of the intervened industries. They found that as workers increasingly held a determining rather than merely consultative role in all three areas of an industry's operation—social administration, technical/production, and economic/finance—the need for supervision decreased, alienation decreased, job security increased and productivity either stayed the same or increased. Their literature review of other studies of international experiences in worker participation reveals similar findings; increased worker participation yielded increases in worker satisfaction and enterprise productivity. In many cases, capitalist companies conducted these experiments in increased worker control to combat problems with absenteeism, high turnover rates, and mundane labor sabotage. However, they terminated the programs because they functioned too well; the productivity gains threatened to make management redundant (Espinosa and Zimbalist 1978, 22-24).

What is the nature of this threat posed by worker participation? Peter Winn's (1989) study of the workers' takeover of the Yarur textile factory also reveals workers as capable of innovation and increased productivity. When the truck drivers and much of the owning class of Chile shut down the economy in October of 1972, the workers of the Yarur factory ingeniously fashioned replacement parts in makeshift workshops to maintain production. Across the *cordones industriales*, workers similarly engaged in creative problem-solving to keep production going in the face of shortages. The debate these experiences of autonomous working class protagonism provoked within the leadership of the Popular Unity shows the anxiety empowered workers raise even among those calling for worker control. This dissertation brings the analysis of the challenges, outcomes, and threats of worker participation into the forest. The enormous terrain of the occupied estates, the maturation rate of trees, and the extreme historical lack of rural education meant the experience of worker participation developed differently in the Panguipulli Complex than in the urban factories. Although the administrative council of the Complex made particular aspects of production more efficient, it did not increase overall productivity.

However, across the factory experiences analyzed by Winn, Espinosa and Zimbalist and my own analysis of the Complex, worker participation changed the workers' view of themselves, of their own capacities for directive action. The threat posed by workers' increased control over labor is not the productivity increases and the potential loss of management positions, but rather the development of workers' political consciousness.

Forestry is currently one of Chile's most important sources of export earnings, third only to mining and industry. It is also one of the sectors most affected by neoliberal labor flexibilization; forestry workers enjoy few protections, and rampant subcontracting makes unionization difficult to coordinate. The stakes of this economic organization of labor are not simply bad working conditions and low incomes, but crucially, exclusion from active participation in democracy. The experience of the Panguipulli Complex provides a counterexample of how the organization of forestry labor can be empowering and enabling of greater worker participation in the nation, while the investigation of labor conditions in the Complex during the dictatorship reveals that many neoliberal policies served to purposefully marginalize workers by restructuring the supposed a-political realm of the economy. Labor is political.

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Interviews

Workers of the Panguipulli Complex

Don Hernán, worked in the mountain with oxen	August 8, 2011, with Cristobal Vivanco August 19, 2011 September 28, 2011 October 8, 2011 December 2, 2011	Panguipulli
Worked in the general store of Neltume	October 10, 2011, with Cristobal Vivanco	Neltume
Worked in many positions, but later as a shepherd in Pilmaiquen	October 10, 2011, with Cristobal Vivanco	Neltume
Christian Democrat labor leader in Arquilhue	October 13, 2011, with Cristobal Vivanco	Paillaco
Worked in accounting in Neltume	November 28, 2011	Neltume
Woman who worked as a secretary in Neltume	November 28, 2011	Neltume
Worked in the Neltume industries	November 28, 2011	Neltume
Electrician in Neltume	November 29, 2011	Neltume
Worked in Neltume industries, also MIR	November 29, 2011	Neltume
Labor leader in Neltume during the 1980s and 90s	November 30, 2011	Neltume
Worked in the mountains with ox	November 30, 2011	Neltume
Worked in sawmill in Carranco	November 30, 2011	Neltume
Husband and Wife (husband, worked in Neltume sawmill)	November 30, 2011	Neltume
Woman who lived in Enco and Trafun/ sister and daughter of forestry workers	December 6, 2011	Valdivia
Tomás González, labor leader, PC, Representative in Administrative Council	February 8, 2012, with Cristobal Vivanco	Malalhue
School teacher, Quechumalal	February 9, 2012	Valdivia
Worked in Neltume industries, MIR	February 3, 2013 (NR)[380]	Neltume

[380] (NR) designates non-recorded. All other interviews were audio-recorded.

Forestry Engineers

Fernando Saravia	May 7, 2011 (NR) May 9, 2011 (NR) May 12, 2011 (NR) July 20, 2011 (NR) November 10, 2011 February 7, 2013	Santiago
Forestry expert	May 4, 2011 (NR) October 14, 2011 January 27, 2012	Valdivia
Miguel Rojas	February 14, 2012, with Cristobal Vivanco	Valdivia
Luis Eduardo Astorga	May 24, 2011 (NR) August 3, 2011 (NR) September 6, 2011 (NR) November 7, 2011	Santiago
Jaime Toha	July 30, 2011 (NR) August 2, 2011 (NR November 7, 2011 February 11, 2013	Santiago
Rodrigo Undurraga	August 25, 2011 February 10, 2012	Temuco
Jose	March 12, 2012	Santiago

Political party activists linked to the Complex

Pablo (MIR)	September 28, 2011 September 29, 2011	Panguipulli
(MIR)	January 25, 2012 February 7, 2012, with Cristobal Vivanco	Valdivia Neltume
(MIR)	January 30, 2012	Valdivia
Óscar Sepúlveda (PS)	Written communication	email

Key Events:

Trip to Quechumalal	November 16, 2011	Panguipulli to Quechumalal
Memory Event	December 3, 2011, 15 people, mainly from Releco, Puñir, Quechumalal	Panguipulli
Neltume memory event	February 4-5, 2012	Neltume, Choshuenco, nearby forests
Neltume memory event	February 2-3, 2013	Neltume, Choshuenco, nearby forests

Appendix A: Organizational Structure of the Panguipulli Complex, based on"Cartilla Nº1: Presentación hecha por el Director Ejecutivo, Rodrigo Undurraga, en la reunión de Jefes de predios, Neltume 11, 12, y 13 de Febrero 1972," Complejo Forestal y Maderero Panguipulli, personal archives of Fernando Saravia. Graphics by Carolina Muñoz.