



'Social democracy is the way out of this'

Welfare state or authoritarian neoliberalism? Chile's crisis could send a strong signal globally, says Cristóbal R. Kaltwasser

By [Cristóbal Rovira Kaltwasser](#) | 29.11.2019



Demonstrators shield against water cannon fired by riot police during a protest against Chile's government

Read this interview in [German](#).

For weeks now, violent protests against liberal social and economic policy have been rocking Chile. There are numerous reports of serious human rights violations and hundreds of demonstrators have suffered eye injuries. What's the current situation?

In fact, the situation is very difficult, and Amnesty International has since confirmed the human rights violations. However, both the government and the armed forces have rejected this information. The international community should treat this development with concern and put pressure on the government.

The government has evidently insisted that the protests could be brought under control by some promises of reform, but so far this is yet to be seen. What explains the persisting discontent by a large portion of the population?

Right from the start, the government hasn't understood the problem. The President's first reaction was, "We are at war." This has contributed to the demonstrations getting even larger and more radical. Then the government backpedalled a bit and held out the prospect of reforms in the area of social policy. But the situation has become simply too dramatic for that.

How could a political solution look like?

The only long-term solution is a Constituent Assembly. This is the only way that the legitimacy problem can be circumvented. Fortunately, a majority in Parliament has recently agreed to hold a referendum next April. Then they are to vote whether Chile will get a new constitution and if

so, who will draft it – an assembly of parliamentarians and citizens, or an assembly in which parliamentarians are not involved. Surveys show that 85 per cent of the people want a new constitution. And almost 70 per cent are in favour of a Constituent Assembly. Nevertheless, certain right-wing actors are terrified of having one.

Until now, Chile has been regarded as a success story in Latin America, with a prospering economy and a middle-class distributed evenly throughout the regions. has this impression been entirely wrong?

Yes, there is a broad middle class in Chile. But this middle class is not at all comparable to the German concept of middle class. In Chile, it's in a very precarious situation. For example, a secretary belongs to the middle class. With her salary, however, she must also care for her father, because the pension system, privatised by Pinochet, doesn't work. If her sister loses her job, she also has to give money to her sister. Of course that's not within her means, so then she has to go into debt. This means that she can't afford to fall ill. If she does, the entire family collapses. This whole system is warped. The precarious situation of the middle class has led to its becoming so angry with the status quo.

Do the malcontent protesters see anyone in the opposition parties who can advocate for their concerns, or does the political disenchantment affect these parties equally?

Political frustration is widespread in Chile. This relates to several corruption scandals in the financing of political parties. Moreover, price agreements between numerous companies and mechanisms for tax avoidance have become known in recent years. That's why one slogan of the demonstrations is "evade".

"Evade" has been used as a synonym for collective fare dodging. The price of the Metro was raised. Many responded by saying, "evade": I'm not going to pay it. If the rich don't pay any taxes, why should we pay the increase in Metro fares? The problem for the average person on the street is the political class itself, whether it's the left or the right. They have the impression that everyone does what they want anyways. Only two per cent of the population consider the parties and Parliament trustworthy.

The Chilean population is tired of the neoliberal model. What do they want instead?

The majority of the population want a "social-democratic model". They want to have a welfare state. They don't want immediately to have pensions as they exist in Germany, but they want better social security. There's no strong polarisation on this issue, although part of the elite is against it. On other issues, polarisation is more pronounced, such as security or the fight against crime.

What about socio-political issues, abortion for example?

This is where classic modernisation theory applies: the richer a country becomes, the more liberal it becomes culturally. Chile is a prime example of this. In 1990, at the beginning of democracy, Chile was an ultra-conservative country: against abortion, against diversity, against euthanasia, etc. If you look at polls today, Chile has become much more liberal. But a part of the right wing has not yet understood it.

Is there a right-wing populist in Chile?

There is José Antonio Kast. He comes from the UDI. To put it bluntly, the UDI is the party of the dictatorship. He quit the party when the UDI became a bit more moderate. For him, immigration is not the central issue, as it's with the right-wing populists in Europe, it's more about security. But he has a very clear neoliberal agenda. He's not a beneficiary of these protests. Although there's a massive need for security due to violence. But nobody wants his social policy. He still wants a tough neoliberalism. And it's exactly because of neoliberalism that we have these

protests. So the solution is no longer neoliberalism.

The crisis in Chile has attracted considerable international attention beyond Latin America. Why's that?

I believe that the outcome of the crisis in Chile will have a major impact both on the region and globally. Globally, because Chile is the prime example of neoliberalism. If the Chileans now find a solution in line with a social market economy, this will stand as a signal for the whole region, and also for the world at large. Social democracy is the way out of this.

That would be terrific news for the highly beleaguered European social democracy.

Of course things can also move in a different direction. Instead of reforms, harsh repression could be the result. That would also serve as a signal to the region and the world: Neoliberalism lives on, but in an authoritarian version.

The outcome is relatively open at the moment?

Very much so. The average person on the street wants a social market economy. But in order to implement that, the elites must budge. I think there are reasons why this could happen. But there are also reasons why it could not. In that case José Antonio Kast, the right-wing populist, would be the winner.

Chantal Mouffe argues that we need self-confident left-wing populism to overcome right-wing populism. Is that a solution?

I see it quite differently. From a Latin-American perspective, the problem of left-wing populism is its immense radicalism. With that form of discourse, the probability that established elites would be willing to yield is exactly zero. Such left-wing populist projects are also highly authoritarian, polarising and moralising. There's only good and evil. These elites are the bad guys, and we, the people, are the good guys. When I look at Chile, I think that of course, many elites have acted badly, but not all elites are evil and some are ready to initiate reforms towards a social market economy.

What would be a balanced political response to populist developments from both left and right?

There are two antitheses to populism. One is elitism, the other is pluralism. In one sense, elitism is quite similar to populism. When I think elitist or I am an elitist, I think that society is divided between an elite and a people, but the elites are the good guys. It's the people who are dangerous. Technocrats are the best example. Technocrats say, "We have the best solutions. We prefer not to ask the people, because they're idiots." But actually, populism and elitism are very similar because of their simplification and moralisation of reality.

The second antithesis is pluralism. Pluralists realise how complex "the people" are. A huge mistake on the part of us pluralists is that we often attack populism in a moralising way. These idiots, xenophobes, etc. – bah! All we can accomplish is to get the populists to say, Look at this elite, they despise you. What we should do is just understand these people, not to demonise them. Demonisation amounts to throwing petrol into the fire.

This interview was conducted by [Claudia Detsch](#).