

Trade union sells out Walmart strike in Chile

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19 July 2019

The largest strike in the private sector in Chilean history by 17,000 workers at Walmart was sold out late Tuesday night behind the backs of workers by the Inter-Company Union (SIL), which belongs to the Communist Party-controlled Workers Union Central (CUT).

The SIL agreed to a 3.5 percent raise, as opposed to the 4 percent initially demanded, a training administered by the union, no change to the existing bonus for transportation costs and a signing bonus of 450,000 pesos (US\$660), compared to the 760,000 demanded initially. The contract took effect immediately once the agreement was reached without a vote of the membership.

The establishment of a corporate-funded, union-administered training program is particularly ominous. Such schemes are used across the world as conduits for back-channel kickbacks and bribes to the union bureaucracy, most infamously in the company-management “training centers” jointly operated by the auto companies and the United Auto Workers in the United States.

SIL general secretary, Juan Francisco La Regla told reporters that the deal “more than conformed [to our demands], we are satisfied...” SIL president, Juan Moreno added, “We appeal for being tranquil. We know that it wasn’t an easy negotiation and, despite the antiunion actions [by Walmart], we have been triumphant today because the transformation and the jobs of the future were put on the agenda.” Walmart noted in a statement that the negotiation was “satisfactory.”

Mónica Tobar, the human resources executive for Walmart Chile, recently praised the union effusively. “This relationship is like a marriage that cannot be dissolved, since we have to work together forever ... thanks to the relationship that we established with SIL, the greatest union in Chile.” In the same statement she also announced her promotion to vice-president for human resources at Walmart International.

Juan, a Walmart worker in Valparaíso, told the *World Socialist Web Site*: “Those were five days lost, and the company has pitilessly walked all over us. It has imposed

all it wanted, and the truth is that I have no clear explanation on why the union would accept to stop the strike. There is a general unrest toward the SIL leadership for eliminating benefits from previous negotiations and cutting down our signing bonus by about 35 percent, which is important for the workers’ finances.”

“We think of uniting workers to demand explanations from the union and the company, sending statements and then we’ll organize, depending on the results, we’ll decide on which actions to follow. For now, we are gathering information,” Juan added.

Anthony, a Walmart worker from Lautaro in the southern Cautín province, contacted the WSWS minutes after the announcements. “Workers were demanding that the negotiations continue and that our days off shouldn’t get discounted,” he said. “The [union] leaders know that all the workers agreed [that they were against the proposals], but that resolution was imposed by Walmart and the union accepted... My fellow workers and I will be organizing meetings and discussing this issue.”

The betrayal by the SIL/CUT exposes these organizations as tools of management, whose function is to enforce the intensified exploitation dictated by the financial aristocracy.

SIL had dismissed a strike vote in 2017, agreeing instead to a meager 7 percent raise over two years. Originally, it had sought unsuccessfully to again ignore a 91.75 percent majority that voted in favor of a strike on June 25-27.

Two thousand workers had already been fired this year and thousands of more layoffs were announced as automated cashiers and other labor-saving equipment are being implemented. With an axe hanging over jobs, including the threat of greater use of part-time work, management forced the remaining workers to cover numerous tasks and demanded greater productivity.

Workers demanded a major increase in pay to “work and live comfortably,” bonuses for transportation, assistance, seniority. They also called for job cuts to end and for those fired to be reinstated.

The median salary in the commercial sector in Chile is 300,000 pesos (US\$437). Walmart workers are among the lowest-paid within this segment, with starting salaries of 260,000 pesos (US\$380), far below the official poverty line of 368,000 pesos (US\$536).

The Walmart strike took place in the context of an expanding strike wave across Chile, demonstrating the potential for a broader struggle uniting Walmart workers with other sections of the working class.

The right-wing government of Sebastián Piñera has responded to the strike wave with state violence, including the use of water cannons, batons and tear gas against demonstrators, sending the *Carabineros* special forces into schools and Walmart stores to intimidate strikers, and dozens of arrests and strip-searches of teachers.

Fearful that things could quickly escape their control and develop into an independent political movement, the trade unions have done everything possible to isolate and fold up the strike wave.

The strike at Walmart began after a strike by thousands of miners in Chuquicamata, the largest open-pit copper mine in the world, against ongoing mass firings. Roughly 1,700 were laid off last year, as the operations at the mine move underground and utilize greater automation.

The CUT shut down the miners' strike on June 27, the last day of the strike vote at Walmart, imposing the same contract that workers had rejected a week earlier and ended the strike.

Miners denounced the unions online for "selling out," declaring that "there is no confidence in the leadership."

More than 80,000 teachers nationwide are still on strike to demand major improvements in infrastructure, pay and materials and the reintroduction of core curricula such as history, physical education and arts at high schools.

The Colegio de Profesores (Teachers' Association, CdP) union, which also belongs to the CUT and is led by Mario Aguilar of the pseudo-left Broad Front, also attempted without success to shut down the strike as Walmart workers prepared to walk out. The same day that the Walmart strike began, the CdP had teachers vote on the same agreement they had rejected, with Aguilar openly calling to "end the strike."

Facing a vote to continue the strike while beginning winter vacations this year, the CdP is attempting to sow demoralization and confusion by casting doubts on the validity of the vote. "This has been longer than we had originally foreseen," Aguilar told a union assembly Wednesday morning, "We have to see the intangible

achievements, which are not that evident and don't correspond to the list of demands."

Aguilar attempted to intimidate teachers by claiming that prolonging their strike would alienate the public, whose widespread support he cynically called a "treasure we can't throw away." A teacher watching a livestream of the assembly on Facebook commented, "What is intangible is worthless in this case. Don't chicken out!" Another wrote, "This is disappointing. We have to fight for our demands."

Polls indicating support for the teachers have remained constant throughout the seven weeks of the strike. In fact, several polls have also showed that the support for the right-wing Piñera administration has collapsed in recent weeks, with respondents citing "poor management of education" and "ignoring social demands" as major factors fueling their opposition.

The conditions also exist to link up the struggles of Chilean workers with their brothers and sisters internationally. This month, 71,000 workers at several supermarket chains across Southern California voted to strike against poverty wages, while in Vancouver, Canada, 25,000 supermarket workers are set to vote for strike authorization on July 29-31.

Workers in Chile and internationally need to draw conclusions from these crucial experiences. The treachery and isolations imposed by the trade unions demonstrates their role as industrial enforcers of the dictates of the ruling class. These organizations cannot be reformed or "recovered," but are hostile to the class struggle.

To defeat globalized finance capital and its attacks on workers' democratic and social rights, workers must organize new rank-and-file and democratic organizations and a revolutionary leadership, armed with a socialist program, to wage a global counteroffensive of the working class.



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