

Chile under the fascistic Kast government: Preliminary assessment of a social counterrevolution

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The new government in Chile headed by José Antonio Kast has been rocked by significant student demonstrations in the nine weeks since ascending to La Moneda Palace March 11 while polls demonstrate a record fall in his approval ratings. On May 19, Kast removed two key ministers from their portfolios—Trinidad Steinert as Security Minister and Mara Sedini as Secretary-General of the Government—in the fastest cabinet reshuffle since the return to civilian rule.

Kast, the fascist son of a Wehrmacht Nazi officer whose family collaborated in the Pinochet dictatorship's repression, came to power as head of a "government of emergency." He claimed, ridiculously, that his free-market executive decrees of corporate tax cuts and public sector cuts would not touch social programs and even somehow create jobs.

Two months into this authoritarian administration it is becoming increasingly clear to millions that all the economic shocks and misery associated with the free-market nostrums will be borne by the working class. Thousands of public sector jobs are at stake with a threatened purge of the civil service and critical health, education and social programs earmarked for cuts or closure. Meanwhile, a deregulation overhaul, corporate tax cuts and other investor-friendly incentives will allow the Chilean oligarchic clans, finance capital and the transnationals to reap a bonanza.

With unemployment hitting 9.1 percent in April, the highest reading in nearly five years, and underemployment and informal employment at 9.4 percent and 26.8 percent respectively, Kast is confronting deep, though as yet politically unarticulated, opposition from within the broad population.

As Kast heads to his first State of the Nation address on June 1, the most recent polls reveal that the fascistic president's approval ratings have dropped to between 36 and 39 percent. More than half of those polled disapprove of the government. This is a harbinger of much bigger struggles of the working class who in large numbers voted for Kast not as a turn to the right, but as a sign of their utter desperation after having been betrayed by the Chilean "left" government headed by Gabriel Boric (2022-2026).

The Broad Front-Communist Party "Approve Dignity" coalition facilitated the rise of the extreme right. Its policies, implemented amid the social crisis triggered by the global shocks of the COVID-19 pandemic and the Russia-Ukraine war, defended capitalist property relations, increased the economic fortunes of the richest families and entrenched poverty and extreme social inequality confronting the masses.

The pseudo-left government adopted as its own the law-and-order tropes historically associated with the right, erecting the most expansive police state since the return to civilian rule. It embraced the extreme right's war on migrants and indigenous communities, unleashing the military on these most vulnerable sections. And, 35 years after the end of rule of the bloodiest dictatorship in Chilean history, it normalized relations with a

fascist defender of the Pinochet dictatorship, all in the name of national unity, dialogue, and in the spirit of republicanism and democracy when fascism means to bury both.

Kast in government

Kast's social counterrevolution is being directed under the pretext of a "national emergency." His Republican Party, named in homage to Donald J. Trump, has for the last seven years been at the forefront of fomenting virulent nationalism and anti-immigrant chauvinism, whipping a pogrom-like atmosphere against Haitian, Venezuelan and other economic refugees and migrants. This war on the disenfranchised and most vulnerable is a precursor to a wholesale attack on the democratic, social and economic rights of the entire working class.

The nation-in-crisis theme set the tone for Kast's 2025 presidential election campaign, helped along by the right-aligned corporate media which saturated the networks for more than five years with sensationalist reports of foreign-controlled drug cartels, people trafficking and a supposed explosion in violent organized crime.

Kast won last December's presidential runoffs with 58.2 percent of the vote, not just by pulling in support from the myriad right-wing parties—the Pinochetista Chile Vamos coalition, the Milei-style Libertarian Party, and the right populist People's Party—but also by mining regions to the north and working class Santiago communes that were once strongholds of the Socialist and Communist parties.

Kast won 310 of Chile's 346 communes, while Jeannette Jara of the Communist Party, the candidate of the ruling Unity for Chile coalition captured only 36. Jara did not win a single commune in the southern regions of O'Higgins, Maule, Biobío, Araucanía, Los Ríos, Los Lagos, Aysén or Magallanes.

As president-elect Kast promised to rule through presidential decrees to deal with a so-called "emergency situation" gripping the country.

Following the oil price shock caused by the unprovoked US war against Iran, the government's very first economic measure was to remove an oil price stabilization mechanism and allow gasoline and diesel prices to fully reflect international volatility. Fuel prices experienced the largest single-day increase since 1973 with gasoline prices surging over 40 percent and diesel increasing 54 percent.

The cost of basic goods shot up. The Consumer Price Index climbed by 1.3 percent and annual inflation to 4 percent in April. The Basic Food Basket which calculates an ideal daily intake per person of 2,000 calories, increased by 28 percent between September 2025 and April 2026, while it

more than doubled since October 2019. Chile's wages have not kept up. The miserable minimum monthly wage does not even cover the rises in food, let alone other expenses like transport and rent.

The Kast administration also issued a battery of anti-democratic and pro-market executive decrees that will deepen already extreme social inequality, while vastly expanding the police state structures built up under Boric.

El Salvador's notorious Terrorism Confinement Center, where President Trump has sent hundreds of undocumented migrants, is for Kast and his team a model. During a January visit to the mega-prison, Kast said he was very interested in "evaluating everything that has been done in El Salvador. You know that you have a homicide rate of almost zero, including all types of homicides, and that is something we should aspire to in Chile."

The fascistic government's dog-whistle security decrees have focused on the criminalization of irregular cross border entry into the country. One of Kast's initial acts as president was to travel to the Chile-Peru border to begin the Border Shield Plan of trenches, walls, surveillance systems, drones and increased military deployment to stop desperate migrants with military violence. New legislation seeks to prosecute irregular entry as a criminal offence.

Kast has repeatedly declared his intention to expel more than 300,000 undocumented migrants. One way his administration seeks to "expedite deportations" is by obligating health and education professionals to provide immigration administrative authorities the personal details of undocumented migrants that present in their facilities.

In a May 23 interview with *El País*, Frank Sauerbaum, director of the National Migration Service, threatened "Immigrants need to know that we will no longer accept them as undocumented. We won't let them work, and social benefits will be restricted."

The new Minister of Finance, Jorge Quiroz, an economist and consultant for the wealthiest layers in Chile, has also issued fiscal austerity decrees that aim to slash an initial 3 percent across-the-board in public spending. Kast took office claiming a mandate to slash public spending by US\$6 billion in the first 18 months and US\$21 billion by the end of his four-year term, equivalent to roughly 8 percent of GDP, but refused to reveal how this would materialize.

How these cuts will be made is still being kept under covers. Only the health ministry has announced officially that 435 billion pesos (US\$488 million) will be cut from the already anemic National Health Fund, primary healthcare and other areas. Programs at risk include mental health, suicide prevention, palliative care, care for the elderly and services for vulnerable populations.

Health unions are warning that the major hospitals in Santiago and Valparaíso, the two most populous regions in the country, will be without financing by August. Emerson Berríos, president of the National Confederation of Health Workers warned that "by August we will run out of financial resources to continue providing care, even putting patients' lives at risk."

Leaked reports indicate that another major target is the elderly. The investigative news site *CIPER* reported on May 19 that 427 billion pesos (US\$479 million) will be cut from nine key programs benefiting more than 900,000 seniors. Earlier in April a memorandum that Quiroz sent to the various ministries called for deeper cuts. The memo, which was leaked to the press, included a 15 percent cut to the Universal Guaranteed Pension "a social benefit that... Kast promised would not be affected," wrote *CIPER*.

The ultra-right coalition is also militarizing schools and criminalizing youth. Following the murder of a school inspector by a student in late March the government pounced on the tragedy to push for a raft of security measures including installing metal detectors in schools and allowing security forces to conduct inspections of backpacks and personal

belongings.

In April, the security minister invoked the authoritarian State Security Law against protesting students. This law that was applied against political opponents of the military dictatorship that ruled Chile until 1990 and then by center-left and right-wing civilian governments against the indigenous communities fighting for their ancestral lands in the 35 years since.

While the Valdivian Court of Appeals overturned the decision because the Security Ministry didn't have the authority to invoke the law, it will be used to deal with the powder-keg conditions developing.

High school and university students have mobilized in the tens of thousands over the last two months against the proposed 3 percent cut in education that will affect access to free education, enforce repayments of student debts and curtail programs such as school meals, which feed daily 1.6 million six to 19 year old students living with high food insecurity.

The National Reconstruction Project

The centerpiece of Kasts free market reforms is the National Reconstruction Project that is as structurally significant as Pinochet's 1974 Decree Law 600, the statute that enshrined a series of guarantees for foreign investors and burdened the rest of the population with increased public deficits.

In a speech given at the International Economic Forum of Latin America and the Caribbean in Panama last January, Finance Minister Quiroz explained: "Investments start when there is certainty. For many years, Chile had what was called DL 600... We are going to try to restore a mechanism similar to that one, which provides that security and also extends that security to other areas, to protection against discretionary actions by some officials and security regarding integrity."

The reform package consists of 40 measures that aim to:

- slash state tax revenues by reducing the corporate tax rate from the presently low 27 percent to 23 percent.
- Give tax stability guarantees for large investors (of up to 25 years for US\$50M+ investments)
- Impose a one-off 7 percent flat tax on repatriated Chilean capital
- Broaden tax relief for large firms and SMEs
- Temporarily eliminate the Value Added Tax on new housing
- Tax exempt wealthy landowners aged over 65 (with the intention of removing property taxes altogether)
- Fast track environmental permits and safeguard investments from regulatory setbacks

The markets have rallied. The Santiago Stock Exchange General Index (IGPA) capitalization has climbed precipitously since election day last year. From 34,000 points in April 2024, it reached a historic high of 58,295 points in January this year. The S&P IPSA, a selection of Chile's blue-chip companies, reached an all-time high of 11,721 points also in January.

The market's mood was only slightly dampened by the Central Bank's announcement that Chile's GDP contracted 0.5 percent in the first quarter of 2026 and that its annual growth projections were revised down to 1.5 to 2.5 percent.

The reconstruction project passed in the Chamber of Deputies where the different factions of the right hold a majority. It is now moving through the Senate where the ruling party and the opposition are tied.

El Dinamo noted on May 27 that Interior Minister Claudio Alvarado (UDI) and Minister of the General Secretariat of the Presidency José García Ruminot (RN), who are leading the negotiations with the opposition, are trying to win over "Democratic Socialists" to ensure that

the government's flagship bill secures cross-party support lending it political legitimacy.

“It is clear that the Socialist Party will have to be a key partner in the dialogue and that we will be talking with them. The PS must be, as a political party, the most important faction within the opposition,” García Ruminot told the press.

This will not be difficult as these policies also belong to the Chilean “left.” A week earlier Senator Gastón Saavedra (PS) intimated to the same daily that they were more than willing to “dialogue.”

“We have long been proposing the possibility of tax cuts, but always gradual and with the necessary offsets. ... We inherited a country with a structural deficit of 7.7% of GDP, and President Boric handed it over with just over 3%. That's a clear sign of our commitment to fiscal responsibility,” Saavedra told *El Dinamo* May 18.

This is a preliminary assessment of Kast's social counterrevolution, although it should be noted that he cannot claim full credit as some of these measures were initiated under the Boric administration.



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