

Chile: strikes shut down world's largest copper mines

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Two of the largest copper operations in the world are now paralyzed by strike action, as the class struggle erupts in the sector that is the lifeblood of the Chilean economy. At the Centinela mine, a large open-pit copper and gold mining complex controlled by the Luksic family's Antofagasta Minerals, 709 workers from the Esperanza mine and Centinela district unions have been on strike since October 7. At the Escondida mine, the world's largest copper mine, operated by the Anglo-Australian giant BHP, the 1,020-member Union No. 2 of Supervisors and Staff has announced a strike for Wednesday, October 14, after 94.8 percent of its members rejected the company's final offer.

These strikes are a sharp expression of a crisis that is convulsing the entire Chilean mining industry, a crisis of falling production, rising prices, mounting deaths, and a working class that is beginning to move against the corporatist union apparatus that has policed it for four decades.

On Sunday, another serious accident at Codelco's El Teniente Division claimed the lives of two workers from the contractor Aura Ingeniería S.A. A landslide in the Rajo Sur section of the operation trapped contractor mechanical operators who were conducting an inspection. The two workers, aged 34 and 53, were buried under the landslide debris and were found deceased following search and rescue efforts. This latest tragedy brings the total mining deaths for this year to 11.

The two disputes reveal how far the conflict has moved beyond the traditional terrain of the "end-of-conflict bonus." At Centinela, the central demand is not a pay raise but the elimination of what the unions call "systematic discrimination," the disparities in wages and benefits between workers performing identical duties but belonging to different unions. The company has responded that these differences stem from collective bargaining agreements "negotiated at different times" and are not the product of any decision on its part. It has offered a 2 percent real wage increase, a settlement bonus of approximately US\$23,000 per worker, and a soft loan.

At Escondida, the dispute centers on the company's attempt to impose a 14×14 shift system and "multifunctionality," the requirement that supervisors operate heavy machinery when regular operators are unavailable. Union president Alexis Barrera has denounced the measures as a direct threat to safety: "Supervisors aren't familiar with this large-scale equipment. There's a certification issue... What they want is to get more work done with fewer people." BHP withdrew the two most contested clauses during mediation but has refused to modify its financial offer, which the union values at roughly US\$69.5 million below its demands.

As the industry publication *Chile País Minero* observed on October 10, "These are demands that are difficult to resolve with money alone. A severance bonus may be substantial and yet still fail to address what workers perceive as unequal treatment or a threat to their working conditions." The publication's conclusion is significant: "the conflict can no longer be resolved with a bonus."

Record prices, collapsing extraction

The strikes are unfolding against the backdrop of a profound crisis of the industry itself. Copper traded at \$6.66 per pound on October 9, with the annual average reaching \$6.11—a 40.4 percent increase over 2025. In August, the metal hit an all-time high of \$6.74 per pound. Yet in that same month, Chile produced 369,500 metric tons—13 percent less than a year earlier and its worst monthly figure since February 2011.

This is the central paradox of the Chilean economy: the country is failing to produce copper at the highest price in history. Manuel Viera, president of the Chilean Chamber of Mining, told *El Mercurio Online*: "I would characterize this as a crisis of management and supply, not a market crisis. No one is buying less from us or paying us less. We're failing to produce even at the best price in history, and a mining country cannot afford that."

The figures are stark. From January through August, production totaled 3.25 million metric tons, 8 percent less than the same period last year. Three companies—the state-owned Codelco, Escondida, and Spence—account for 91 percent of the decline. Codelco's El Teniente fell 27 percent due to restrictions following the July 2025 accident that killed six workers; Chuquicamata fell 22 percent; Ministro Hales fell 21 percent. Escondida lost 73,500 metric tons between January and July due to lower ore grades. Centinela fell 16.8 percent.

Economy and Mining Minister Daniel Mas has projected a 6.6 percent decline in mining production for 2026, to approximately 5 million metric tons. Chilean Chamber of Mining head Maurel Viera's estimate is even more pessimistic: 4.95 million metric tons, the lowest level since 2003, with a potential loss of \$6 billion in exports and roughly one percentage point of GDP growth if the strikes drag on.

The mining crisis is inseparable from the broader deterioration of the Chilean economy. The Monthly Index of Economic Activity (Imacec) fell 1 percent in August, the second consecutive monthly contraction, dragged down by the 17.4 percent collapse in mining output, the worst single-month decline in 15 years. Finance Minister Jorge Quiroz noted that the last time mining suffered a contraction on the scale seen in August was during the 44-day strike at Escondida in 2017.

Unemployment has risen to 9.6 percent, its highest level since 2021, with female unemployment at 10.3 percent. Inflation remains stubbornly high, driven in part by the Kast government's decision to end the fuel price stabilization mechanism, which has sent diesel prices soaring.

Six regions entered technical recession in the first half of 2026. The contraction is felt most acutely in the mining regions of Antofagasta (6.3 percent), Tarapaca (4.5 percent) and O'Higgins (4.2 percent). The overall economic decline was offset by a slight growth in the Metropolitan Region (1.6 percent) which accounts for almost half of the nation's GDP.

The crisis is being administered by the ultra-right government of José Antonio Kast, whose 2027 budget dismantles public education, healthcare

and culture while showering tax breaks on the mining monopolies. Kast's government is closely tied to the Trump administration, which has embraced it as a model for its "Shield of the Americas" project.

Five deaths in two weeks

The human cost of the profit drive is written in blood. Five miners have died in little more than two weeks. In addition to the latest two fatalities in Sunday's Escondida landslide, on September 23, Carlos Rodríguez Soto was killed in a maintenance accident at the same mine. On October 1, Waldo Alexis Castillo Barraza, a 49-year-old mechanic employed by the contractor Berliam SpA, was crushed to death while changing a pulley on a conveyor belt at Codelco's Radomiro Tomic mine. On October 6, Nelson Torres Parra, 46, a drilling operator, was found dead next to a drilling rig at the Los Colorados mine in Vallenar.

The five deaths and 11 so far in 2026 follow 20 fatalities last year, the highest figure since 2014, when 27 deaths were reported. At least four of the recent victims were contract workers, the disposable tier of the workforce. The WWS documented in August how the six workers killed at Codelco's El Teniente mine in July 2025 were victims of a chain of command that systematically ignored seismic warnings, concealed unsafe conditions from the regulator, and falsified safety reports. The same logic operates at Escondida, where Sernageomin revealed that an inspection in February 2026 had ordered 31 corrective measures, seven months before Rodríguez Soto's death. Sernageomin, the agency responsible for regulating the industry, has only nine inspectors for approximately 1,700 mining facilities in Antofagasta.

These deaths come amid record profits for fiscal year 2026. BHP achieved record copper production in fiscal year 2025, with Escondida producing 1.2 million metric tons, its highest output in 17 years. Escondida's after-tax profits reached US\$6.732 billion in fiscal 2026, up from US\$4.237 billion the year before.

By the union's own calculations, the entire cost of its collective bargaining demands could be paid for with four days of production. Meanwhile, the fortune of Iris Fontbona, matriarch of the Luksic family mining clan, rose by 91 percent in a single year to US\$55.6 billion. BHP's global CEO Mike Henry received US\$8.5 million in total compensation.

This is the reality behind the companies' insistence that "projected production remains unchanged" and their offers of 2 percent real wage increases. The copper barons are extracting enormous profits from the very scarcity their own investment strike has produced, while demanding that workers accept the intensification of exploitation through longer shifts, multifunctionality and the erosion of safety, as the price of their continued employment.

The "unification" of the unions: a trap, not a victory

The formation of FESIN BHP-Chile, the federation bringing together more than 5,000 workers from Escondida and Spence, has been hailed as a historic step forward. The centrist *El Porteño* has described it as "the embryo of a political class organization in a strategic sector of the national economy." The Morenoite *La Izquierda Diario* has promoted the federation's statements denouncing the "safety crisis" at BHP. Both tendencies equate the unions with the working class. This is factually false. The trade unions are not organs of the working class; they are

middlemen, a layer of functionaries interposed between capital and labor. Their social position is defined by their role in administering the sale of labor power within the framework of the capitalist system. Historically, they have a vested interest in the maintenance of bourgeois law and the capitalist state—not in their overthrow. The union bureaucracy lives off the very order it claims to oppose: its offices, its dues, its legal recognition, its seats at the negotiating table all depend on the continued existence of the system of exploitation.

Globalization has transformed this role into something more naked. In the era of globalized production, the unions have become the industrial policemen of the corporations. They sit in corporatist tripartite roundtables alongside the state and the employers and impose the dictates of business and government upon their own members. They negotiate the subcontracting regimes that have casualized much of the mining workforce. They administer the "end-of-conflict bonus" system that substitutes one-off payments for permanent wage gains. They police the workforce between contracts, suppressing wildcat action and enforcing the discipline of production.

This is precisely what FESIN BHP-Chile does. It issues statements. It gives testimony at congressional commissions, as Alexis Barrera did before the Chamber of Deputies' Mining Committee, demanding "stronger oversight" and "zero fatalities" from the very state that guarantees the companies' profits. It organizes protest stunts outside the corporate offices in Santiago, complete with hunger strikes and camps in the financial district. But it never mobilizes the social power of the working class. It doesn't call on the 2,300 members of Union No. 1 to join the supervisors' strike. It doesn't unite direct employees with the contract workers who are dying in the mines. It doesn't link the miners' struggle to the broader fight against the Kast government. Its entire activity is directed toward containing the struggle within the legal framework of company-level bargaining and delivering a sellout contract at the decisive moment.

The two political expressions of revisionism exist to keep the working class tied to these organizations. The Morenoites function as satellites of the parties that dominate the unions—the Stalinist Communist Party, the Socialist Party, the Broad Front—tailgating their every maneuver while posing as their left critics. *La Izquierda Diario* denounces the "bureaucracy that does not want to fight" only to promote the illusion that pressure on the bureaucracy can force it to fight, thereby binding the workers more tightly to the very apparatus that betrays them. Latin American centrism, for its part, appeals for the unity of the left—the unity of the workers with the bourgeois and petty-bourgeois parties and their union functionaries—as the precondition for any struggle. *El Porteño* presents the federation as a "leap forward in workers' unity" when it is in fact a consolidation of the apparatus of class collaboration. Both tendencies glorify the spontaneity of the workers while tying them to these old bureaucratic organizations of a bygone era, channeling their anger back into the dead end of the existing order and disarming them before the decisive confrontation.

The corporatist trade unions in Chile have been a crucial pillar of capitalist stability for 40 years. They shut down strikes at the decisive moment, as the 2018 Escondida struggle demonstrated, when the union imposed an 18-month extension on workers who had voted overwhelmingly to strike. The record of the 2024 Escondida strike by the much larger Union No. 1 is equally instructive. As the *World Socialist Web Site* reported, the union "has repeatedly used such limited strikes as a safety valve to suppress opposition and impose sellout contracts." It refused to rally the non-unionized contract workers, set up picket lines, or appeal to broader sections of workers and thus isolated the strike and made a defeat an accomplished fact.

The most damning fact of the current negotiations by Union No. 2 is what is absent from them. Across the 2017, 2020 and 2023 bargaining

cycles at Escondida, there has been no permanent increase to the base salary. The gains have been structured entirely as one-time termination bonuses, soft loans and benefits improvements. BHP's own vice president, Pablo Pisani, admitted during the 2026 mediation that "during the last three years remuneration has increased by over 26 percent, considering CPI adjustments and individual increases."

This is the crucial distinction. Chilean law guarantees that the base salary is automatically adjusted for inflation at each renewal. What BHP calls a "26 percent increase" is primarily the accumulation of CPI adjustments and individual merit raises, not a structural uplift to the collective salary base. The union's "zero increase" complaint means something specific: the collective agreement has never negotiated an increase above CPI, meaning workers have not gained from the high profits amid record high prices.

The termination bonus trajectory tells the story: CLP 7.7 million (US\$7,854) in 2017, 15 million in 2020, 17.8 million in 2023, and BHP's current offer of 23.5 million. This escalating one-time payment is the company's preferred mechanism because it costs nothing permanently and resets at each negotiation.

The strikes at Centinela and Escondida must be seen not as isolated collective bargaining disputes but as part of the growing militancy of the international working class. They follow the strike wave that has swept through auto plants, healthcare systems and logistics networks across North America, Europe and Asia. These strikes and protests are driven by the impossible cost of living and growing conflict with the corrupt trade union apparatus.

The corporatist unions—including FESIN-BHP—are experts in containing radicalization and will only try to smother and betray this militancy. Their function is to channel the workers' anger back into the dead end of company-level bargaining, to isolate each struggle, and to impose sellout contracts at the decisive moment. The Morenoites of *La Izquierda Diario* and the centrists of *El Porteño* are accomplices in this betrayal. They glorify the spontaneity of the workers while refusing to provide any political leadership, and they promote the illusion that pressure on the union bureaucracy can force it to fight.

The working class can advance only by building independent organs of struggle. The WSWS has called for the creation of "independent, democratic and militant rank-and-file organizations of workers in factories, schools and workplaces, on an international scale, as new organs of struggle." These committees must unite direct employees and contract workers—the division between them is the central weapon of the mining companies—and must link the economic demands of the miners to the political fight against the Kast government and the entire capitalist order.

Chilean workers have a history of precisely this type of initiative. During the Popular Unity government of Salvador Allende, the Cordones Industriales, industrial belts of workers' councils, emerged as embryonic organs of workers' power, coordinating production and struggle across factories and mines. They were betrayed by the Stalinist Communist Party and the Socialist Party, which subordinated the working class to the "progressive national bourgeoisie" and, in the case of the El Teniente strike, deployed troops to crush workers who broke out of the control of the government. The result was the 1973 coup and the Pinochet dictatorship.

The lesson of that defeat is not that workers' power is impossible, but that it requires a revolutionary leadership. The WSWS wrote in commemorating the 50th anniversary of the coup: "The fundamental lesson of the Chilean defeat was that the working class was willing and able to take political power, but it lacked the decisive element of a revolutionary leadership, a party based upon Trotskyism and the assimilation of the bitter lessons of the 20th century."

The miners at Centinela and Escondida are fighting against the most powerful corporations on earth, backed by the Chilean state and the

imperialist powers. Their struggle can be won only by uniting with their class brothers and sisters across Chile and internationally, by building rank-and-file committees that take the struggle out of the hands of the union bureaucracy, and by fighting for the expropriation of the mines and their placement under the democratic control of the working class. The resources exist to provide every Chilean with a decent life. What is lacking is not money, but the political independence of the working class from the parties and unions that serve as instruments of capitalist rule.



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