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40 Years Ago, This Chilean Exile Warned Us About the Shock Doctrine. Then He Was Assassinated.

Orlando Letelier's 1976 Nation essay is still essential reading.

By *Naomi Klein*

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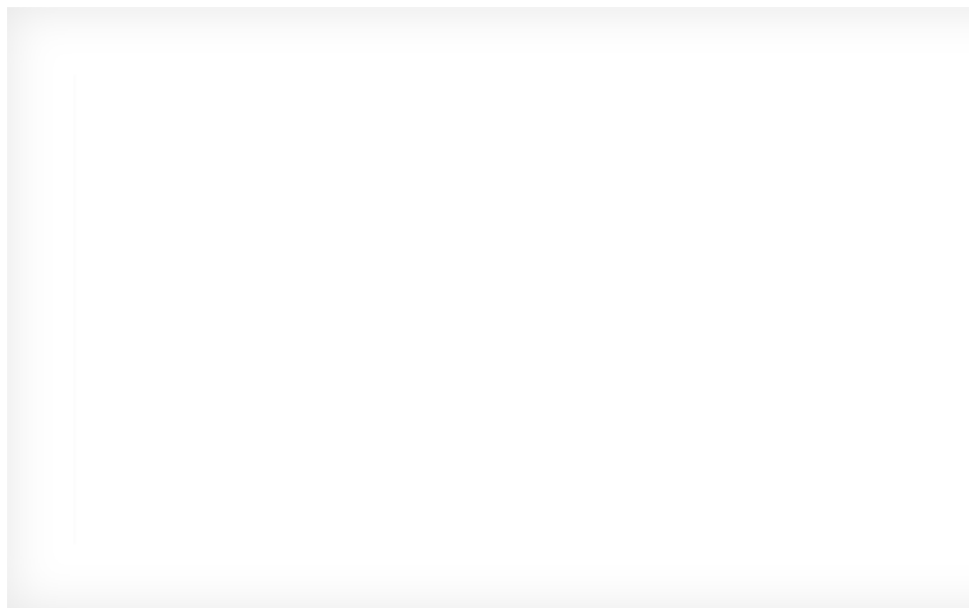


Artwork by Francisco Letelier. (Sarah Anderson)

In August 1976, *The Nation* published an essay that rocked the US political establishment, both for what it said and for who was saying it. "The 'Chicago Boys' in Chile:

Economic ‘Freedom’s’ Awful Toll” was written by Orlando Letelier, the former right-hand man of Chilean President Salvador Allende. Earlier in the decade, Allende had appointed Letelier to a series of top-level positions in his democratically elected socialist government: ambassador to the United States (where he negotiated the terms of nationalization for several US-owned firms operating in Chile), minister of foreign affairs, and, finally, minister of defense.

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Then, on September 11, 1973, Chile’s government was overthrown in a bloody, CIA-backed coup led by General Augusto Pinochet. This shattering event left Allende dead in the smoldering presidential palace and Letelier and other “VIP prisoners” banished to a remote labor camp in the Strait of Magellan.

After a powerful international campaign lobbied for Letelier’s release, the junta finally allowed him to go into exile. The 44-year-old former ambassador moved to Washington, DC; in 1976, when his *Nation* essay appeared, he

was working at the Institute for Policy Studies (IPS), a left-wing think tank. Haunted by thoughts of his colleagues and friends still behind bars, many facing gruesome torture, Letelier used his newly recovered freedom to expose Pinochet's crimes and to defend Allende's record against the CIA propaganda machine.

This kind of activism was having an effect. Pinochet faced universal condemnation for his human-rights record, which became impossible to ignore: the mass disappearances and executions of leftists (more than 3,200 dead by the end of the junta's rule); the imprisonment of tens of thousands of people; the complete bans on political protest and dissenting political activity; the murder of beloved artists like Víctor Jara; the roughly 200,000 people forced into exile.

What frustrated Letelier, a trained economist, was that, even as the world gasped in horror at reports of summary executions in the national stadium and the pervasive use of electroshock in prisons, most critics were silent when it came to Chile's economic shock therapy—the brutal methods used by the “Chicago Boys” to turn Chile into the very first laboratory for Milton Friedman's fundamentalist version of capitalism. Indeed, many who condemned Pinochet's human-rights record heaped praise on the dictator for his bold embrace of free-market fundamentals, which included rapid-fire privatization, the elimination of price controls on staples like bread, and attacks on trade unions.

Letelier set out to explode this comfortable elite consensus with a litany of factual evidence and persuasive rhetoric. He argued that the junta wasn't pursuing two separate, easily compartmentalized projects—one a visionary experiment in

economic transformation, the other a grisly system of torture and terror. There was, in fact, only one project, in which terror was the central tool of the free-market transformation. “Repression for the majorities and ‘economic freedom’ for small privileged groups are in Chile two sides of the same coin,” Letelier wrote.

He went further still, arguing that Friedman, the famed US economist who served as “the intellectual architect and unofficial adviser for the team of economists now running the Chilean economy,” shared responsibility for Pinochet’s crimes. (Friedman’s name comes up in the essay 19 times.)

Letelier dismissed Friedman’s claim that urging Pinochet to introduce economic “shock treatment” (as the Chicago economist put it at the time) was merely “technical” advice, unrelated to the human-rights abuses. On the contrary, Letelier insisted that Pinochet’s political violence was what made his economic violence possible. Indeed, only by murdering and imprisoning left leaders, and by terrorizing the wider society, could Pinochet force the same nation that had democratically elected Allende a few years earlier to accept this savage clawback of social gains. As the late Uruguayan writer Eduardo Galeano would put it a decade later: “How can this inequality be maintained if not through jolts of electric shock?”

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Letelier’s essay was so bold and persuasive that it had an immediate impact, provoking debate and defensive responses. Yet much of why we’re still reading it today has to do with what happened next. On September 21, 1976, less than one month after the article’s publication, Letelier was

murdered—assassinated in a car bombing in the embassy district of Washington, DC. His 25-year-old IPS colleague Ronni Moffitt was in the car and also died in the attack, which took place exactly 40 years ago this week.

An FBI investigation revealed that the bombing had been the work of Michael Townley, a special operative for Pinochet's secret police, who later pleaded guilty to the crime in a US federal court. The assassins had tried to enter the country using false passports earlier that summer, an incident brought to the attention of the CIA by the State Department. Recently declassified documents contain persuasive evidence that Pinochet himself ordered this defiant act of terror.

To reread Letelier 40 years later is to be reminded of how much—and how little—has changed. Chile is led today by a center-left government headed by Michelle Bachelet, herself a survivor of Pinochet's torture camps. But in other Latin American nations—from Brazil to Honduras—popular democratic victories are once again under siege.

In North America and Europe, meanwhile, the intellectual myopia that Letelier condemned so ferociously continues to restrict the perimeters of far too many of our public debates. As in Letelier's time, our loudest establishment voices generally have no trouble condemning repression by foreign dictatorships or the rise of neofascism within our borders—some will even admit that there is a crisis of police violence. But very rarely are the dots connected between such troubling phenomena and the celebrated free-market policies for which Chile, under the Chicago Boys, was the earliest and purest laboratory.

And yet the connections are screaming to be made. There is a

reason, for instance, why authoritarian China has become the sweatshop for the world: As in Chile in the '70s, its suppression of democracy, restrictions on information, and brutal repression of dissidents create the required conditions to keep wages down and workers under control.

Similarly, there is a clear reason why mass incarceration exploded in the United States in the midst of the neoliberal economic revolution, when the welfare system has been radically eroded and the public funding of virtually all social services is under attack. It isn't a grand conspiracy, but the economic exclusion of huge swaths of the population required some parallel strategy of escalated repression and containment (the drug war was awfully handy that way). There are connections, too, between the imposition of brutal austerity and corporate-friendly trade deals and the frightening rise of far-right parties in Europe and the United States. And yet, too often, we imagine that these forces can be defeated without substantive shifts in policy.

The good news is that social movements are weaving their own histories, filled with intuitive connections between the political, social, economic, and ecological. Most notably, "[A Vision for Black Lives](#)," the sweeping policy platform released this past summer, puts to rest any notion that the state violence visited on black bodies can be treated as a narrow human-rights issue, fixable with a simple set of police reforms. Instead, the platform places that violence in the context of an economic project that has waged war on black and brown communities, putting them first in line for lost jobs, hacked-back social services, and environmental pollution. The result has been huge numbers of people exiled from the formal economy, allowing them to be preyed upon

by increasingly militarized police and privatized prisons.

“High levels of unemployment and decades of disinvestment in black communities have led to dangerous interactions with police,” explains Dorian T. Warren, one of the authors of the Movement for Black Lives’ economic platform and board chair of the Center for Community Change. Or as Letelier put it all those years ago: “The economic plan has had to be enforced.” ●

6 COMMENTS

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