

# *“Winding Down” the Company Town of El Tofo: Restructuring Labor and Capital in Chile’s Iron Mining Operations, 1949-1971*

By  
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As I stood in the middle of a quiet road on the outskirts of Chile’s northern city of La Serena, I snapped photos of a wooden house, painted pink with brown trim and a corrugated metal roof. It was difficult to imagine that this iconic structure, built for iron workers in the 1920s, had been moved from the remote company mining town of El Tofo to the urban outskirts of La Serena. For fifty years, homes such as this that dotted the hillside of the isolated arid town on Chile’s Pacific coast housed the families of workers who labored in the iron mines owned by the Bethlehem Chile Iron Mines Company (BCIMC), a wholly owned subsidiary of the Bethlehem Steel Corporation. The pink house was the home of Rosa, who identified as a “*Tofina hasta que me muera*,” someone from the town of El Tofo to the death. Upon depletion of high-grade ore in the mine, the town faced shut down and many workers demanded housing. As a result, some wooden homes were disassembled, placed on trucks, and moved to the urban outskirts of La Serena, or throughout the nearby commune of La Higuera.

BCIMC had purchased the rights to El Tofo in 1913 and began ore shipments in 1921.<sup>1</sup> The operations at El Tofo were straightforward: after the ore was mined and transported fifteen kilometers from the mountain to the coast via electric train, it was dumped into ships at the port of Cruz Grande; all of which happened without departing the private property of Bethlehem Steel Corporation’s subsidiary. In 1931, it took forty days for vessels to make the journey through the Panama Canal to Bethlehem’s only seaboard steel mill at Sparrows Point on Maryland’s coast—the journey decreased over time as faster freighters were introduced.<sup>2</sup> The mine’s output steadily increased through the 1940s. World

War II led to a brief reduction in shipments between 1942 and 1945, after which production increased to nearly three million tons of iron ore annually.<sup>3</sup>

As high-grade ore in El Tofo became depleted, BCIMC expanded its operations to the Romeral Mine, with estimated reserves of two hundred million tons.<sup>4</sup> In 1949, the company signed an agreement with the *Compañía de Acero del Pacífico* (CAP)—representing the Chilean government—to lease land to BCIMC for the property at El Romeral, twenty-five kilometers to the north of La Serena. As the corporation transitioned its extractive operations from the mine at El Tofo to El Romeral, it opted to bus its workers in from three neighborhoods in urban La Serena instead of constructing a company town at El Romeral.

This article concentrates on this under-analyzed period in Bethlehem's Chilean iron-ore production from 1949 to 1971, which was marked by labor activism, repression, and political struggle in Chile. In examining why BCIMC opted not to build a company town at El Romeral, one central question guided my research: *How did the restructuring of labor and capital in the transition from a remote mining enclave to a mine drawing from a dispersed urbanized workforce generate new forms of conflict?*

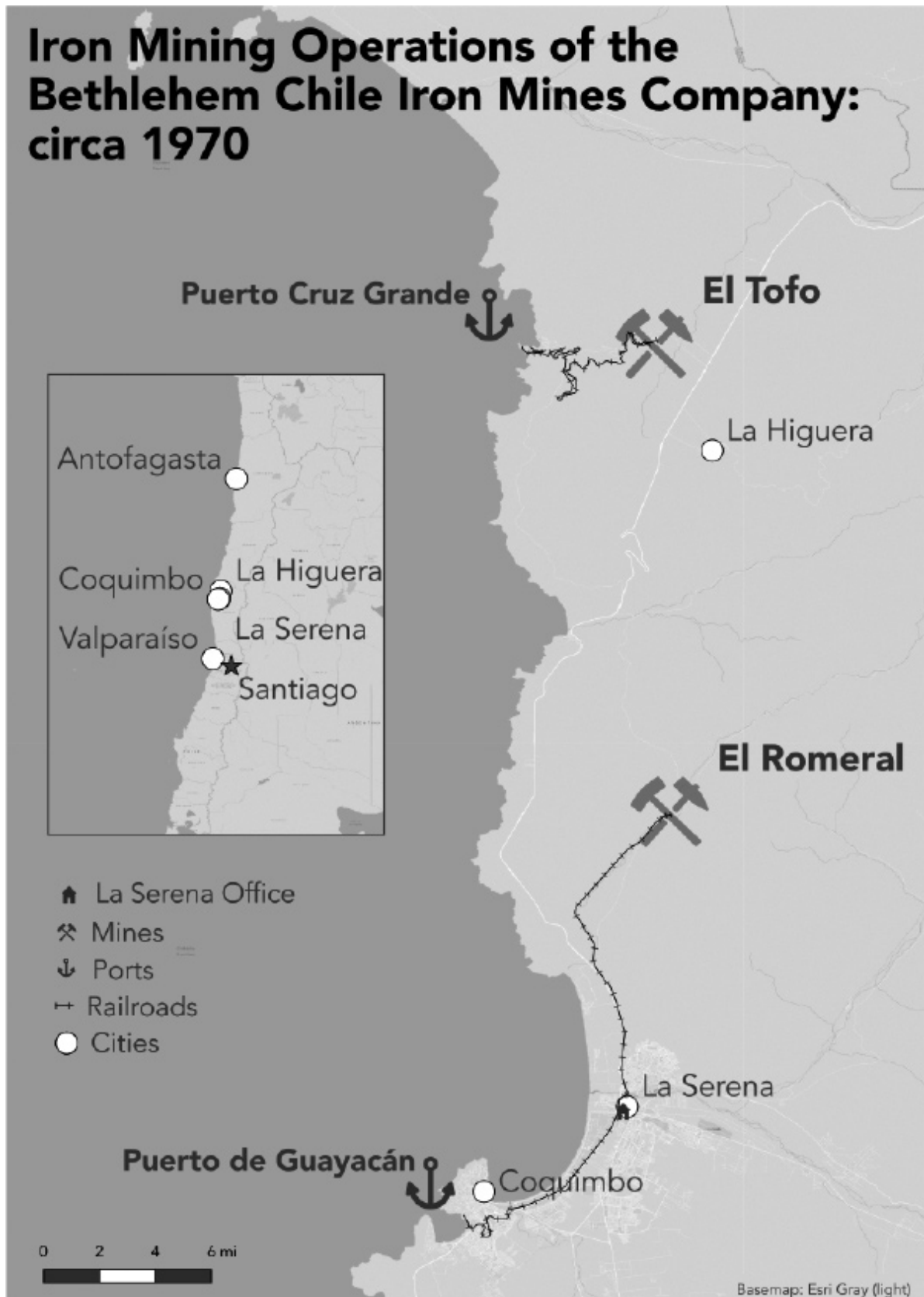
This article focuses on how the reorganization of capital toward the changing demands of a global iron ore market resulted in a restructuring of labor which simultaneously constituted “winding down” the company town at El Tofo. This transitional period generated conflict between workers and management and raised numerous questions about BCIMC's obligations to its employees, to the development of the region, and to the country of Chile, all of which culminated in the company's nationalization in 1971. Through a socio-historical analysis based on interviews and archival sources, the article examines the shifting daily lives of workers and their families as well as the conflicts generated by changing modes of iron production and labor organization.

The article examines labor relations and daily life in and beyond the company town; all within a structural historical analysis of political economy. Split into various subsections, it focuses on the inter-generational character of El Tofo, the established norms in the mining town, the first major workers' strike in 1955, urban planning efforts in La Serena, the three-month strike of 1967, how changing global iron ore markets resulted in the expansion of the Romeral mine, nationalization of BCIMC in 1971 and, briefly, the permanent closure of El Tofo and Cruz Grande in 1974.

In a discussion of this history, the article offers six explanatory factors as to why BCIMC opted not to build a company town at Romeral and uses the concept of “secondary sourcing” to demonstrate how the expansion of the Romeral Mine was a part of the process of winding down at El Tofo.<sup>5</sup> It concludes by arguing that the reorientation of capital toward selling iron-ore on the open market, as opposed to supplying the Bethlehem Steel Corporation with raw materials, was accompanied by a reengineering of labor, best exemplified by abandoning the company town model. The results of which were a series of labor strikes between 1955 and 1967 and a corresponding decline in the company's obligations to its Chilean workforce.

### The Inter-Generational Construction of El Tofo

The pink house that I visited at the beginning of this article belonged to Rosa, who was born in El Tofo in 1943. Her father, Elías González, arrived from the nearby town of La Higuera sometime between 1920 and 1922. After his father died, as the eldest child, González had set out to find work to support his family when a friend secured him a job working at the crusher responsible for breaking up the ore bound for ships at the port at Cruz Grande. He built a life in El Tofo; he met his wife, whose father, Daniel Cortez Merenguena—Rosa's grandfather—also worked there.



Cortez Merenguena was the first operator of the 2400-volt electric train that carried ore down the steep mountain to the coast.

Rosa came from a union family. Her grandfather was the head of the union of *empleados* (professional workers), and her father was a leader of the union of *obreros* (mine laborers). Rosa was proud of her father; in the forty-four years that he worked at the mine, González did not miss a single day of work. Rosa also married a *Tofino*, as residents of El Tofo were known. She had her civil marriage in La Higuera, but the ceremony was held in the Santa Ana chapel in El Tofo, the same location where she had been confirmed a decade before.

Rosa, like the others who were family members or laborers in the mine, lived in the *campamento obrero*, which consisted of small wooden houses with zinc roofs, originally without running water, situated in rows along a steep hillside at the mine. In the 1920s and 1930s workers and their families used open latrines, and water was rationed at ten liters per person per day.<sup>6</sup> Eventually shared showers and toilet stalls were made available. Former mine workers recalled stories of long lines waiting for showers starting at 5am. The water tank was heated by firewood.<sup>7</sup> Once bathrooms were installed in the late 1950s, a “social assistant” hired by the company would inspect private residences to ensure their cleanliness.<sup>8</sup>

In 1950, when houses were finally upgraded by the company, 86 percent of the workers in the small, two-bedroom homes had an average of six family members in residence.<sup>9</sup> At that time, families of workers considered to have “the best behavior” were able to move into the updated houses in Bellavista, demonstrating the power that BCIMC had as it used its position as landlord to enforce the obedience, loyalty, and compliance of its workforce.<sup>10</sup> Unmarried men had cabins or rooms in a shared dormitory, which functioned to incentivize marriage. The company owned all of the homes and was responsible for their repairs. In addition to lodgings and shared bathroom facili-

ties, the *campamento obrero* included a labor hall, a recreation hall that included a billiard room and a lounge for playing cards and dominos, a soccer field, a cafe, a library with newspapers and magazines, and a cantina that provided meals at cost mostly for single workers.<sup>11</sup>

Former residents remember these amenities as markers of a benevolent company, while industrialists had long touted sports and organized leisure activities as a means to create a sense of unity, ease tensions between management and labor, and transform people into good workers.<sup>12</sup> El Tofo existed as its own world, operating with both spatial and cultural distance from the surrounding area. Life in El Tofo was dictated by the various shifts in the six-day work week. Time spent off the clock was filled with church and company-encouraged forms of leisure, such as playing sports and seeing movies. *Tofinos* had their own rituals, which included various dances, the crowning of the “queen of the mines,” and a day off from work on the fourth of July—Independence Day for the United States.

The company also had jurisdiction over the housing and private lives of its workers. Its remote location meant that residents lacked freedom of movement beyond the town. The company had a police outpost and jail which, although reportedly rarely used, served as a threat to workers to obey company policies, including the prohibition of alcohol. There are accounts of the company meddling in the marital lives of its workers. While this raises questions about violations of privacy, some women noted that the lack of alcohol and the paternal presence of the company may have reduced incidents of domestic violence and created a more “*tranquilo*” and “*sano*” (peaceful and healthy) environment. Similar to the practices of patronage found in the South Bethlehem steel plant, sons of workers—who behaved—were nearly guaranteed employment. Working for the company became a family affair.<sup>13</sup>

### Social Engineering in the Company Town

The workforce of laborers was relatively homogeneous. Many of the early workers came from the *salitreras* (nitrate works) following the decline in nitrates, or from La Higuera, Los Choros or Antofagasta. As demand for labor grew, workers aided the company's recruitment efforts by bringing in friends or relatives through personal connections, or by directly recruiting talented athletes to join their company teams. All of the mine workers reportedly spoke Spanish, as opposed to an indigenous language, and were Chilean born. The company equipped the schools and hospitals with the most modern technology; the school had microscopes and the hospital had an X-ray machine. Literacy classes were offered for mothers, night classes for mine workers, and the children with the best grades were given scholarships to study past the sixth grade in La Serena. Girls were taught homemaking courses, solidifying gendered expectations and providing an opportunity for the company to shape the social behaviors of the working-class residents in what could be described as a "civilizing mission."

The company's extensive capital investment in the productive processes was matched by its substantial investment in the social reproduction of the town. This marked a departure from the notoriously poor conditions found in the nitrate-mining camps plagued by exploitative forms of debt bondage instituted by company notes (*fichas*), which workers were forced to use at the over-priced company store or *pulperia*—from the Spanish for octopus (*pulpo*) because it notoriously sucked wages from workers.

U.S. corporations investing millions of dollars in extractive operations wanted an obedient workforce that would care for the expensive mining equipment that the companies imported and would conform to the demanding production process. In an attempt to minimize high turnover rates and behavior deemed immoral by company

executives, BCIMC prohibited laborers from consuming alcohol in El Tofo and Cruz Grande. This policy did not apply to executives, who had bars in their homes and an exclusive club that served American whiskey. While similar company town projects were happening in the copper region of the Andean highlands or Atacama Desert, the amount of capital invested in the mining operations and town of El Tofo was entirely unprecedented in the Norte Chico region of Chile.<sup>14</sup>

Due to the sophistication of its operations, Bethlehem Steel Corporation also invested in extensive housing and services to attract qualified foreign workers with technical expertise to live in the mining town. A wide range of professional workers, such as administrative staff, medical officers, and technical specialists, resided in the *Poblacion de Empleados*, which represented what some called the "intermediate stratum" within El Tofo's hierarchy. Referred to as Santa Ana, this section of housing was located by the theater and the church, yet a simple dirt road is all that separated the more exclusive neighborhood from the miner's homes. All homes there, however, had running water. The professional workers had their own union and union hall, the site of dances that mine workers were prohibited from attending.<sup>15</sup>

In 1951, this population was comprised of five engineers, two topographers, medical personnel who worked for the hospital, and those who worked for the railroad, totaling 117 persons.<sup>16</sup> Despite not being directly employed by BCIMC, teachers also lived in company-provided houses in Santa Ana. Initially, the engineers all came from the United States or England, but by the 1950s middle management and engineers were mostly Chileans with some individuals from Bolivia, the United States, and various parts of Europe.

A woman first-named Nelida grew up in Santa Ana in the 1940s because her grandfather worked as a postal carrier and delivery person for BCIMC. She could not recount a single detail of his life prior to El Tofo, but she recognized her privileged position relative to many Chileans at the time.



Her home had a telephone, residents had access to the newest Mexican films at the movie theater, and, as one of the top students in her class, the company provided a scholarship for her to attend high school in La Serena. She recalled her childhood with affection and described El Tofo as “una gran familia” (one big happy family).<sup>17</sup> But when asked if she remembered playing with children of laborers and executives, she paused for a moment. Seemingly surprised by her own realization she said, “you know I thought we were all one big family but now that I think about it, I didn’t [play with children outside of Santa Ana].”<sup>18</sup>

Executives from the United States and their families lived in the *campamento Americano* which sat on the top of the mountain overlooking Santa Ana, the *campamento obrero* and the mining operations. This layout was consistent with those of Chilean mining towns at Portilleros and Chuquicamata.<sup>19</sup> The handful of homes in the *campamento Americano* were constructed entirely of imported materials that arrived in Chile on ore steamers. The large houses had wooden floors, a bar, and two bathrooms complete with plumbed hot water and one with a bathtub. Sociologist Eda Cleary noted that “they looked like little mansions on top of the western slope of the hillside, endowed with gardens in the middle of the dryness of the desert.”<sup>20</sup>

The executives who occupied these homes generally stayed for five years, although a number of them, including Archibald Henderson, Ed Leach, Lester Kuhnenn, and Edmund Peterson, stayed in Chile for over a decade. While the production process regularly brought executives, engineers, and laborers into close contact, the social structures of life in El Tofo had firm borders. Children of executives were taught in a separate English-speaking school in the *Campamento Americano* using textbooks brought directly from the United States. These systems of segregation, privileges, and exclusions cemented the hierarchies in the town; and, as Cleary argues, “the relationship between ‘gringos’ and *tofinos* constitutes

the fundamental axis in the formation of what could be described as a *tofino* identity.”<sup>21</sup>

For example, the movie theaters, much like the geographical living arrangements, were marked by segregation, with workers seated below, executives in special boxes and management marking the intermediary.<sup>22</sup> While mine workers were given transportation to spend Sundays on the beach and even allowed to borrow mining equipment to move the sand around, workers recall “being careful” not to look at the exclusive side of the beach where the gringos would sunbathe. This separate and hierarchical system reinforced difference and exclusion. It also produced a contradictory process in which everyone in the town participated in building a narrative that all residents were part of one unified family while residents simultaneously learned how to navigate this remote and segregated world.

The workforce was also highly sex-segregated. All of those who labored in the mines were men. Women worked as teachers or nurses, and some played administrative roles for the company. The daughters or wives of miners were hired as domestic workers in the homes of the executives, some returned to the town after professional training and worked as secretaries for the company. There were a few independent businesses, where women or family-run operations existed. Consistent with a state-led process aimed at stability in Chile, the gendered model was that a man’s work in the mine was sufficient to cover the cost of living for a family.<sup>23</sup> This was particularly the case in El Tofo and Cruz Grande because housing, electricity, water, and hospital services were all covered by the company; healthcare was provided by the Chilean state.

A report published in 1940 by the U.S. Bureau of Mines said of the situation in El Tofo: “Labor turnover is practically nil and there has never been a strike at the mine, both of which speak well for the excellent work of the administration in supplying individual houses for the workmen and their families besides hospital service, clubhouses

and playgrounds.”<sup>24</sup> Relations between management and workers are often described by contemporary witnesses as good, particularly because the capital-intensive investment from BCIMC created material living conditions difficult to obtain in much of Chile at the time. Access to education, a hospital, and recreation created a reputation for El Tofo as “the best Chilean iron mine ever.”<sup>25</sup>

### The Strike of 1955: Beginning of the Winding Down

Mine laborers launched the first documented strike at El Tofo in 1944 because a lack of shipments, as a result of World War II, translated into a reduction in workers’ pay. Their demands were met with an increase in pay.<sup>26</sup> However, the mine’s first significant strike took place in 1955, three years after the national press had reported depletion of the iron reserves at El Tofo, and after some workers had already begun to be laid off. Directly after the period of peak output for the mine, the Chilean economy fell into recession in 1953; this was when Nelida’s father lost his job working for the company. The union of *empleados* and *obrerros* (employees and workers) formed a common front, demanding seventy-five million pesos to fund severance pay for those who had been fired, as well as homes for displaced workers.

Five hundred workers went on strike for over a month. The union built some alliances with leftist political parties, but the strike was declared illegal. Chilean labor laws mandated obligatory participation in unions in some sectors—legally separating blue- and white-collar workers—and the right to collective bargaining, but strikes that were more political in nature, “such as those for enforcement of contractual and statutory obligations of employers, dismissal, solidarity and general strikes,” were deemed illegal by the *Dirección del Trabajo*, representing the Chilean government.<sup>27</sup> This framework meant that unions had to follow a series of complex procedures for strikes to be classified as legal. With the strike categorized as

illegal, the company was under no obligation to negotiate and so BCIMC used the opportunity to fire 180 of the workers whom it perceived to be the instigators. In that same year, 1955, the company would also shut down the bulk of iron-ore mining at El Tofo, moving some of the remaining equipment and personnel to El Romeral.

This is consistent with the “winding down” process seen in other iron-mining towns as it generally involves layoffs, capital disinvestment, “a decline in the net productive capacity of the mining operation,” and moving some equipment while letting other elements fall into disrepair.<sup>28</sup> In this phase of winding down, the restructuring of capital leads to secondary sourcing, which is when a company opens additional mines or “establishes a parallel production line to compete better in the world market.”<sup>29</sup> In the case of El Tofo, the new mine at El Romeral exemplifies this model.

In 1956 BCIMC began extracting ore from El Romeral and shipping from its newly constructed Port of Guyacán in Coquimbo. Meanwhile, that same year exports from the dock at Cruz Grande plummeted to an average of 630,000 tons a year—levels equivalent to the depression of the 1930s—an amount equivalent to twenty-seven ore carriers sailing at their full capacity of 24,000 tons. But while expanding El Romeral’s operations, the company opted not to build a mining town at the site. Tensions over the lack of housing and the concomitant loss of benefits for workers created many conflicts, and there were strikes again on October 28 and November 17, 1958.<sup>30</sup>

In a 1958 letter, W. H. Swayne of the Anaconda mining company described the new arrangements at the Romeral Mine:

The property is 20-30 minutes by automobile from La Serena. There is no housing on the premises. The workmen are all transported in company operated buses. Labor is not paid for the time of the bus trip, and to date, when the issues had come up the company refuses to discuss

it. The Company attitude is that the job is at Romeral. If the workers do not wish to avail themselves of the free transportation provided, then they can get from their homes in La Serena to the job by whatever means they choose or look elsewhere for employment.<sup>31</sup>

Swayne's letter demonstrates not only this novel form of labor organization in Chile's mining sector, but also the company's attitude toward workers' dissatisfaction with these arrangements. By drawing from an urban workforce, the company could have a reserve army of labor, which gave it the power to refuse to negotiate with the unions. Just as miners in the isolated town of El Tofo were stuck with the company, the company had, perhaps to a lesser degree, been stuck with its workforce. But as BCIMC developed El Romeral, it was able to restructure the labor relations that had been in place at El Tofo. The increase in Chilean engineers and technical staff—there was a waiting list of applicants—also meant that the company's operations required fewer foreign supervisory staff, which, the same letter notes, were individuals from fewer than twelve families.

The decision not to build housing at the site of El Romeral was in line with changing norms in the country; mining towns became more regulated and instead of operating purely as private fiefdoms, they were placed under the jurisdiction of local municipal governments. These reforms reflected the militancy and power of the copper-mining unions, which in turn also transformed the mining camps into a political liability. The move away from the traditional company town was also embraced by industrial capitalists of this era. They had become wary that what had been designed to breed cooperation between labor and capital, may have backfired and actually led to a growth in socialist ideals among workers.<sup>32</sup> In a 1967 report which draws extensively from a site visit to BCIMC properties, the position not to build housing is supported by noting that "expe-

rience has shown that workers that live in established towns are more likely to take an active part in 'community affairs.'"<sup>33</sup> Thus, the camps were perceived as threatening and so BCIMC opted for a new arrangement in which labor was dispersed, plentiful, and could exercise less power.

### El Romeral, Plan Serena, and Urban Planning

It is likely that the Chilean government wanted to pressure foreign multinationals to invest in a form of development that would not result in shuttered ghost towns in remote regions but had the possibility of creating lasting housing infrastructure. For example, the move toward an urban labor force coincided with a nation-led project in urban planning. Inspired by Georges-Eugène Haussmann's renovation of Paris, the president of the Republic of Chile, Gabriel González Videla, born in La Serena, launched "Plan Serena." From 1948 until 1952 national funds went into the Norte Chico region of Chile to construct buildings, boulevards, the Pan-American Highway, ports, and to expand mining operations.<sup>34</sup> González Videla had been elected with the support of the Communist Party, but he quickly betrayed it, allied his administration with U.S. interests, and spearheaded a crackdown on leftist parties and organized labor.<sup>35</sup>

In La Serena, he was known as "*el terremoto*" (the earthquake), because his passion for renovating La Serena involved massive destruction, including expropriation of housing, and displacement enforced by the military.<sup>36</sup> This was particularly the case for the construction of the Pedro Pablo Muñoz Boulevard, where BCIMC would build an office in the coming years. President González Videla toured the facilities at El Tofo on August 22, 1948, and met with workers and BCIMC's General Manager Edward Leach.<sup>37</sup> The government's aim was to ensure that Huachipato, Chile's new steel plant, would have its need for iron ore met by the company.



Instead of developing El Tofo as this source, BCIMC entered into negotiations and set the groundwork for developing El Romeral, which entailed constructing a new port facility in Coquimbo, housing developments in La Serena and, eventually, erecting a new office building. El Romeral was an explicit part of Plan Serena, and while BCIMC invested the majority of capital, the Chilean government got a US\$2.75 million loan from the Export-Import Bank of the United States to fund the project through the *Corporación de Fomento* (CORFO).<sup>38</sup> The improvement of infrastructure—such as roads, transportation, and electricity—as well as the prevalence of the telephone and the re-making of La Serena as a site of investment, transformed the city into a strategic base for foreign multinationals and their personnel, making an enclave like El Tofo less necessary.

In 1961, BCIMC announced that it would construct housing in La Serena. On the symbolic day of July 4, 1965, it officially inaugurated the new development in La Serena. I visited one of these commuter communities in January of 2020. The large white stucco houses with red tile roofs and driveways are uncharacteristic of the colonial architecture of La Serena; they have trappings of the suburban bungalow houses one might find in California in the 1950s. The original design of the homes did not include driveways, but Bethlehem executives were reportedly horrified by this and insisted that these be built, despite the fact that their workers could not afford cars on their salaries. Although the neighborhood carries the same name as the mine, El Romeral, street names such as J. F. Kennedy, Woodrow Wilson, Henry Ford, and Abraham Lincoln show the imposition of North American priorities. The houses surround a small central Plaza called El Romeral Alto. When I visited, some of the homes had been converted into doctors' offices and one was a preschool, but of the remaining residences a few were still home to their original inhabitants, former BCIMC employees.

Juan and Nelida were newlyweds and one of

the youngest couples given a home in the new neighborhood. Nelida, who appeared earlier in this article, was the granddaughter of an El Tofo postal worker and had grown up in the privileged neighborhood of Santa Ana. Juan was recruited by BCIMC executives who had purchased a chalet near his father's land, so he left farming to operate a front loader at the Romeral mine. When they moved in, they barely had furniture, just a bed and a table, lacking even curtains for the windows. When I interviewed them in that very same home, it was in excellent condition. We sat on the couch and chairs in the living room, while Juan recounted the rhythm of work that he knew so well.

In the 1960s, work at El Romeral was organized in three shifts: midnight to 8 a.m., 8 a.m. to 4 p.m., and 4 p.m. to midnight. Those working the day shift would catch the company-provided buses at quarter to seven in the morning. Workers had a thirty-minute ride to El Romeral, and began work at 8 a.m. sharp. At noon they had a lunch break, and at 4 p.m. would end their workday, board buses, and return home from the mine. All of their neighbors' lives were marked by the same rhythm of the buses coming and going, corresponding with the different shifts of work.

There were certainly benefits to living in the company-provided housing. At first, it was virtually free. Families put no money down to move in, and later Juan and Nelida made only nominal payments to the company. But living in company housing meant abiding by the company's rules. Residents could not have pets and were not allowed to alter their home's exterior without formal permission. Nelida and Juan recalled when a neighbor installed a wrought-iron fence without prior approval and, per orders from the company, the entire structure was dismantled within a few days. The company pressured residents to maintain the houses and Nelida described the rules as "a little strict." Hosting parties, including birthday parties for children, required advanced permission following written requests. Some of

their neighbors left because they didn't like all of the rules, others were evicted by the company for non-compliance. While Juan and Nelida at first insisted that these intrusions were not significant, Nelida admitted that many residents did not like them.

The new houses constructed absorbed only a fraction of BCIMC's labor force, so it was a privilege to be on the list to receive housing through this program. The wind down of production at El Tofo and the move toward secondary sourcing at El Romeral meant that closure of the town was looming. The population at El Tofo had already declined from 2,142 in 1952 to 1,175 in 1960. Furthermore, the town's sex ratio changed from 1.1 men for every 1 woman in 1952 to 1.5 to 1 in 1960, presumably demonstrating a decline in families.<sup>39</sup> Those who remained in El Tofo continued to agitate and demand new collective housing in order to maintain their community and to access the many benefits to which they had become accustomed. A twenty-seven-day strike paralyzed production in 1964, and in 1965 the *empleados* union organized strikes on October 21 and November 13.<sup>40</sup>

### The Strike of 1967: From "Obligation" to "Symbols of Benevolence"

At El Tofo, mine workers' wages were tied to production. The mine's decreasing output of iron ore translated to lower wages, and for many families this meant having to make difficult decisions about how to spend their meager earnings: food, clothing, or shoes? The longest strike in the history of BCIMC took place in 1967, lasting three months.<sup>41</sup> Miners demanded an increase in wages, more job security, and company-provided housing. Since their demands were directly related to compensation and they followed all of the predesignated procedures of filing petitions and completing paperwork, their strike was deemed legal, and the government played a role as mediator during the collective bargaining process.

The number of strikers may have seemed small, especially relative to the staff of roughly one thousand employed at the Romeral mine during this period.<sup>42</sup> But, according to the local newspaper, *El Día*, 228 people, including at least 60 under the age of ten, marched from El Tofo to La Serena in support of workers' demands. The march had widespread support, including from the leading trades organization in the country, *Central Única de Trabajadores*. Rosa, who lived in the pink house, participated in the march with her two young children. It took them one day and one night to make the long journey and when they arrived, the marchers were greeted at the Agricultural School, where students and supporters prepared meals and provided sanctuary during negotiations. Union members from El Romeral provided supplies and offered material support to the marchers.<sup>43</sup> If they had organized a formal solidarity strike, however, it would have been illegal under Chilean labor law.<sup>44</sup>

Carlos Iter Navea was president of the *Obrero* union at El Tofo and he spearheaded negotiations with Edmund Petersen, general manager of El Tofo, representing the company.<sup>45</sup> Despite the broad participation, favorable press, and support that the strikers received, negotiations deteriorated and their demands for housing accommodations in La Serena were not met. As one participant explained the strike:

Our greatest demand was that we wanted a community in La Serena. It wasn't just the wages, but that they would build us housing there. The business roundly denied us because they said that we had everything in El Tofo. We didn't pay electric or water bills. We wanted our community in La Serena because we say that the mine was becoming depleted . . . and we counted on the company because they could cancel our contract and we would have nothing. This was the point of the pile of petitions, and we went on strike that lasted three

months. In the end, we got an increase in our wages and we didn't get anything else.<sup>46</sup>

While the strike was deemed legal and workers gained increased pay, they received no guarantees for housing accommodations and life in the city was more costly. Without the company paying for electricity, healthcare, water, and transportation, the slight wage increases were quickly absorbed by new costs associated with living in the city. The area in which many Tofinos settled, where Rosa's house was moved to, did not even have basic infrastructure. The new residents—some of whom had never paid an electric bill in their lives—found themselves having to organize to pressure both the company and the city to provide running water and to install power lines, making do with candlelight in the meantime.

Because workers did not own their homes in El Tofo or have sufficient savings, neither employed miners nor retirees with pensions could afford to buy a home in La Serena. This was a stressful period for the Tofino emigres, and their relocation caused a fundamental reorganization of their social worlds and familial bonds. The destabilizing ripple effect hit every aspect of their daily lives. While some, like Rosa, lived for years in semi-squatter settlements without electricity or running water, others moved in with family members in uncomfortable and crowded conditions. Rosa described this time as one in which “many people got sick.”

Although El Tofo was still operating, its shipments of iron ore had decreased precipitously, to the point that Bethlehem Steel Corporation did not even count El Tofo's contribution in its 1963 internal assessment of iron ore sources. BCIMC experimented with beneficiation and processing low-grade iron ore to make high-grade ore at El Tofo. The company maintained a shrinking community while continuing cleanup efforts by mining the “float ores” or *“faldeos de rodados,”* but by then its main producer was the mine

at El Romeral. While a portion of the company's urban workers was housed in company-provided homes, the rest had to make their own housing arrangements at market prices. Geographer Leland Pederson describes the changing relationship between the company and its employees:

Significantly, and in keeping with the current practice wherever practicable in the iron industry and in Chilean mining in general, Bethlehem chose not to construct a company town at the Romeral mine. Instead, the company provided free transportation for its approximately 400 workers to Compañía, La Serena, and Coquimbo, where the provision of housing and domestic facilities becomes the laborer's own responsibility, where schools and hospitals are provided as government-sponsored social services, where company-sponsored playgrounds and doctors “become symbols of benevolence rather than obligations” and where mine workers and their families become integrated with established communities. While such a practice does indeed eliminate the problems of the company town or mining camp, it also eliminates the advantages to workers of subsidized housing and social services, leading among labor unions to a good deal of agitation in favor of company housing and in the public conscience to some concern for the welfare of iron workers.<sup>47</sup>

The urbanized commuter subdevelopments generated a new model in which the company maintained its role as employer and landlord for *some* of its urban workforce, while also abnegating what workers—after several generations of living in El Tofo—saw as its responsibility to provide housing for all of its laborers.<sup>48</sup>

### The Double-Edged Company Town

The new urban workers who had emigrated from El Tofo lost many of the benefits that had defined life in the mining town: company-provided schooling, hospitals, utilities, and social clubs. Many highly trained workers were not hired at El Romeral because of their agitation for company-provided housing. BCIMC invested in spaces that both the company and its workers understood to be perks and not obligations. The company built a private fenced-in club that took up a full city block on the main strip off Francisco de Aguirre Avenue. The soccer fields, baseball diamonds, and playground there were exclusively available to all who worked at El Romeral. While this park was embedded in the city, it was still a place where workers could congregate with their families and experience the private benefits of being a BCIMC employee.

While it maintained some company-provided housing, the company reduced its roles as landlord, benefactor, mentor, overseer, teacher, and town administrator and settled into being an employer. Nonetheless, tinges of paternalistic practices remained. The company maintained its reputation for training “unskilled” workers to operate the new mining equipment, but in addition to teaching job-specific skills, it utilized discourses that emphasized instructing Chileans how to be “good” workers.<sup>49</sup>

This new form of labor engineering was consistent with some of the trends in “new” company towns. The housing was located in exurban areas that had physical and visual separation from the mine, homes were built around a central plaza, and company social workers replaced the excessive paternalism of management directly intervening in the private lives of workers. Living conditions were upgraded to California bungalow-style houses that, according to company-town historian Margaret Crawford, symbolized “a sense of home, comfort, and [a] flattering association with

upper-middle-class individuality.”<sup>50</sup>

These forms of intervention in the lives of some workers, who were privileged to receive company housing, also functioned to create a new underclass of urban proletarians who, despite their demands, existed outside the bounds of company protection and responsibility.<sup>51</sup> I call this arrangement the *double-edged company town* because, in this model, the paternalism of employer-landlord relations is transformed from a company’s obligation to a workers’ privilege. The irony is that, while the new urban life could have offered more freedom and autonomy than living in the isolated company town of El Tofo, the abrupt reorganization of the social world of Tofinos, the increased cost of city living, and the reduced power of collective bargaining, created a precarity that served to solidify workers’ dependence on the company. By reducing investment in the social lives of its workforce, BCIMC released itself from past obligations and focused on its production process which it reoriented towards a bustling new global trade in iron ore.

### El Romeral, Global Demand, and Chile’s Iron Ore Boom

In 1968, BCIMC invested US\$20 million into a massive expansion at El Romeral that corresponded to increasing the loading capacity at the port of Guyacán.<sup>52</sup> The company completed a large new central office, located on Pedro Pablo Muñoz Boulevard in La Serena, and began building more housing to accommodate a growing workforce. The paid workforce never exceeded ninety persons at the port of Guyacán, but the mine at El Romeral employed around one thousand, more than the total population of El Tofo in 1970.<sup>53</sup>

The expansion at Romeral was not undertaken to supply Bethlehem Steel Corporation with more Chilean iron ore, but was a direct result of increasing demand from Japan and consequently the need to accommodate larger Japanese ore-



carrying vessels.<sup>54</sup> Japan, much like the United States and Germany, had depleted its reserves of high-grade iron ore to fuel military production for World War II. The type of blast furnaces typical in the Japanese steel industry, combined with the increased capacity of ore carriers, made shipments of high-grade iron ore pellet feed and fines from El Romeral highly desirable. By 1963, Japan imported more iron ore from El Romeral than the United States did.<sup>55</sup>

Iron ore from El Romeral also served Chile's nascent steel industry at Huachipato. The 1949 contract between BCIMC and CAP established that ore from El Romeral would be the main source for Huachipato's blast furnaces.<sup>56</sup> For example, of the total of 2,912,819 tons of iron ore shipped from Guayacán in 1967, 55.6 percent went to Japan, 25.3 percent to Huachipato, and 18.9 percent to Sparrows Point.<sup>57</sup>

Production at El Tofo continued in this period, but whereas the port at Cruz Grande only served ore carriers with a capacity of twenty-four thousand tons, Guayacán served vessels with double that capacity. The plans for expansion at Guayacán were to accommodate vessels carrying one-hundred thousand tons. The complex crushing machinery installed at El Romeral, which used magnetic processes to beneficiate the ore, created high-grade sintering feed and pellet fines shipped to the port by rail.<sup>58</sup> But increased toll costs at the Panama Canal resulted in a higher shipping cost for ore from Chile, making it more profitable to sell it to Japan than ship it to Baltimore.<sup>59</sup> At this point, Chilean iron ore was no longer an important input in Bethlehem Steel's production process. In 1967 BCIMC's total exports valued US\$15 million.<sup>60</sup>

Increased demand for high-grade ore with few impurities coincided with a surplus of labor to create the conditions for the growth of a handful of new medium-scale, independent iron-mining operations. By the 1950s, these operations collectively outpaced Bethlehem's exports and ended the company's four-decade long iron-mining mo-

nopoly in Chile.<sup>61</sup> By 1960, the Minera Santa Fe, organized by a cadre of Chilean investors, was the largest ore shipper in the country; it occasionally exported iron from Bethlehem's port at Cruz Grande and even sold ore at market rates to Bethlehem Steel Corporation.<sup>62</sup>

### **Nationalization and the Closure of El Tofo**

Six months after the 1967 strike began, the United States Agency for International Development underwrote a policy that insured BCIMC for 82 percent of its mining investments and assets in Chile.<sup>63</sup> This was in response to the "Chileanization" of Kennecott's copper mines in 1966. Chileanization entailed state acquisition of 51 percent of the shares of the large-scale foreign-owned copper mining companies, with the goal of increasing production to augment the revenue the Chilean state made from mining exports.<sup>64</sup> Organized labor, with strong representation from the mining sector, formed a coalition with leftist political parties to establish the program of Popular Unity, in which it explicitly challenged the power of foreign monopoly capital and called for nationalization of the mining sector as a unifying political project.<sup>65</sup>

Declassified Central Intelligence Agency documents demonstrate that the United States was preparing for nationalizations in anticipation of the election of Marxist presidential candidate Salvador Allende.<sup>66</sup> However, contradictory evidence appears in the historical record: BCIMC insured its investments but, according to a Chilean mid-level manager, company officials on the ground perceived minimal risk of expropriation.<sup>67</sup> This estimation may have been based on the fact that iron had been exempt from earlier waves of Chileanization and because BCIMC was supplying Huachipato with iron ore at cost.

Salvador Allende was elected on November 4, 1970, and within three weeks he pushed through a constitutional reform to nationalize Chile's nat-

ural resources.<sup>68</sup> This act was the culmination of a decades-long struggle aimed at uniting factions of the Left and making the demands of mine workers central to a popular political front. In February 1971, Bethlehem Chile was the first foreign company to be expropriated.<sup>69</sup>

Bethlehem Steel Corporation received a sum of US\$22,352,740 over fifteen years, a portion paid directly by the Chilean government. The 82 percent insured by the US government were to be paid in installments at a 5 percent rate; Bethlehem had rejected the initial offer of a 3 percent rate of interest.<sup>70</sup> After extracting over 91 million tons and exporting 80 million tons of high-grade iron ore taken from the Chilean subsoil, Bethlehem Steel Corporation left Chile, receiving compensation on its way out.

Nelida and Juan remembered being nervous about what would happen to their home in La Serena when the company was nationalized, but CAP worked out a rent-to-own arrangement that ultimately enabled them to buy their house for far below its market value. Near where Rosa lived in La Serena, the company had only finished constructing ten houses made of concrete; the rest were never finished. El Tofo continued to lose population and the wind down that had been in motion for over fifteen years continued—despite some hope that nationalization would result in a revival of the town.

While the Tofinos the author interviewed said they did not subscribe to the anti-imperialist rhetoric of the period, nationalization took place following years of strained relations between labor and capital and within the context of significant political mobilization led by miners. In 1974, under the U.S.-backed military dictatorship of Augusto Pinochet, CAP permanently closed El Tofo and Cruz Grande (except for the primary school). CAP removed the functioning equipment, took useful building materials, sold some of the remaining metal for scrap, and evicted the remaining families.

Rosa and her neighbors built new lives

grounded in their Tofino identity. They formed a social club, a soccer league for children and adults, a mother's association, and a new organization: *Tofinos para siempre*, aimed at honoring their diasporic community and their beloved lost town. Together, they make yearly pilgrimages to El Tofo every May. In 2022, the Union Minas El Tofo soccer club will celebrate its one hundredth anniversary. Production continues at El Romeral and ore is still loaded at Guayacán, but most ships are bound for China, not Japan.

### Discussion

BCIMC's decision to not build a town at the mine site of El Romeral functions in six interrelated ways. First, as was consistent with norms in Chile in the 1950s, the reduction of company housing at mine sites was a cost-efficient practice aimed at reducing the power of workers.<sup>71</sup>

Second, El Romeral's production was oriented toward changing trends in international markets instead of toward supplying Bethlehem Steel Corporation with raw materials. This transition exemplifies the concept of secondary sourcing because it explains how the creation of El Romeral enabled the winding down of El Tofo. Instead of closing El Tofo abruptly, the town was transformed into a transitional support base for labor, services, and equipment that were oriented toward operations at El Romeral.

Third, the construction of the mine site at El Romeral and the three exurban developments built for the commuting workforce were part of a massive national project in urban planning that enlisted BCIMC to build housing that could withstand the shutdown of mining operations.<sup>72</sup>

Fourth, the creation of housing in La Serena—inaugurated on the U.S.'s Independence Day and with streets named after U.S. presidents and business leaders—was clearly an attempt to impose U.S. cultural values and aesthetics on Chile. Consistent with the "civilizing" mission embodied in U.S. industrialists' forays into Latin

America, this assumed that “the American way of life could be easily transplanted and eagerly welcomed elsewhere.”<sup>73</sup>

Fifth, by building company-owned housing in La Serena and the port town of Coquimbo, BCIMC maintained its position as employer and landlord over *some* of its workforce, reproducing the dynamic of the company town. While the mine was out of sight, like other “new” company towns, BCIMC still maintained forms of surveillance over workers who resided in company housing, which shaped their social behaviors.

Sixth, by only providing housing for some of the privileged workers, this new double-edged company town not only reproduced dynamics of paternalism and hierarchy, it also produced a new lower rank of wage-earners for whom the company established minimal obligations and loyalties.

As these interrelated processes intersected and constituted one another, they generated new forms of conflict between labor and capital. This is evidenced by the existence of more labor conflicts in the final sixteen years of operation at El Tofo than in the forty years prior. The 1955 strike was the culmination of declining outputs following peak production at El Tofo, the diversion of labor and capital toward El Romeral, a recession in Chile, and coalition building with leftist parties. The strike of 1967 cemented the waning power of collective bargaining and marked the imminent closure of El Tofo. Despite broad popular support for the workers during the three-month strike, the company refused to rehouse laborers and their families. The small increase in wages, combined with a loss of company-provided amenities and programs, actually resulted in a reduced quality of life for Tofino emigres.

### **Bethlehem Steel in Chile**

For the first forty years of its operation, the remote mining enclave of El Tofo operated as a model company town that had—at least for some

time and in some ways—lived up to the utopian vision of harmonious relations between management and workers. The company’s capital-intensive and modern iron mining and exporting operations were accompanied by its considerable investment in physical infrastructure, social reproduction, and the entertainment of its workforce at a scale unprecedented in the Norte Chico region of Chile.<sup>74</sup> However, while nostalgic narratives dominate the first-hand accounts, the oft-repeated phrase that residents were all “one big family” does not negate the hierarchies that marked daily life at El Tofo; after all, power is rarely equitably distributed in families.

While company towns are inherently contested and contradictory spaces, for nearly two generations El Tofo provided the BCIMC with a dedicated, stable, and loyal workforce, and the company provided working-class Chileans with a means of obtaining reliable housing, food, clothing, education, and healthcare for their families. The pace of work in the mines and the intense social stratification baked into the design of the town combined with rural isolation and the company-created leisure, educational, and cultural activities enabled through tax-free imports from the United States generated an enduring Tofino identity among the Chilean residents. In line with the vision of the industrialists and architects who designed such towns, El Tofo successfully built an identity in which labor would, for some time, see the company’s interest as its own.

To the degree that this vision was realized at El Tofo, it deteriorated rapidly as the company opened a new mining operation at Romeral. The secondary sourcing from El Romeral enabled a reorientation of BCIMC’s capital toward international markets and in doing so restructured labor relations in Chile. Despite resistance to this restructuring, the company rejected workers’ demands to build a new town at the site of the mine or to ensure housing and benefits on par with those available at El Tofo. Instead, BCIMC constructed a limited amount of workers’ housing in

subdevelopments on urban outskirts, maintaining a landlord-employer relationship consistent with elements of both a traditional and a “new” company town.

By excluding some workers from the privilege of company-provided housing, the hierarchies that dictated life in El Tofo remained and expanded to include a lower rank of laborer for whom the company had minimal obligations. Because this exclusionary design of company-provided housing created further divisions in the status, interests, and labor relations of workers with BCIMC, I designate this model as *the double-edged company town*. This terminology symbolizes how, one: workers in company housing received material privileges with the loss of autonomy and, two: that workers denied housing had a lower standard of living, since their wages needed to cover housing costs, rendering their position with the company more precarious despite the possibility of more autonomy.

This article provides the first detailed account of the Bethlehem Steel Corporation’s Chilean subsidiary and the wind down process of its company town of El Tofo, particularly as theorized through the concept of secondary sourcing. It explains the confluence of factors that resulted in a move away from the company town model and how the restructuring of labor, which was predicated on the orientation of capital, generated new conflicts that provided the setting for the nationalization of mining operations and the eventual closure of El Tofo. The \$20 million Romeral expansion project had not been fully completed at the time of nationalization in 1971 and the compensation for the total sale of BCIMC’s assets

(US\$22,352,740) was just over the amount that it had recently invested.<sup>75</sup>

While a detailed assessment of the process of the nationalization of BCIMC’s assets is beyond the scope of this article, the sources analyzed provide evidence that the company likely underestimated the tensions within its labor force and, perhaps more significantly, also failed to grasp the broader political movement toward nationalization. Further research into the financial aspect and profit margins of Bethlehem Chile Iron Mines Company’s iron-mining operations would provide greater insights into the true value of the Chilean subsidiary to its parent company and, consequently, in what ways capital was reshuffled to accommodate Bethlehem Steel Corporation’s interests.

*Cory Fischer-Hoffman drives past the former Bethlehem Steel mill on her commute from Bethlehem to Easton, Pennsylvania, where she is a Visiting Assistant Professor in International Affairs at Lafayette College. Her doctoral degree is in Latin American, Caribbean, and U.S. Latino Studies from the State University of New York at Albany. She is currently working on a book about Bethlehem Steel Corporation’s mining operations in Latin America. Thanks to a research grant from the Mining History Association, she was able to travel to Chile to explore the first case in this larger project and to produce this article. Tofinos Javier Rojas and Bernardo Valdivia Godoy kindly oriented the author to Norte Chico. Richard Francaviglia and William Culver offered resources and insights that helped advance her research. She wishes to express sincere thanks to Angela Vergara, who provided helpful comments on an earlier draft of this article, as well as kind encouragement.*



## Notes:

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2. Langdon White and Edwin J. Foscoe, "The Iron and Steel Industry of Sparrows Point, Maryland," *Geographical Review* 21, no. 2 (1931): 244–58.
3. Augusto Millán Urzúa, *Historia de la Minería del Hierro en Chile* (Santiago: Editorial Universitaria, 1999), 74.
4. A. A. Bookstrom, "The Magnetite Deposits of El Romeral, Chile," *Economic Geology* 72, no. 6 (1 Oct. 1977): 1101–30.
5. For more on the process of winding down company towns, see: Eric L. Clements, *After the Boom in Tombstone and Jerome, Arizona: Decline in Western Resource Towns* (Reno: Univ. of Nevada Press, 2014); John H. Bradbury and Isabelle St. Martin, "Winding Down in a Quebec Mining Town: A Case Study of Schefferville," *Canadian Geographer / Le Géographe Canadien* 27, no. 2 (1983): 128–44.
6. Eda Cleary, *El Tofo: Historia de un Extraordinario Pueblo Minero en el Norte de Chile* (Santiago: E. Cleary, 1999), 23.
7. Cleary, *El Tofo*, 24.
8. Millán Urzúa, *Historia de la Minería*, 77.
9. Cleary, *El Tofo*, 24.
10. Millán Urzúa, *Historia de la Minería*, 77.
11. Cleary, *El Tofo*, 25.
12. Tim Dodson, "Coal Ball: Baseball and Its Role in the Colorado Fuel and Iron Company Coal Towns of Southeastern Colorado, 1900–1910," *NINE: A Journal of Baseball History and Culture* 23, no. 2 (2015): 53–67; William Littmann, "Designing Obedience: The Architecture and Landscape of Welfare Capitalism, 1880–1930," *International Labor and Working-Class History*, no. 53 (1998): 88–114.
13. Former residents discussed the company's involvement in their private lives with humor. Some noted some arrogance in these intrusions; others did not have any concerns.
14. Carlos Sottorff Neculhueque, "Enclave Minero en el Departamento de La Serena. La Mina El Tofo, 1913–1930," *Tiempo y Espacio*, no. 35 (24 Nov. 2016): 51–92.
15. Cleary, *El Tofo*, 22.
16. Cleary, *El Tofo*, 22.
17. The phrase "una gran familia" was repeated by almost every person whom I interviewed.
18. Nelida Galleguillos, interview, La Serena, Chile, 14 Jan. 2020.
19. Ángela Vergara, "Company Towns and Peripheral Cities in the Chilean Copper Industry: Potrerillos and Pueblo Hundido, 1917–1940s," *Urban History* 30, no. 3 (Dec. 2003): 381–400; Ángela Vergara, "Paternalismo Industrial, Empresa Extranjera y Campamentos Mineros En América Latina: Un Esfuerzo de Historia Laboral y Transnacional," *Avances del Cesor* 10 (2013): 113–28.
20. Cleary, *El Tofo*, 18–19.
21. Cleary, *El Tofo*, 78.
22. Cleary, *El Tofo*, 63.
23. Karin Alejandra Roseblatt, *Gendered Compromises* (Chapel Hill: Univ. of North Carolina Press, 2000), 59.
24. U.S. Bureau of Mines, "Mineral Resources, Production, and Trade of Chile," *Foreign Minerals Quarterly* 3, no. 2 (Apr. 1940), 45.
25. Millán Urzúa, *Historia de la Minería*.
26. Cleary, *El Tofo*, 112–3.
27. Heleen Leetswart, "Labor Law and Labor Relations in Chile 1900–1970: A Case Study of Law as a Means of Social Control," *Verfassung Und Recht in Übersee / Law and Politics in Africa, Asia and Latin America* 11, no. 3 (1978): 289.
28. Bradbury and St. Martin, "Winding Down," 130.
29. Bradbury and St. Martin, "Winding Down," 138.
30. Patricio Pérez Peña, "Puerto de Guayacan: 1955 a 1988," 1988. (An internal history of the port written by its long-time director.)
31. W. H. Swayne, "Letter to V. D. Perry, Vice President, Anaconda Mining Company," 27 Nov. 1958, Sernageomin (Servicio Nacional de Geología y Minería), Santiago, Chile.
32. M. Borges and S. Torres, *Company Towns: Labor, Space, and Power Relations across Time and Continents* (New York, Palgrave MacMillan, 2012), 3; Greg Grandin, *Fordlandia: The Rise and Fall of Henry Ford's Forgotten Jungle City* (New York: Picador, 2010).
33. Fred A. Cina, E. J. Anderson, and Alfred E. France, *Report of the Commission on Taxation and Production of Iron Ore and Other Minerals: Submitted to the Minnesota Legislature, 1969* (St. Paul: The Commission, 1969), 32.
34. María Teresa Fierro Page, "Primer Ensayo Urbanístico Regional, Modernidad en La Serena, 1946–1952," *Revista de Urbanismo*, no. 32 (30 June 2015): 32–53.
35. Edward Boorstein, *Allende's Chile: An Inside View* (New York: International Publishers Co, 1977), 25–6.
36. Bernardo Valdivia Godoy, *El Tofo y Los Tofinos: Historia de Tofinos* (Santiago, Chile: Editorial Alfa Centauro, 2013), 127; "Memorias - Memoria Chilena," Memoria Chilena: Portal, 1137, accessed 18 Jan. 2021, <http://www.memoriachilena.gob.cl/602/w3-article-8770.html>.
37. Godoy, *El Tofo y Los Tofinos*, 125–9.
38. "Memorias - Memoria Chilena," 1171–2.
39. Cleary, *El Tofo*.
40. Pérez Peña, "Puerto De Guayacan," 12–13.

41. Cleary, *El Tofo*, 123.
42. Cina, et al., *Commission on Taxation and Production*, 35.
43. "La Otra Cara de La Marcha," *El Día* [La Serena], n.d. (a clipping from the collection of colleague Javier Rojas). *El Día* was not particularly sympathetic to workers.
44. Leetswart, "Labor Law and Labor Relations," 289.
45. "Compas de Espera En La Huelga De El Tofo: Siguen Conversaciones," *El Día*, 1967, Rojas collection.
46. Cleary, *El Tofo*, 124.
47. Leland R Pederson, *The Mining Industry of the Norte Chico, Chile* (Evanston; IL: Northwestern Univ., 1966), 253–4.
48. While the company gained from the new model, workers who did not get company-provided housing certainly did not. Since the new settlements lacked sufficient housing and infrastructure, many families experienced homelessness and living in very poor conditions, even with a family member employed at El Romeral.
49. Attempting to mold them into "good workers" was a company practice often mentioned by former employees during interviews. The sentiment was that the emphasis was on never being late, never missing work, taking extremely good care of equipment, never lying, and following orders. While these seem like reasonable expectations from an employer, certainly they included a subtext that U.S. management saw Chileans as in need of being disciplined and sculpted into a proficient workforce and that this was based upon ethnocentric norms.
50. Margaret Crawford, "The 'New' Company Town," *Perspecta* 30 (1999): 53.
51. Borges and Torres, *Company Towns*, 13.
52. Millán Urzúa, *Historia de la Minería*, 86; Pérez Peña, "Puerto De Guayacan," 15-6.
53. Pérez Peña, "Puerto De Guayacan" passim; Cina, et al., *Commission on Taxation and Production*, 45; Millán Urzúa, *Historia de la Minería*.
54. Pérez Peña, "Puerto De Guayacan," 49.
55. John W. Cole, "The Minerals Industry of Chile," *Minerals Yearbook* 3 (Wash., D.C.: USBM, 1970): 204; Cina, et al., *Commission on Taxation and Production*; Millán Urzúa, *Historia de la Minería*, 85. The company's port improvements also meant that Guayacán increased its significance as a commercial port, unloading oil shipments in addition to loading ore-carrying vessels. (Pérez Peña, "Puerto de Guayacan," 9.)
56. David M. Vigness, "Huatchipato: The Story of Iron and Steel in Chile," *Southwestern Social Science Quarterly* 40, no. 1 (June 1959): 54–9.
57. Cina, et al., *Commission on Taxation and Production*, 34.
58. Millán Urzúa, *Historia de la Minería*. Despite the increased shipping capacity at Guayacán, it was more expensive to move ore from El Romeral to that port than to transport ore from El Tofo to its port at Cruz Grande.
59. Noel Maurer and Carlos Yu, *The Big Ditch: How America Took, Built, Ran, and Ultimately Gave Away the Panama Canal* (Princeton: Princeton Univ. Press, 2010), 242–8.
60. Dávila, "La Minería Del Hierro," 12.
61. Dávila, "La Minería Del Hierro," 8-9.
62. Robert C. Temps, "Iron Mining in Chile: 1962," *Society of Mining Engineering*, Jan. 1963, 39.
63. Bethlehem Iron Mines Company, "Memorandum of Determinations," IIC 1010 (1971), U.S. Overseas Private Investment Corporation, 7 Apr. 1971.
64. Alison J Bruey, "'Chileanization' of Foreign Properties," in: Thomas M. Leonard (ed.), *Encyclopedia of U.S.-Latin American Relations* (Wash., D.C.: CQ Press, 2012), 181.
65. Boorstein, *Allende's Chile*, 51–2.
66. "Intelligence Memorandum: U.S. Financial Stake in Chile," U.S. Central Intelligence Agency, Sep. 1970 (Central Intelligence Agency at CIA.gov).
67. Millán Urzúa, *Historia de la Minería*, 87–8.
68. Millán Urzúa, *Historia de la Minería*, 88.
69. Bethlehem Iron Mines Company, "Memorandum of Determinations."
70. Millán Urzúa, *Historia de la Minería*, 88; Bethlehem Iron Mines Company, "Memorandum of Determinations."
71. In their early use, company towns became symbols of complete company control, but, in many cases, they actually enabled tight-knit labor organizing. Industrialists, then seeing company towns as threats for socialist organizing, changed their approach.
72. These developments were (and are): Población Romeral de La Serena, in La Serena, and Población Romeral Coquimbo, by route 5 in the port town of Coquimbo. BCIMC planned to build a third settlement, Población Tofo in the Las Compañías neighborhood of La Serena, and begun constructing a few homes, but these were finished by CAP after El Tofo closed in 1974.
73. Grandin, *Fordlandia*, 15.
74. Social reproduction is a feminist-Marxist concept: the labor of reproducing the labor force; i.e. the domestic work of raising, educating, and socializing children.
75. Bethlehem Iron Mines Company, "Memorandum of Determinations."