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## The Lima Declaration

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# Unionists pledge support for García

*This is the document signed in Lima on Aug. 15, by the trade-union leaders who participated in the preparatory meeting for the Latin American Workers' Conference, and met with Peruvian President Alan García.*

The foreign debt of our Greater Fatherland, from Mexico to Argentina, currently is about \$400 million. On the average, half of our nations' income from exports is devoted to servicing that debt, and, what's worse, that proportion is tending to increase. With the imposition by the IMF of "adjustment programs" on our economies, especially since 1981, the crisis, rather than abating, has gotten more critical. We have reached the point where debt service is growing at a faster rate than the production of tangible goods, and, in turn, the cuts in investments and consumption made in order to guarantee debt payments, reduce physical production capacities more and more with every passing day. The result of this process has been famines, epidemics, galloping unemployment, and the growth of subemployment and "informal" activities like narcotics trafficking.

The adjustment programs have caused the countries implementing them the loss of several million jobs. Continuous devaluations have debased our currencies. Every day what we sell is valued less and what we buy costs more. Real wages have decreased and in several countries the social benefits of the workers have begun to be cut back. In other words, the labor movement faces the challenge of uniting to defeat those policies or remaining dispersed, slowly weakening itself until it disappears as a significant force.

The President of the Republic of Peru, Dr. Alan García, has had the moral integrity to decisively and responsibly confront the usurious international financial institutions which caused this crisis. But this struggle cannot be conducted exclusively by the governments; at its head must be the trade-union movement, which historically has been a factor in the great economic and social changes benefiting the population in general.

Therefore, we, democratic labor leaders of Latin America, demand that our countries and all the workers of the region take a united position toward the grave problem of the foreign debt and the International Monetary Fund.

We recognize that some countries have taken steps to

deal with the situation, but unfortunately, those have not given the expected results. We see in the Peruvian decision a genuine anti-imperialist outlook which rejects the colonialism of the international banks and defends national sovereignty.

The Peruvian position on the foreign debt is serious and responsible, since it recognizes the debt, but it also recognizes the physical and moral impossibility of paying it under current conditions. The road chosen is a democratic road because it defends social justice and the right of the peoples to development.

In reality, the excessive growth of the debt is illegitimate. If the impact of high interest rates, the deterioration of terms of trade, and capital flight, especially since 1979, is subtracted, the region's foreign debt would hardly reach \$60 billion, which would be readily manageable.

Between 1981 and 1983, fifteen countries of the region were forced by their creditors to impose drastic adjustment programs whose prescription is the same in every case: Eliminate subsidies, massively devalue the currency, indiscriminately open up the economy, increase taxes, etc. It is not true that each country has its crisis; in truth, the cause of Latin America's crisis is one and the same; and thus Latin America should act in concert to solve it. What is at stake is the very existence of nations and democracy. With the reduction of the populations' living standards, the family, the basic cell



*Children in a Colombian slum. IMF austerity policies are destroying the family in Ibero-America.*

of society, is disappearing. IMF policies are a blatant rejection of Christianity's basic principles of defense of human dignity.

If those of working age in Latin America are to be given decent occupations, 100 million new jobs will have to be created by the year 2000. By the end of the century, adequate food for 600 million people inhabiting the Greater Fatherland must be provided. This giant task demands the continent's physical integration by means of infrastructure works such as railroads, roads, canals, ports, etc. These great projects will not be carried out if we do not have the will for victory.

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Under today's circumstances, the only ones integrated are the narco-terrorists, and the continent faces a wave of aggression of all sorts, whose goal is to break the resistance of the peoples so that they accept another round of austerity. The demands are the same: Sell state enterprises; abandon great projects which have been undertaken; open up the economies—without any regulation—to foreign investment; pay the debt with the equity of companies, etc.

Every nation which resists the designs of those would-be masters of the world is destabilized. Panama is threatened with not having the canal returned to it; Mexico is threatened on its border; and it is predicted that Peru will be totally isolated for having defended its sovereignty from its creditors.

The oligarchy can no longer continue controlling millions of working men who have been losing everything, including their own jobs. Our dilemma is not "export or die," as some tell us, since by exporting we are all dying. The true challenge is to achieve integration, because, if not, the bankers will crush us. It is absurd that less than 20% of our total exports go to each other. Only by means of integration could we achieve industrialization and the accomplishment of the great projects.

As his Holiness John Paul II emphasized on his recent visit to Colombia, "Poor populations cannot pay intolerable

social costs, sacrificing the right to development, which then eludes them, while other peoples enjoy opulence. Dialogue among peoples is indispensable to reach equitable agreements, in which not everything would be left subject to an economic policy unbreakably dependent on economic laws without soul and moral criteria. Herein lies the urgent need for international solidarity, which today is especially required for the problem of the foreign debt, which overwhelms Latin America and other countries of the world."

We workers are the backbone of integration. The labor movement must take on the role of leadership which it has not fully taken so far. We cannot continue merely being simple spectators; our responsibility has to do with making decisions on the economic policies which should be implemented.

Likewise, we reaffirm our faith in democracy, which is nothing other than the genuine participation of the people in all decisions which affect the lives of our nations. Thus, we condemn the dictatorships existing on the continent and express our solidarity with the brother peoples who struggle to recover freedom, justice, and democracy.

Finally, unity in action of all workers of the continent with respect to the debt is required to achieve integration. From Lima, we urge all our fellow workers to act decisively against aggression from the creditors.

We make a fervent call to all national labor confederations, to the trade-union organizations existing in the continent, that, united in their sole purpose, which is the defense of Latin America's working class, on Oct. 18 and 19 of this year, we hold a great encounter of the workers of the continent in the city of Lima, with the rejection of the IMF's evil policies as its fundamental goal.

Lima, Peru, Aug. 15, 1986

**Antonio Carlos Batista da Costa**, president of the Federation of Workers in Mechanical and Electrical Material Industries of the State of Rio de Janeiro, Brazil

**Gumersindo Bueno Calderón**, treasurer of the Confederation of Railroad Workers of Bolivia

**Jorge Carrillo Rojas**, former minister of labor and social security of Colombia

**Manuel Carulias**, president of the Center for Trade Union and Social Studies, Argentina

**Dep. Luis Negreiros Criado**, Union of Workers of the Peruvian National Port Company

**Eduardo Ríos Molinar**, secretary of the Single Union of Construction Workers; National Council of Organized Workers, Panama

**Pedro Rubio**, general secretary of the Union of Workers of Bogota and Cundinamarca

**Rodolfo Seguel**, president of the Confederation of Copper Workers and president of the National Workers' Command, Chile