



Foundational Preparatory Document for the IAMREC

During the last months, the American continent is going through various political changes that have generated new debates and uncertainties about the regional socio-economic future. For example, we can include the intense political dispute in Argentina where Mauricio Macri took office and changed the ideological axis of government after more than a decade with the Kirchners in power. Also, in Venezuela the newly elected parliament ushered in the anti-Chavista opposition as majority after more than a decade of the ruling party's control over both the legislative and executive branches. In Peru, the upcoming election will be closely contended and the Fujimori family is on the top of the polls. In Brazil, the Workers Party led government faces enormous governability challenges due to the economic recession, the Petrobras related corruption scandal, and efforts by the political opposition to filibuster the President's efforts to achieve economic recovery. In Bolivia, the Morales government suffered its first electoral defeat in a decade of power by the failed constitutional referendum to allow the president to run for a third term. In the Caribbean, Haiti has yet to overcome chronic political instability and economic underdevelopment. The presidential election was postponed due to the onset of violence and political crisis that removed the elected president from office.

The apparent regional instability is not limited to Latin America and the Caribbean. In the United States the presidential primaries continue to reflect increasing political polarization, much of it centered on income inequality and the role of the financial services in campaign finance. On the one hand, the candidacy of Bernie Sanders has raised the level of debate, questioning the current political structure of the country and the concentration of income. On the other hand, the rise of Donald Trump shows us the worst aspect of the conservative wave on the continent, with a strong speech that discriminates against minorities and that is excessively bellicose in terms of foreign relations. Meanwhile, in Canada, we have a better example: the new Prime Minister, Justin Trudeau, unprecedentedly composed his cabinet with gender equality, and permanently defends universal human rights.

Given this scenario, PSI seeks to renew and update the Plan of Action adopted at the IAMRECON 2015 based on the realities that are emerging across the continent along with the various contradictions and great complexity that have always existed in the region.

Faced with this emerging political configuration, PSI continues to identify as one of its priorities the articulation of workers' opposition against free trade agreements, one of the facets of the great influence of multinationals in the formulation of domestic and foreign policies of the countries. Treaties, including the TPPA, TISA, TTIP and CETA, demonstrate a clear neoliberal threat that undermines

employment and income inequality in the region through increased privatization of essential services and the spread of precarious employment conditions among those who deliver public services. Recently, there was an acceleration of rounds of negotiations and we were surprised with how quickly the TPPA text was concluded. For us, the main aspects against TPPA are:

- the rising price of medicines and its budgetary impacts (because of the increase of the period of protection of the patents, from five to ten years);
- the erosion of democracy and loss of regulatory capacity of the national and local governments;
- the investor-state dispute resolution in private international forums that are independent of the national and democratically composed judicial systems;
- the mandated equal treatment that governments must demonstrate with respect to all enterprises, whether owned publically or foreign.

The TPPA agreement is now subject to the ratification process by national parliaments while TISA project have plans to conclude the final text in the coming years. In the same way, the CETA treaty, which should reduce by 98% the tariffs between Canada and E.U.¹, could be ratified later this year.

Many corporations continue to pressure for the negotiation and ratification of commercial treaties in order to push ahead the privatization of public services, including in such countries as Puerto Rico, Costa Rica, Panama and Peru. The seminar promoted by PSI in December 2015, in Washington D.C., expressed a deep preoccupation about the privatization tendency around the world pushed by international financial institutions, and also reiterated the crucial effort to implement global strategies, along with national struggles, to stop this wave.

Several governments are under external and private coercion nowadays. Due to the corporate infiltration within the states and within the global governance institutions, the transnational companies have been enlarging their tax privileges, as they diminish tax payments and practice more tax elusion. For this reason, PSI is deeply involved with the issue of Tax Justice, and participates in global campaigns like "Multinationals must pay their fair share", with the aim of changing the global corporate tax rules to ensure that multinationals are taxed where they produce and earn profit. Only in this way it is possible to retain the necessary investment to build strong universal public services worldwide, especially in the developing countries. Thus, PSI is calling attention to Tax Justice as a critical issue that demands greater attention from trade unions, civil society organizations, academic members, and policymakers.

The third aspect related to the power of the corporations within international politics are the difficulties to punish companies that systematically abuse human rights. Some governments do not apply punitive measures to those companies because of their overwhelming political influence. Hence, this issue is currently under

¹ <http://www.cbc.ca/news/politics/canada-europe-trade-deal-amended-1.3468802> - Published in 2-29-2016

debate at the UN in an effort to propose a singular binding treaty that determines the punishment of companies that systematically degrade natural environments and abuse human rights. International civil society continues to pressure the UN Human Rights Council to prioritize this issue and place it on the agenda for discussion.

With respect to trade union rights in the Americas, PSI continues to express concern about the current situation in the region, especially in Peru, Guatemala, Honduras, Paraguay, Haiti and Ecuador, countries that are in very different political and social conditions, but in this issue are facing similar attacks. Thus, PSI is acting with emphasis on the ILO, denouncing governments for violations, maintaining a proactive participation in defense of rights in these countries. However, positive results are scarce and trade union rights continue to be under assault.. Generally, we continue to work for the full enforcement on the continent of the ILO's Conventions 151 and 154.

Last January, the British Oxfam (organization associated with the PSI), released a very enlightening report² on the current status of economic and social inequity around the world and demonstrated how it has increased since the economic crisis of 2008. Given the report and accumulating evidence, we need to rethink the key role of the State in determining the distribution of income and whether or not it can guarantee equal opportunity for all in the labor market and work place.

PSI has a long history of working to achieve both. We work hard to advance the struggle to ensure gender equality, rights for youth, and the elimination of racial and ethnic discrimination in the labor market, work place, and throughout society at the international and global levels. PSI's policies and programs include: the fight against violence against women (with the launch of national booklets on the subject), the struggle against racism and all forms of discrimination and intolerance, pressing governments to sign and ratify inter-American conventions A-68 and A-69 of the OAS, the fight for more rights and against discrimination against LGBTI (which was driven by two publications, "Public Policies for LGBT in Latin America" and "Rights won by LGBTI workers in Latin America") and finally, the work towards more opportunities for young people in which PSI continues to work through the National Committees to promote youth employment and the campaign for decent work.

² <http://policy-practice.oxfam.org.uk/publications/an-economy-for-the-1-how-privilege-and-power-in-the-economy-drive-extreme-inequ-592643>

Proposals for 2016

- I. **Democracy:** Continue to pursue the development of democratic societies, where the will of the majority is respected once the decision-making process is honest. That does not mean not respect the rights of the minority, in particular as regards human and social rights of the most vulnerable groups in the society. In this particular item, attention to Brazil and the elections in Peru;
- II. **Privatization:** Put to work the structure of PSI whenever an affiliate denounces the threat of privatization of public services in any country of the region. Particular attention to Colombia and Mexico;
- III. **TISA/TPPA:** Continue the fight against FTAs with emphasis on the vote of TPPA in Latin American parliaments in the coming months. Focus in Chile and Peru. Regarding TISA, follow complaints throughout the region, looking at the acceleration of the negotiation process and the possibility of the entrance of more countries on the agreement. Concentrating efforts on the countries and participants in the debates of that agreement.
- IV. **CETA/TTIP:** Continue to articulate Canada and USA affiliates with European Union affiliates in actions against these agreements.
- V. **Tax Justice:** Promote the issue throughout the region, with seminars, production of materials, videos etc. Monitor the agreement with Latindadd in the campaign “Make the transnationals pay their fair share”;
- VI. **Struggle against corruption:** Coordinating actions with other trade union and civil society organizations in order to make the anti-corruption struggle more visible, and to fight against the negative effects of corruption and tax inequality in the societies, as such issues are complementary. Advancing to guarantee protection and proper conditions for the State Control workers’ professional exercise and the independent exercise of their duties.
- VII. **Binding treaty for companies respect human rights:** Integrate the coalition of organizations working at the UN on this issue and spread it to all our affiliates;
- VIII. **Trade Union rights:** Particular attention to the most vulnerable countries and continuity of actions in favor of ILO’s Conventions 151 and 154. Use more solidarity networks to allegations of specific violations, avoiding the worst;
- IX. **Gender:** Prioritize the actions in favor of the ending of violence against women and of equal pay;
- X. **Racism:** Continue to support the OAS’s Conventions, particularly the A-68 y A-69;
- XI. **Young people:** Promote a second meeting of Regional Committee with a seminar on Tax Justice;
- XII. **LGBT:** Continue to spread the publications released in 2015 and promote a meeting of Regional Committee in a Caribbean country.