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# A WORKER'S FORUM OF THE AMERICAS FIFTH SUMMIT OF THE AMERICAS

(Port of Spain, Trinidad and Tobago - April 15-16, 2009)

DECLARATION

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#### **DECLARATION**

We, trade unionists of the Americas, representing over fifty million workers across the entire continent, have met in Port of Spain, Trinidad and Tobago on 15 and 16 of April 2009, on the occasion of the Fifth Summit of Heads of State of the Americas, and following the G-20 Summit held recently in London, and hereby declare:

#### The current crisis deepens the crisis of distributive justice

In recent months, our region has sunk into a new recession worse than the great depression of the 1930's, but it is one that is different in depth and magnitude. Because it coincides with the food, energy, social and environmental crises, this indicates a systemic crisis of global proportions. As usual, those first and most seriously affected are women, youth, informal sector and migrant workers. Another effect has been the deepening of a social crisis which is affecting primarily women, making access to employment difficult, widening the gaps in wages and reducing investments in health, education and universal public policies, replacing formal employment with sub-contracting and labour flexibility, provoking a crisis on social security systems and social protection in general.

In their analysis which predicted this crisis, international trade unions had already highlighted the "*crisis of distributive justice*" (or crisis of inequality), in other words, a disconnect between wage increases and increased productivity, which seriously affects fundamental human rights such as the right to live in a healthy environment, with access to education, health care, social protection and food security.

Finally, the crisis is now causing a reversal in the flow of migration from destination countries in the North to countries of origin in the South, as well as a significant reduction of remittances, affecting millions of working people and their families.

#### The environmental, energy and food crises

We share the view of the International Trade Union Confederation which affirms that countries of the South cannot be denied the right to development, and that at the same time, the planet's natural resources do not allow us to spread the consumption patterns of industrialized countries to the entire world population. Added to this, are the effects of climate change, and the fact that social inequalities remain exposed to the negative impacts of climate change because, clearly, it is the poor who suffer the most.

This is why we believe that especially in the rich North, the failure of the neo liberal model calls for a change in the production/consumption pattern which will permit sustainable development respecting the values of social justice and pluralism. This also involves reformulating the energy matrix towards

clean and renewable sources of energy. The current drop in the oil price (clear evidence that there was high speculation on this price before the crisis) should not be a reason to stop looking for alternative sources.

Although the drop in agricultural commodity prices tends to regulate the food crisis, there are three negative aspects which continue to have an effect on it – excessive food consumption in the North, financing of the global food market, and the unacceptable genetic control and manipulation of seeds by transnational companies. These elements, together with the concentrated agribusiness export model, in opposition to agrarian reform policies, threaten the survival of the peasant populations and improved living standards through food consumption in poor countries.

For the trade union movement in the Americas the greatest responsibility for this crisis rests with the governments of the world powers. They are the ones who shaped the world (that fell apart) by means of their political and economic power. These governments used or neutralized international institutions in the interests of multinational companies, leading to high levels of corruption and impunity.

To lay the blame solely on irresponsible bankers is to deny the responsibility of those who were supposed to regulate financial markets. To blame only the industrialists and consumers for the overflow of the planet's capacity is to deny the responsibility of those who should have curbed this type of production and consumption a long time ago, and should have moved to another development model.

#### The "London Consensus" of the G-20 is not up to the circumstances

Years ago, the international trade union movement sounded the alert with regard to the crisis of the capitalism of financial hegemony which neglects to give credit to productive activities and engages in unproductive speculation. Recently, the trade union world came to agreement responding to the declarations at the G-20 Summits in Washington and London. They also said "No to the casino economy" at the World Social Forum in Belem, a coherent proposal in relation to the crisis.

In spite of our expectations of the possibility of a new multilateralism emerging in response to the crisis, we see that the two G-20 Summits have fallen short in many ways. The financial regulation for which the world is clamoring did not reach the levels that even governments feel necessary, and there was agreement only for a Financial Stabilization Council, with a mainly supervisory role. Except for measures dealing with high risk funds, tax havens, risk assessment companies and the banks themselves, the other measures are specific and limited. One example is the set of resolutions adopted concerning executive bonuses, since there are no limits set on this type of remuneration.

We have been deeply disappointed with the efforts to bail out financial institutions which are the paradigm of the neo liberal model. This is why it is a mistake to place the International Monetary Fund (IMF) in a coordinating, financial and supervisory role as a way of ensuring the salvation of the system, without setting new criteria for changing its conditionalities, or with no serious criticism of its responsibility through the implementation of policies which dismantled States and governments, thus eroding their ability to exercise economic control and allowing markets to destroy their sovereign ability to set economic and fiscal policies.

We believe that it is important to defend the countries of the South in terms of the importance of expansion programs, and the emphasis given to the regulation of the financial system. But, it is a bitter surprise to us that the resources promised are especially aimed at countries of the North, with very little allocated to countries of the South (about 10%). Similarly, we have to wait and see if the promise of a change in the voting system within the IMF and the World Bank will be fulfilled.

With regards to trade, the call by the G-20 to complete the Doha Round based on the agreements reached last year, is of great concern, since it provides a new opportunity for the block of countries which proposed an unbalanced and unsatisfactory focus for the countries of the South and emerging states.

Finally, we call attention to the place assigned to labor in the London Declaration, recognizing the need to create jobs and to have the International Labor Organization (ILO) assume the role of evaluating labor related issues in the policies of the G-20.

#### The Fifth Summit of the Americas must approve changes

This Fifth Summit has created high expectations in public opinion in general and for the trade movement of the region in particular, not only because of the maturity of a number of progressive Latin American governments and the assumption of a new US leadership, but because it provides an opportunity for dealing with the crisis at a hemispheric level. From a trade union perspective, it is also important, as it is the first Summit since the defeat of the FTAA at the Mar del Plata Summit in 2005. However, the draft of the declaration does not reflect the political sensitivity of this situation. It is just "one more document", with only a brief generic paragraph in which the governments state that they are determined to strengthen cooperation, work together to restore growth in the world and adopt the necessary reforms to the world financial systems.

There are no concrete policy proposals for regional coordination or actions for the effective improvement of the quality of life and employment of people. The document should start from the decisions of the G-20 and advance much further, namely to completely turn around economic, political and social orientations in the region.

Furthermore, it seems to ignore the fact that many countries are still encouraging and negotiating free trade agreements (FTAs). As we have seen in the experiences of some countries such as Mexico or Chile, these do not lead to the development of the weakest economies nor to the improvement of the quality of life of workers in the strongest economies. These attempts to maintain the system are made primarily at the expense of women's lives, through massive dismissal of workers, cuts in public spending in social areas and by reaffirming the model of production and development that directly impacts these areas, in that it increases reproductive work and sustainability increases. FTAs arise as a constant threat and undermine the integrity and progress of regional integration processes, which undoubtedly, since they are more equitable, could lead to alternative solutions to the crisis.

We are absolutely certain that one of the ways to move towards this model of development in the Americas is through the strengthening and deepening of the processes of regional integration in a coordinated, complementary way and in solidarity, so that member states can each strengthen their economies and ensure the well-being of their societies. We have no doubt that integration must go beyond trade issues. This is why trade unionism in the Americas has opposed free-trade agreement

negotiations and investments for more than 15 years and demands a review of current agreements, which, as we have warned, have brought great sorrow to our peoples.

### We, the workers of the Americas, have proposals

Almost four years ago, the trade union movement, together with other social movements, mobilized for the Fourth Summit of the Americas (Mar del Plata, November 2005) against the FTAA and in defense of the Labor Platform for the Americas (LPA), presenting a broad agenda on public policy to promote "sustainable development with decent work".

The LPA proposal is highly relevant today and shows the urgency of establishing a model of sustainable development that integrates social, economic, environmental, political and cultural dimensions in a framework of intra- and inter-generational justice. This is the only suitable response to the multiple crises in the world today: in other words, development with social justice, distribution of wealth, preservation of the environment, gender equity, protection of health, participatory democracy, respect for diversity, and equity among nations and generations.

At present, and in response to the crisis, it is essential to keep in mind the following issues:

### Multilateralism and the new global institutionality

- The defense of multilateralism is key. Fair standards for international trade must be established and mechanisms for enforcing labor rights must be strengthened in order to contribute to the development of nations and to reduce inequalities between nations. The new multilateralism must give priority to labour issues.

- The United Nations is the natural venue for debating this crisis, and as such, it should be strengthened. We believe that the proposal to create a Global Economic Council, at the same level as the Security Council, is important to define concrete guidelines for resolving the crisis.

- It is time to take up again the debate on the "Tobin tax" and mechanisms for controlling monetary and financial flows worldwide, to restrain and avoid speculation and put an end to tax heavens. The establishment of new financial services for the solidarity economy must be given priority.

- It is important to correct the fatal deficiency caused by the dislocation of the public services that has lost their capacity to exercise the regulatory and control functions that prevent the financial crisis and carry out duties in accordance with the rule of law, in a fair and professional manner. It is therefore important that Governments invest in public services so that to deliver quality public services, fully equipped with the key and critical resources.

#### Social protection, decent jobs and sustainability of the planet

- In the social arena, it is necessary to have a *social bailout*, based on public policies and the strengthening of the State's role in the economy.

- We must ensure that the new global architecture for development fully integrates gender equality and women's human rights on the basis of international commitments and treaties. According to paragraph 20 of the United Nations Millennium Declaration, "The States commit to promoting equality between the sexes and the economic autonomy of women as effective means for fighting poverty, hunger and illnesses, and for stimulating truly sustainable growth". The way this objective has been formulated implies an acknowledgement of the fact that once the different needs and realities of men and women are contemplated, only then will it be possible to improve the situation of alarming inequalities that are present in the Continent, strengthen democracy and social peace.

- The ITUC proposes a plan for recovery and sustainable growth, based on a public investment policy geared towards social development and job creation. As such, the building of productive and social infrastructure, which includes improving public services for everyone, must be prioritized.

- It is crucial that the income of the low and middle classes be increased and to have policies focused on the groups that are most affected: youth, women, migrants, the elderly, individuals with special needs, indigenous groups, and temporary, underemployed and part-time workers. Finally, it is necessary to insist on the right of workers to form free trade unions, elect delegates and to negotiate collectively, putting special emphasis on the redistribution of benefits.

- We support the initiative of the ILO to, through the Global Employment Pact, debate the creation of a Global Employment Fund that takes into account existing asymmetries between developed and developing countries in terms of their fiscal capacities.

- More than ever, it is necessary to insist that the Fundamental Labor Regulations remain in force, especially those ensuring trade union freedom and collective bargaining and to accompany the ILO in its potential actions on the crisis, including the creation of the Forum and its participation in the G-20.

- We reaffirm the importance of the ratification and implementation of the "Ibero-American Multilateral Social Security Agreement", on disability, old age and survival. There is already a similar agreement in effect (since 2005) within Mercosur, which can serve as a reference in order to move forward with its enforcement in the continent.

- We also value the agreement of the International Panel on Climate Change (IPCC), as we consider that the environmental crisis must take into account the principle of common but differentiated responsibilities.

- The international trade union movement calls for the fulfillment of what was agreed upon at the X Conference on Women in Latin America and the Caribbean, held in Quito in 2007. We will not accept that the crisis lead to setbacks in advances made toward achieving gender equality in relation to the participation of women in the labour market. We call the

international worker's movement to apply the concept established by the UN of coresponsibility in the family and labour life, that applies equally to men and women, as well as the recognition of non paid work and its importance to the welfare of families and countries.

- We strongly oppose and condemn all forms of violence against women. We also denounce and condemn all forms of discrimination and violence based on racial prejudice.

- We demand, especially in this moment of crisis, the urgent cancellation of illegitimate external debt for developing countries.

- Finally, we acknowledge the political changes that have taken place in many of our countries, through the election of progressive administrations of different levels and expressions, but, at the same time we reaffirm that governments must restart the Social Dialogue processes, making them more transparent and democratic and guarantee social and civil participation in the debates on solutions to the crisis.

### A call to action

The trade union movement demands concrete policies from the governments of the region that make the proposals being debated a reality. We demand spaces for participation at the national and international level in order to present our proposals. In this sense, it is essential that more and better consultative mechanisms be established between governments and social movements.

We have expectations with regards to the political process of the United States, where the new President has made a commitment to consider trade unionism, not as a problem, but as part of the solution to the crisis. We forcefully support the adoption of the Employees Free Choice Act (EFCA), which defends the right of workers in the United States to organize freely and to negotiate collectively, and prevents employers from interfering in the organization of workers. In addition to contributing to the strengthening of the North American economy, this will have positive impacts on the international scene and in the Americas.

We support the recent decision of the Obama administration to allow people from the United States to travel and send money to Cuba, to establish fiber optic and satellite connections with the island, and to broaden the list of humanitarian products that may be exported to the island. The recent mission of US Congressmen to Cuba is also encouraging. These positive steps should result in a definitive end to the blockade against Cuba. Trade unionism in the Americas has demanded an end to the blockade against this country for decades.

As part of the international trade union movement, we demand that in the next G-20 Summit, actions and effective changes in the regulation of the world economy be approved. On the financial level, the creation of regional institutions for regulating and monitoring financial activities should be supported and we must move ahead with the process of strengthening the Bank of the South, the Central American Economic Integration Bank, and others.

We hope and we demand that the priorities of the decisions of the G-20 and other multilateral organizations will be to make changes to the policies that gave rise to the crisis, combat its effects

and the consolidation of multilateralism focused on social equity, decent work with decent pay and sustainable development.

We call upon all the workers of the Americas to mobilize: on May 1st, International Day of Workers and of Mobilization to face the Crisis; and on October 7th, World Day for Decent Work in face of the Crisis, and November 25th, International Day for the Elimination of Violence against Women.

### FOR THE VALIDITY OF TRADE UNION FREEDOM AND COLLECTIVE BARGAINING!

## FOR SOCIAL PROTECTION!

### FOR THE IMPLEMENTATION OF THE LABOR PLATFORM OF THE AMERICAS!

Port of Spain, April 16th, 2009.