

# Working class struggles explode in Peru

**Don Knowland, Cesar Uco****25 April 2022**

Weeks of protest in Peru expanded last week to numerous additional sectors of the Peruvian urban and rural working class countrywide, including farm workers and miners.

The unrest was ignited on March 28, when cargo carriers began a nationwide strike, blocking roads throughout the country for two weeks. Their main demand was for relief from a 37 percent fuel hike triggered by the war in Ukraine.

The strike led to a wave of protests over inflation by agricultural workers, urban bus transport workers, cab drivers and others, mostly centered in the region of the capital, Lima.

President Pedro Castillo called out the military to clear roads and impose a curfew. Tens of thousands marched in the streets of downtown Lima to protest the curfew. Castillo had to quickly lift these measures to avoid triggering further unrest.

Last week protests exploded throughout the country over the soaring cost of fertilizer and fuel. "Peru is a powder keg about to explode," declared the right-wing *Expreso*.

Thousands joined a two-day general strike in the southeastern Cuzco region. Protestors blocked roads with rocks and burning tires.

The tourist train to the famous Inca ruins of Machu Picchu—a vital economic sector in the region—stopped operations, forcing many tourists to cancel trips.

The organizers of the Cuzco stoppage, the Tupac Amaru Revolutionary Agrarian Federation of Cusco (Fartac), threatened to resume the strike on Monday, April 25.

Cuzco's population went back on strike even earlier, on Friday, April 22, as Castillo rushed to the city, holding an impromptu cabinet meeting aimed at tamping down the unrest.

With millions of people in the impoverished southern Peruvian Andes lacking the means to feed their families, the Cuzco strike quickly spread to other cities.

In Ayacucho, a 24-hour strike occurred. Picket lines and road blockades disrupted transit in the city of Juliaca, a center of commerce linking Bolivia with Cuzco, and with Arequipa, Peru's second largest city and industrial center.

Farmers protested in Huancayo, which was the center of violent protests two weeks ago and is home to the "left"-nationalist party, Perú Libre, that put Pedro Castillo in office.

Similarly, in the Ancash region of northern Peru, farmers blocked the Parco bridge, which connects the coast to the Callejón de Huaylas, an inter-Andean valley in north-central

Peru.

General unrest also continued among Peruvian miners and in mining communities.

On April 14, community members of Fuerabamba, located in the Andean mining department of Huancavelica, invaded the site of the Chinese-owned mega mining project Las Bambas, the third largest copper producer in the country. The comuneros have long claimed that the road which crosses their lands and is used by trucks full of copper ore pollutes the air and damages crops and livestock.

In response, Las Bambas announced it will stop producing copper. President Castillo then resorted to sending the army against the protesters.

Protests from the mostly indigenous surrounding communities demanding financial compensation and a share of future profits that had shut Southern Copper Corp.'s Cuajone mine since late February only ended after the government declared a state of emergency last week and sent in soldiers.

According to *El Comercio*, "struggle committees" have been formed in 15 of Peru's regions, indicating the class struggle and protests will increase, as, inevitably, will confrontation with the police and army.

Peruvians are at the end of their rope amid the worst economic crisis in two decades. It follows on more than two years of pandemic which so far has taken the lives of 212,486 people, the second-highest mortality rate per capita in the world.

Soaring food and fuel prices risk escalating into a full-blown hunger crisis, particularly amid a shortage of fertilizers.

Peru's agricultural industry is facing a deficit of 180,000 metric tons of urea, a key nitrogenous fertilizer, with output of staples such as of rice, potatoes and corn set to fall as much as 40 percent unless a solution is found in the coming months, according to Eduardo Zegarra, an agrarian economist and researcher at think tank GRADE.

World fertilizer prices have surged after Russia's invasion of Ukraine pushed up the cost of natural gas, the main input for most nitrogen fertilizer, forcing producers in Europe to cut output. Sanctions on Russia, a major low-cost shipper of every major kind of crop nutrient, are disrupting global trade. Russia accounted for 70 percent of Peru's fertilizers last year.

Peru's economy will continue to shrink in the coming months. According to the Peruvian Institute of Economics

(IPE), private investment will fall 6 to 8 percent. And 61 percent of citizens will face difficulty making interest payments.

The government's exemption of fuel from the ISC (Selective Consumption Tax) and the "family basket" plus other foodstuffs from the IGV (General Sales Tax), is mostly benefiting households in the two highest income quintiles, rather than the mass of workers and peasants.

With respect to the poorest Peruvian families, *La República* reported, 'Common pots [survival group organizations among the poorest Peruvians] struggle over rising food prices. Getting sugar, oil, vegetables and meat has become an odyssey for the leaders of these organizations.'

To make up for the loss of income, since the early months of the pandemic families have been depleting their pension fund savings to pay for house rent, schools, food, transportation and other essential goods and services. As a result, pension assets in the country have dropped by about one-third.

The impact of inflation is only expected to worsen. In the last 12 months it was 7.45 percent. To curb inflation, the Bank of Peru has increased the reference interest rate by 50 basis points (0.5 percent), in turn increasing borrowing costs. This measure will particularly affect micro and small enterprises (mypes), which are the main generators of jobs in a country, where labor informality stands at 76 percent.

The popular response to corruption scandals, the marked incapacity of Pedro Castillo's bourgeois government to meet the crisis and his recent consorting with far right-wing elements is expressed in the most recent polls. According to pollster Ipsos, the approval rating of Castillo has fallen to 19 percent, and that of Congress President María del Carmen Alva, of the center-right party Acción Popular, to 15 percent; 63 percent said Castillo should resign. The main bourgeois newspaper, *El Comercio*, trumpeted "Massive rejection of Pedro Castillo."

But the popular slogan has been "out with all of them," reflecting a rejection of the entire bourgeois governmental setup.

There are in fact widespread calls for Castillo to resign. According to the *Financial Times*, many others "want him to fulfill his campaign promises to elect a constituent assembly to draw up a new constitution, to nationalize the gas industry and to implement agrarian reform," a platform the Peruvian right last year called communism.

Desperate in the face of mass disapproval, at the cabinet meeting on Friday in Cuzco Castillo said he would send a bill to Congress to place a referendum on the regional elections ballot in October to draft a new constitution. Castillo knows full well that Congress will not agree, and that the proposal is just a stunt to quell popular disquiet. Talk at the meeting by Mining Minister Carlos Palacios about lowering contract prices at Peru's giant Camisea natural gas fields similarly was nothing but blather.

The reality is that the entire Peruvian capitalist class

confronts a crisis of rule. It is incapable of providing any significant reforms.

The pseudo-left, including publications like *Jacobin* and *Counterpunch*, last year had presented Castillo, the candidate of a "Marxist" party, as the shining knight of a left revival. But after nine months in office, he has done nothing to challenge the interests of the national bourgeoisie and international capital. The disaster was so obvious that by year's end they stopped bothering to even write about him anymore.

Other so-called "left" groups in Peru are so decrepit and politically bankrupt that they provide only a dead end for the Peruvian masses. Calls for an April 7 mobilization by the Stalinist Communist Party-controlled General Confederation of Workers (CGTP) and the Maoist Single Union of Education Workers of Peru (SUTEP) went unnoticed.

Likewise, the collectives and organizations leading various workers' struggles—such as Fartac in Cuzco—are only seeking an accommodation with the government. Several have a record of working with transnational companies and lining their own pockets.

What is required is advancing a socialist program of action for the working class to defend its social and democratic rights, to unify all sectors of the urban and rural working class and to dismantle the rotten bourgeois state and replace it with a new workers state.

This requires the working class to establish its own organizations, independent of all factions of the bourgeoisie and the trade unions: democratically elected committees of action in factories, workplaces, working-class neighborhoods and rural areas throughout the country.

The working class must guarantee jobs for all. It must support cancellation of workers' debts and those of poor and marginal farmers and small business holders, and subsidies for fertilizers.

This struggle by Peruvian workers against common class enemies must be coordinated with those of their class brothers and sisters in Latin America and internationally, to break the economic domination of global corporations, banks and finance houses and put an end to capitalism, dismantling the rotten bourgeois state and replacing it with a new workers' state.

A socialist revolution requires a revolutionary leadership. The working class must build its own revolutionary party based on the lessons of the history of revolutionary working class struggles. This means the construction of a section of the International Committee of the Fourth International.



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