

Facing record unpopularity and multiple disasters, Peru's president turns to austerity and repression

Francis Portocarrero
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In the face of deteriorating social and economic conditions, along with a series of environmental and infrastructure disasters, the Peruvian government of President Dina Boluarte has shifted ever more aggressively to the right.

Speaking before the Peruvian Congress Tuesday, Economy Minister José Salardi proposed a “deregulatory shock” to consolidate business confidence. This new policy, including the revision of labor legislation favorable to private investment along with corporate tax cuts, is to be combined with “austerity” measures that will further degrade living standards for the broad masses of the population.

Taking as models the so-called Department of Government Efficiency (DOGE) headed by the fascist oligarch Elon Musk in the US, as well as Javier Milei's “chainsaw” against jobs and social spending in Argentina, the Peruvian bourgeoisie is preparing a massive offensive against the working class. The “shock” proposed by Salardi can only be imposed by a further development of dictatorial rule against the working class.

The turn toward intensified repression has seen the Boluarte regime impose a state of emergency in three provinces of the La Libertad region: Virú, Trujillo and Pataz. This dictatorial measure, which was extended for another 60 days on March 10, allows the deployment of the armed forces alongside the police in the name of upholding “public order” against rising crime rates.

The rightward trajectory of the Peruvian government was spelled out at the end of January, when Boluarte participated in the World Economic Forum in Davos. There she offered large mining corporations and global financial capital unhindered exploitation of the country's natural resources, while signaling the unreserved submission of her corrupt and repressive regime to the new administration led by Donald Trump in Washington.

Boluarte ranks as the most unpopular president in the world, and not a day goes by without corruption or political scandals with their far-reaching effects on society.

Despite official claims of an economic recovery, projections have appeared in various media outlets indicating the government overestimates economic growth. Real wages have not risen in the private sector and only minutely in the public

sector, without having recovered their pre-pandemic level. Nor has the situation improved for the three million plunged into poverty during this period.

In 2024, private investment grew by just 2 percent. Current state expenses are lower than in 2022, and there has been no boost in public investment.

The worsening conditions faced by Peruvian workers have been exacerbated by a series of catastrophic events resulting from the dismantling of the country's infrastructure. The Civil Defense Institute (Indeci) reported that 1,605 homes were destroyed and about 10,000 were declared uninhabitable as a result of intense rains and landslides in the north, center and south of the country. The rains left 62 dead, nine missing and 23,743 victims in total throughout February 2025.

On February 12, there was a new oil spill on the North Peruvian Pipeline affecting indigenous communities in the Amazon. It was the second oil spill in less than a week.

Although urgent solutions are demanded from the affected communities, their requests fall on deaf ears. The OEFA (Environmental Assessment and Control Agency), while claiming to be investigating, refuses to act, as in other cases. According to the law, both the OEFA and PETROPERÚ must respond, but inefficiency, the relaxation of controls and impunity continue.

On February 21, the roof of the Real Plaza de Trujillo, which belongs to a chain of shopping centers nationwide, collapsed, leaving eight people dead and 84 injured.

This tragedy was the result of a series of deficiencies in the construction of the plaza, owned by one of the richest men in the country, Carlos Rodríguez-Pastor. The lack of state oversight and the political pressure exerted from Congress to suspend sanctions imposed on the company, despite the obvious dangers, became evident and scandalous.

Housing is another issue that reveals the abandonment and lack of planning over decades by the Peruvian State. In the last two decades, Peruvian cities grew by 50 percent, a rate higher than the Latin American average (30 percent). However, more than 90 percent of this urban expansion has been informal, through illegal occupations and informal subdivisions.

Amid endless disasters, corruption scandals and waves of mass protests, Boluarte has become a hated figure with an approval rating of less than 5 percent, a record low. How can such a regime remain in power and pursue its agenda?

Social opposition is growing, but fails to find channels to express the anger of Peruvian workers. All of the union bureaucracies and pseudo-left political tendencies are pro-business, that is, they do not defend the interests of Peruvian workers and merely advance proposals that seek to underpin the weakened institutions and the dead end of capitalist politics.

The protests that rocked Peru in the final months of 2024 around the issue of organized crime and growing violence, revealed deeper problems. On February 6, 2025, Peru experienced its fifth national strike in less than 12 months, but it had less participation than the previous ones. From the beginning, these strikes have been dominated by business organizations representing both small operators and large transport companies. There are 117 unions representing public transport drivers in Lima, but they did not play a significant role.

The government and the leaders of these demonstrations have tried to pass off the strengthening of the police state as a response to the demand raised by the protests for an end to the insecurity caused by organized crime and its extortions. However, the existence of gangs is rooted in Peru's rampant social inequality. They have political connections, generate profits for a wealthy elite, and can recruit from among masses of impoverished youth who can neither find work nor afford to continue their studies.

On February 25, the main trade union, the General Workers' Confederation of Peru (CGTP), tightly controlled by the Stalinist Peruvian Communist Party, called for a "national mobilization" against mass layoffs. As on previous occasions, this "national mobilization" was only carried out in Lima. Despite the union's efforts to contain the movement's scope, workers from different branches of industry mobilized.

The CGTP's protest sought to channel the growing social opposition of the working class against a wave of mass firings behind futile appeals to change the director of Prevention at the Ministry of Labor.

Citizen insecurity, natural disasters caused by rains and tragedies due to the collapse of public and private infrastructure have all created a breeding ground for anger among workers and the impoverished population. Protests, strikes and social uprisings will inevitably grow. For that reason, the government is preparing to spend millions of dollars more to build up the Armed Forces and the police.

Elections are being organized as a means to contain mass discontent within the political system. There are already more than 40 candidates for the 2026 presidential election. The traditional parties of the Peruvian bourgeoisie have collapsed, existing only as empty shells. The nominal left, including Together for Peru (JPP), the Maoist-led Workers and

Entrepreneurs Party (PTE), Free Peru, and New Peru, among others, is also preparing to participate electorally. None of these forces provide a means of opposing the drive to authoritarianism, remaining quiet, for instance, about unpopular electoral laws approved ad hoc by the right-wing controlled Congress to elect a bicameral legislature and allow the re-election of existing members.

The only solution for the masses of workers and youth in Peru facing this social catastrophe is to mobilize independently. It needs to shake off the yoke of conciliatory bureaucracies. The decisive question is that of revolutionary leadership. The latest protests were dominated by petty-bourgeois tendencies due to the absence of a genuinely socialist leadership in the working class. The historic betrayals carried out by the Stalinist-led trade union apparatus, the diversion of social struggles towards bourgeois politics by the nominal left, and the bitter experiences with guerrilla movements, have all contributed to a political disorientation that Peruvian workers need to overcome.

Crucial lessons must be learned. No faction of the Peruvian ruling class, from the right-wing *Fujimoristas* to populist demagogues like ousted President Pedro Castillo, is capable of solving any of the basic economic and social problems faced by the working class and the rural poor in Peru or, for that matter, across South America. All national bourgeoisies of semi-colonial countries such as Peru are intertwined with and subordinated to foreign finance capital, with national sovereignty existing in name only.

The working class must build independent organizations of struggle, armed with a socialist perspective and pitted in irreconcilable opposition to all parties of the national bourgeoisie, the union bureaucracies and their pseudo-left apologists.

The decisive question facing the Peruvian working class is that of building a new revolutionary leadership based on a socialist and internationalist program that unites its struggles with those of workers throughout the Americas and beyond. This means building a Peruvian section of the International Committee of the Fourth International.



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