

YEAR II
#2
March
2012



wachb'il

INFORMATIVE ORGAN OF MSICG



With the support of:



Wachb'il

Edition, design, layout and graphics: INESICG

COVER:

On November 25, 2011, in day of non violence against women, companions of MSICG marched peacefully to the presidencial house to present him to the then President of the Republic of Guatemala, Álvaro Colom, the proposal for a law initiative to ratify the ILO's Agreement 189 on decent work for domestic worker, 2011

SUMMARY

EDITORIAL

Nothing New With the New Government 2

TRIBUNE

Maquila Textile and Apparel in Guatemala: Opportunity and Development? 6
MSICG

Tax Reform in Guatemala: How will the New ISR Affect Workers? 12
Jonathan Menkos Seizzig

Never Again a Death Sentence 15
Marielos Monzón

Peasant Movement and the New Government 17
Helmer Velásquez

SEMBLANCES

Interview with José Gonzalo Erazo Díaz 20

THE LITTLE BOSS

IGSS: One of the Most Repressive Institutions Against Union Freedom in Guatemala 24

COFFEE CABRAL STYLE

Alejandro Arriaza, Songwriter 27

Epitaph to Luis Enrique Sam Colop 31
Martín Edmundo Alvarado López

¡MSICG TAKE ACTION! 32

Introduction

The Guatemalan Union, Indigenous and Peasant Movement -MSICG- presents here the second issue of its Wachb'il magazine, dedicated this time to the struggles fought by our European sisters and brothers against those measures propelled by the interests of the great capitals to expropriate life.

This is an economic model that eliminates the expectations of a dignified life and the access to development of those who produce richness, whether as workers or consumers, or both, all in the name of speculation, and which is necessarily expropriating since it reduces human beings to just one more variable, one that can be discarded out of such speculations.

MSICG hails the struggle that's being fought and joins in solidarity its sister organizations in Europe, calling out to each man and woman to join forces in this urgent defense of our future, and our children's future.

Nothing new with the new government

By: MSICG

Alvaro Colom Caballeros's term as President of the Republic of Guatemala has finally come to an end after four years of propaganda oriented assistencialism, of coopting leaders and of a discourse that was far away from its practice, which once again was aimed to privilege Guatemalan economic elites.

The election process was marked by a very early campaign, and a very expensive one in contrast with the reality of a country struggling with poverty and extreme poverty that didn't hold better hopes than the submission of the State to paying the debts acquired by the candidates and their parties with those who financed the over spending done all through it. And it was specially marked by the lack of options that forced the population to vote for the same project that has ruled the country all throughout their history, excepting for the 1944-1954 decade; that is, the excluding project of the elites and their capitals.

Alvaro Colom's government started moving towards the militarization of the country, with the argument of insecurity and abusing of the attributions granted to it by the Law of Public Order. This route has been strengthened during the current government, which has increased the army's budget, with the argument of providing safety to the citizens.

The government of General Otto Perez Molina, whose party defines itself as liberal constitutionalist, has managed to obtain majority in the Congress of the Republic, taking advantage of those congressmen who switch parties, ignoring the popular will that elected them, and through muddy agreements done thanks to the existence of those same political operators. All of this has allowed them to approve their legislative

agenda without great problems.

Although Partido Patriota's government was critical with Alvaro Colom's one, it seemingly intends to reap some of the conditions that its predecessor sowed, specially relating coopting leaders and establishing short term alliances that allow it to establish buffers at a national and international levels for the social upheaval that will surely appear as the government pushes its agenda through, and the excluding financial model gets tougher on the majority of the population.

In fact, the main pro government faction during Alvaro Colom's government is now acting on behalf of Otto Perez Molina's, and the congressmen from the official party hurried to pass the Constituting Law for the Social and Economic Council, proposed and thrust forward by Colom's government, the CACIF and the official trade unionism.

The intention of this council is to show that there's a social dialogue in a country where there is no union freedom, no collective negotiations, strike rights or at the very least base respect to ILO's fundamental Agreements. The council is made up mostly by the employers, whether they be the CACIF or the cooperatives, and by a fraction of the union movement lacking autonomy and which negotiated and approved measures such as the reduction of social security protection or certain mechanisms for the disarticulation of the operative structure of IGSS – the Guatemalan Institute of Social Security - which makes us assume that this Council - known as CES - is a new attempt to create an organ that will be the catalyzer that the Tripartite Commission on International Labor Issues has stopped being due

precisely to the constant evidence of its lack of autonomy, inefficiency and spoils system.

However, the CES is nothing more than an arista on the real agenda that picks up what has been the proposal of the business sector since its economic and social development plan was published in the year 2000, which has plenty of measures oriented to weaken labor protection, reduce the State and render it inoperative, as well as guaranteeing the expropriation of indigenous peoples' territories, lands and natural resources, evading the duty to consult and the right to self-determination established by ILO's Agreement 169, and moving a greater part of the tax load to those that have less.

The current government has pushing its legislative agenda even before assuming office; in fact, the Minister of Labor and Social Prevision to be, now in office, soon took de path that Alvaro Colom's government had taken, and started negotiating with the Guatemalan Workers' Union -UGT for its initials in Spanish-, the same organization that took up all the spaces of representation during Alvaro Colom's government and which negotiated with IGSS regarding the reforms that affected tens of thousands of workers' retirement conditions, and that today threaten to dismantle the operational structure of the Social Security Institute, a package of reforms to labor guarantees, such as the so called "Law for Labor Inclusion" and the reforms to the Labor Code.

This negotiation included meetings with some trade union organizations of the country, most of them with international affiliation, so they would not oppose such reforms, handing out copies of the projects to them. Naturally, as would be expected of a government that represents the continuity of essence and ends of the past government, the current minister left MSICG out, a logical reaction if we understand that MSICG is by far the main plaintiff against the State of

of Guatemala before international organisms and national courts of law.

Such a decision would hardly be considered adequate today, since none of these organizations has spoken out, even though the effects of such reforms would be disastrous for workers, even when they've known about them for more than three months now.

Unfortunately for this government and for any who would only represent the interests of the oligarchy, MSICG has always been the margin of error on their best strategies, and has managed access to such projects and is already in the process of publishing the analysis that it's made of them, generating those strategies and alliances needed to attack them.

All this because the project for the so called "Labor inclusion law" answers to the historic reduce even more the redistribution of wealth through wages and other benefits, and to take the money from the retirement funds to the markets of private capitals, rendering the model that was implemented since the creation of IGSS inoperative.



This project is complemented with the project of reforms to the Law of Civil Services, that observes the same repressive and backward logics towards the rights of public servants, and which is no more than a new approach to the essence of the project that tried to be imposed during Oscar Berger's government.

On the other hand, the project to reform the Labor Code under the argument that this would improve the General Labor Inspection tends to weaken its duties, eliminating the probative effect of the verification that it makes, weakening the amount for the fines and eliminating the publicity of the trials for infractions against labor and social prevision laws, specifically eliminating the accountability role that it must play.

On the tax issue, so far the tax reforms can be considered a small step, depending on how they are used, but they haven't gone deeper into the real problem of tax collection in Guatemala, since it has returned to the pretense of increasing taxes on the revenue earned by workers and by small and middle sized entrepreneurs. Thus, fees for non-domiciled and benefits for vehicle importers were greatly reduced, bank secret and information exchange were untouched, fiscal privileges were kept for large businesses and these may be enlarged through fiscal exemptions, furthermore, transnational investments are not to be taxed.

All this is paradoxical considering that, according to information provided by the Tax Administration Superintendent's Office –SAT- to an important local journal¹, 3,122,825 people have access to formal jobs in Guatemala, being registered by the tax authority as workers in dependency relation, which shows that these are declared relationships, of which 2,330,226 workers (equaling 74.62%) earn less than minimum wage.

According to this information, 2,599,273 workers (equaling 83.23% earn less than the Cost of the

Basic Food Basket –CBA in Spanish-; 2,790,357 (equal to 89.35%) earn less than the cost of the Basic Market Basket –CBV- and 2,903,662 (equal to 92.98%) earn a salary that does not reach the necessary level of income to go above the poverty threshold.

Therefore, such a reform pretends to compensate the deficit created by those that, having enough money to pay taxes, don't do it, handing over the burden to those who, despite working, don't get the income they need even to have a decent life, much less to have access to human development.

In the countryside, peasant evictions will most likely continue, and the army will surely take part on these actions, given its new citizen security duties and the increase in its members. Therefore, there's no sign of a decrease in the process of land re-concentration that is happening to benefit industrially oriented crops.

Regarding indigenous people's human rights, the ruling party's constitutionalist liberalism aims at a continuation of the same strategies used so far, given that the current government has started to give signs that it approves mining activities seen from the cold perspective of an industrial activity as well as the use of judicial ordinances that will not effectively acknowledge the rights of Guatemala's indigenous people, and which is used to evade complying with the international regulations that protect such rights. This position has in fact never been denied by the government.

For MSICG, the new government cannot be regarded up to this point as anything but another link of the ongoing chain of interests that have ruled us from colonial times, excepting that decade that was cut short, and whose progress is now in grave danger, except that today we have even less to be taken away from us and probably,

1) Lorena Álvarez; *Ganan menos de Q7 mil mensuales; Inversión, El periódico*; edition of 02-27-2012; page 10.

due to that, the expropriation process aims now directly at the labor force, thus generating a pseudo slavery in which the workers will live with their eyes on the clock to mobilize themselves for an hour in order to work for two hours and so on until they return exhausted to their homes after a journey of 20 hours, between mobilization and working hours, not to earn enough to aspire to anything more than the so-called "supertortilla", which is basically the current government's social offer.

This measures, which are sadly being endorsed by some national trade union organizations, whether it be for action or omission, respond to the

thought that, since the State is weak and lacks will to comply with its basic duties and to enforce its own laws, the easiest solution is the elimination of such bothersome rights which are in the end the ones that pretend to set a distance between this age and the golden era of the master and the slave.

MSICG is clear that the upcoming times will be hard and will need commitment, and specially congruence when pushing for structural changes. This "Enough is enough!" yell in the throats of our European brothers and sisters should have been yelled here a long time ago.



Gral. Otto Pérez Molina
Appointment As Constitutional Guatemala President
Photo: AP



MAQUILA TEXTILE AND APPAREL IN GUATEMALA: OPPORTUNITY AND DEVELOPMENT?

By: MSICG

On October 14th 2011, MSICG presented publicly the report of the research called “La maquila textil y de Confección en Guatemala: ¿Oportunidad y Desarrollo?” which can be downloaded at MSICG’s webpage: www.movimientosicg.org

On one hand, with the help of official records among other methods of serious research, this report destroys the myth, held and promoted by the State of Guatemala and the textile industry’s business sector between 1990 and 2011, that these companies are a source of development, economic growth and wellbeing for the population, a fallacy that this sector has used to exert a good deal of real politics from the State of Guatemala, defining State’s policies. On the other hand, the report shows clearly how these companies undermine the capacity of tax collection and redistribution that is the State’s duties, and weakens the State of the Law through ongoing violations to the workers’ minimum labor human rights.

Guatemala, as well as the other Central American countries, has been attractive for this kind of capital since it was first established here around the year 1970, pushed forward mainly by the interests of the United States and strengthened by the transfer of factories from Asian countries in search for better mechanisms for access to the US market, due to the low cost labor force and advantageous policies and laws implemented by the different States, who grant them huge privileges.

From the year 1990 the main capital in this industry has been Korean, having owned 43% of the total capital in the year 1996, 53% in the year 1997, 65% in the year 2000 and 58.90% in the year 2011; on the other hand, Guatemalan capital has reduced its share in this market, going from 47% in 1997 to 26% in 2000 and 34.24% in 2011. The third most important country regarding ownership of textile maquila capital in Guatemala is the United States, ranging between 9.17% in the year 1996, 4.36% in the year 1997, 7.69% in the year 2000 and 6.16% in the year 2011. Territorially, these businesses

have been located mostly in the Department of Guatemala.

Between 1994 and June 2011, the United States, El Salvador, Honduras, Mexico, Costa Rica, Panama, Canada, South Korea, Nicaragua, China, Italy, the Netherlands, Japan, Jamaica, Hong Kong, Cuba, the Dominican Republic, Spain, Australia and France have been the main partners regarding the destiny of exportations. Nevertheless, the country that held 93.46% of the exportations was the United States. Exportations to El Salvador added up to only 1.53%, and the all the other countries didn't go beyond 1% each.

Although it's been said that the Guatemalan textile industry is a leader in the Central American region, it has had no part whatsoever in the last links of the value chain where most added value is produced, that is, on the sales and marketing areas. There is no real role on the definition of designs for assembled or finished products, a portion of the thread, fabric and accessories used are produced outside the region, there is no scheme to promote and absorb innovation and added value from the very design of the garment, exporters limit themselves to getting the fabric and accessories and assembling the garments, there is no national industry developed to make specialized machinery, so export enterprises import their machinery mainly from Italy and Germany. Besides, technical service positions are taken by foreign crew and there is no development or impulse of their own brands.

This absolute failure brings us to believe that since the very beginning, the State of Guatemala has answered to the interests of the sector's entrepreneurs, especially by subscribing commercial treaties, implementing labor, financial and environmental policies that are complacent with their interests, and by installing and expanding tax incentive regimes that also give shelter to other very powerful business groups.

Among tax privileges where these and other companies usually seek refuge we can mention those granted through the Law of Foment and Development to Export Activities and Maquila, Congress Decree

number 29-89.

Sheltered by this law, and depending on the regime they choose to work with (temporary admission regime, right devolution regime, national added component exportation regime) these companies are exonerated, among other tax and fiscal duties, of the following: 10 year exonerated of the paying of the Tax on Revenue –ISR- coming exclusively from exporting goods that have been assembled in the country and then exported, total exonerated of the Tax on Added Value –IVA-, exonerated on customs duty rights on raw materials, exonerated on semi-elaborated, intermediary and intermediate products, plastic containers, wrappings, labels which are necessary for exporting or re-exporting; import franchises for a value equivalent to customs duty rights and taxes upon the import paid when buying raw materials, etcetera.

From the year 1990 to September first 2011, 1948 export companies had sought shelter under this law in Guatemala, of which 811 were still working when the report was presented. Of these, 278 correspond to textile, confection and accessories maquilas. Other sectors that were greatly benefited by this law are the agricultural products sector, the food sector, the plants, foliage, ferns, vegetables and ornaments sector, and the rubber and plastics sector. The report details the list of companies that have been and are sheltered by this law.

One of the main disadvantages of tax incentives and especially of moratoriums contained in the decree 29-89 is that it favors high performance investors that could have exported without such privileges in detriment of the State capacity, and this precisely the Guatemalan case. On September 1st 2011, among the companies that were active and valid within the privileges granted by the aforementioned law, were the following: Licorera Zacapaneca Sociedad Anónima, Nestlé Guatemala Sociedad Anónima, Samboro Sociedad Anónima, Minera San Rafael Sociedad Anónima, Montana Exploradora de Guatemala Sociedad Anónima, Compañía Guatemalteca de Níquel Sociedad Anónima, Transactel Sociedad Anónima, Administradora de Call center Sociedad Anónima, Disagro de Guatemala Sociedad Anónima y Colgate Palmolive (Centroamérica) Sociedad Anónima.

Another disadvantage is that these moratoriums automatically cause abuses, such as in the case of the exoneration of the Tax on Revenue for up to ten years. The report determines that this moratoria is extended in an indefinite manner is prorogated indefinitely for the case of textile, confection and accessories maquila companies, which is done by transforming the investment that has already been done into a new investment by simulating a new society contract.

This is achieved basically by closing the companies and then reopening them, even at the same location they had before but with a different social denomination. The report shows how, between 1998 and 2009 there was not one textile, confections and accessories maquila that remained open for more than 10 years and that, between 1991 and 2009 there were no significant close up of such companies, sheltered under Guatemala's export regime, a situation that contrasts with the ongoing threats of the business sector about maquilas closing. Likewise, available information shows how these companies are closing up and then re-starting operations before they are 10 years old to keep enjoying tax benefits on revenue established by Decree 29-89, the report shows at least 55 cases of companies that have pretended to cease operations and yet keep operating with all the tax benefits of this legal instrument, even in the same location, with the same telephone and fax numbers, etcetera.

Detailed analysis presented by the report regarding the sector's economic growth revealed that, based on Decree 29-89, between 2005 and 2009 the State has ceased to receive Q596.1 million quetzals on revenue taxes, Q270.4 million quetzals on solidarity taxes; Q122.8 million quetzals on added value tax –IVA. This means that the State of Guatemala failed to receive 989.3 million taxes because of the aforementioned law between 2005 and 2009, which represents 70% of what the government gets for taxes in one year.

Currently, both the Association of Garments and Textiles Industry –VESTEX, for its initials in Spanish-whose aim is to promote and develop garment and textile exportations, as well as to represent its members before public or private national and international institutions related to it, and

the Coordinating Committee of Agricultural, Commercial, Industrial and Financial Associations –CAFIC for its initials in Spanish- which claims to be an organization that represents the interests of the Guatemalan entrepreneurial sector, struggle to achieve laws that will strengthen and widen tax benefits already applied to export sectors, especially the textile and apparel maquilas.

Another great benefit that these companies enjoy is to be granted total and absolute labor impunity, in other words, that the State of Guatemala will grant that labor in these centers is undertaken in total slavery conditions without any official intervention.

The state of Guatemala has always implemented wage policies that generally do not comply with what national laws or International Agreements establish. As a result of this, minimum wage in Guatemala has historically kept an alarming deficit in relation with the cost of the Basic Market Basket. For example, between 1998 and 2011 minimum wage had an average deficit of more than 150% in relation with the CCBV.

Added to this, and as a plus for the textile and apparel maquila industry entrepreneurs, and the exporting sectors that operate in the country, since the validity of the Dominican Republic-Central America Free Trade Agreement, DR-CAFTA, the State of Guatemala arbitrarily and discriminatorily decreased minimum wage for workers of maquila industries and the exporting sector, compared to the minimum wage legally fixed for workers of other sectors, despite the fact that maquila business exportations have increased their utilities between 15 and 20% per year.

Exercising trade union rights is another myth in the textile and apparel maquila industries, a matter that has constantly been pointed out by the control organs of ILO, thanks to the pressure and denunciations made by MSICG.

The report shows evidently how between 1994 and September 2011, there were 54 attempts of creating trade unions in this industry, of which only 7 were left working. There is also evidence of how the other unions were destroyed while still in process of formation. The few existing unions face grate obstacles

to survive due to the anti-union persecution implemented by the employers. By September 2011, out of 92,556 workers presumably employed in this sector, only 463 were unionized, which represents only 0.5% of the total workers.

Evidently, collective negotiation in such a context is almost inexistent, and most of the negotiations undertaken imply resignations, decrease and tergiversation of minimum non renounceable rights foreseen by labor laws. The few collective negotiations that were achieved for the benefit of workers had a very high cost for the organizations that did them, a cost that the report summarizes as that when the negotiations were made valid the unions that made them had been destroyed by the employers.

The lack of union freedom has direct incidence in labor conditions for Guatemalan maquila workers, and the State of Guatemala does absolutely nothing to solve this. Just between the years 2005 and 2010 there have been companies that have faced more than 375 law suits before the Labor Ministries for grave labor rights violations, without any State intervention. Even more so, most of them enjoy the aforementioned tax privileges, which are conditioned to compliance with national laws, among them the Labor Code.

Among the most striking denounces we could mention the strenuous work days, varying between 12 and 14 hours a day, Monday through Saturday, which are forceful since the workers are locked up in their work centers and are not allowed out until they have finished the labor day imposed upon them by their employers. The report shows actual cases regarding this condition, in which the Labor and Social Prevision Ministry has verified such violations and has neglected to act.

Likewise, these companies do not inscribe their workers in the social security regime which is instituted in Guatemala through the Guatemalan Social Security Institute –IGSS– and the few ones that do, don't pay their fees as employers

nor do they transfer retained fees back to their workers as labor quotas.

Since up to this day the State of Guatemala has no real records of the number of job positions created by the textile and apparel maquilas, the report analyzes the item regarding social security through employment information reported by VESTEX concerning its affiliates.

According to VESTEX, for the year 2006 the number of formal jobs created by its affiliated companies, all of them linked to exportation (that is, those jobs created by direct contracts between the main company and the worker, leaving out of the

figures more than 100,000 workers that are outsourced, that is, in a labor relationship that the company does not acknowledge as such, in flagrant violation of the law) was of 82,100, of which only 50,087 were inscribed into the social security regime; for the year 2007 the figure was of 68,400 total workers, out of which only 45,567 were into the social security regime; for the year 2008 there were 60,000 workers, 37,060 of which were included in the social security; for the year 2009 the number of workers was 46,400, of which only 25,442 were inscribed in the social security. Therefore, it is evident that the companies associated to VESTEX, which groups the exporters of the textile and confection industry in Guatemala comply with their duty of inscribing workers into IGSS. On the other hand, public records show how the few companies that inscribe them don't pay their IGSS fees, the employer debt from the textile and apparel maquila to the social security for the year 2006 was Q6,922,331.97; for the year 2007 it was Q639,925.97; for the year 2008 it was Q320,419.44; for the year 2009 it was Q338,389.68 and for the year 2010 all of it amounted to Q1,568,523.60. The most amazing thing is that many of the companies that owe the social security money enjoy tax privileges granted by the State of Guatemala, and have also simulated ceasing operations, through which they have not paid nor will pay their debt.

To this, we should add that workers continuously complain before the State of Guatemala that their

**Only 0.5% of employed in this sector
are unionized**

employers do not authorize them to go to IGSS and that, when doing so because of an emergency they have been fired or suspended without wage.

Pregnant workers are often fired automatically when the employers learn of the pregnancy, or they are constantly harassed until they have to resign. Violence against women is used in many ways in this slave labor centers and it all happens under the shelter of the State of Guatemala. Often, as soon as there's an attempt to form a union, or a complaint is presented before the Labor and Social Prevision Ministry, companies immediately close their operations without paying labor benefits, and even though the State of Guatemala has verified these cases, it has always sided up with the employers. The report shows other grave violations together with the name of the companies and of the State officials linked to the arbitrary actions that shelter them.

In this sense, the report tries to be a deep reflection about whether or not the companies are really generating opportunities and development, and based on clear evidence, it vindicates the urgent need of discussing a model of development that allows the generation of a virtuous cycle that may lead to a greater social inclusion, something that will not be possible while these companies, together with the rest of the country's export companies, keep enjoying such tax privileges and while there is no generation of conditions for decent labor, both primary sources of wellbeing and richness distribution, and precisely in that sense, MSICG has presented several initiatives before the three powers of the State, which can be consulted in its web site.

Finally, MSICG makes a calling to the international community, the workers of the world, the employers and all sectors, to rethink is it is really fair to consume and distribute garments made in labor conditions that are pitiful to the dignity of the workers and the nation as a whole.

Among the brands that were producing their garments in Guatemala on the date the report was presented were: LOL IMPORTS LTE, MACY'S CHARMIN SHOPS, KELLWOOD, DOOL INC, MCP INC, AMERICAN TEXTILES, LAND&SEA, TRACY EVANS, WILLIAMSON DICIE MFG,

VF IMAGEWEAR, LANA WINER, THE GAP INC, OLD NAVY, ISAAC MORRIS, MCDONALDS, KENTUCKY, GUESS, WALMART CENTRO AMERICA, MAGE, AVON, BAZZLE BABY INC, BRIAN HOLMES, CBI INDUSTRIES INC, CONSOLIDADOS TRADING INDUSTRY, COZY SPORT INC, DADWAY, LOGISTICS CENTER, MEDHAM TRADING CORP, MILCO INDUSTRIES, SHABBY, APPLE LLC, TEXTILES DEL MUNDO USA INC, THE PINE THREE TRADING INC, V-TEX, TEAM WORK, DOWN EAST, TO THE GAME, GLOBA TEXTILES, CAMO, MGA, UNI, INC, SINAI TRANSIT INC, ADVANTAGE APPAREL CO, SUNDERLAND, LAJENNES, HAUT COUTURE, REEBOK, INDIANA KITTWEAR, MATEXSA, SQA, COMERCIALIZADORA MEXICO AMERICANA, DNLA OFFPRICE APPAREL CO, KMART CORPORATION, KOHL'S DEPARTMENT STORES INC, COLDWATER CREEK INC, COLOR IMAGE, PLAYBACK, HANESBRANDS, JORO FASHIONS INC, DONN KENNY, FSI FORT LAUDERDALE INC, UNITRADE ENTERPRISES INC, TARGET, LIZ CLAIRBORNE, WALL-MART, KHOL'S, OSH DOSH, BAYER, CECILIA, JC PENNEY, MYAYER, BOXER CRAFT, HONEYCOMB, OUTERSTUFF, TODIFOR, TIMING INC, CARTEX, AVON PRODUCTS, BOOTY PARLOR, FLEURT INC, LADIDAY ENTERPRISES, NKD PRODUCTIONS, NC APPAREL LLC, STONY APPAREL, DMD, LAND & SEA, EUROTARA, HMS, AMB DESIGNS, AVON, LATIN CREATIONS, ACTION SPORT, ALPHA SOURCE INC, AURORA CYCLE SUPPLY, DECADE, FDI ESPAÑA, S.A.U, PNEUMOTO, SAS ROYAL OUTDOOR, TOP GUN, WHITE WAV INC, YODO GMBH, STM, MOTHERS INC, SUNSHINE SCHOOL UNIFORMS, DISNEY, BENETTON, PACIFIC ALLIANCE, LI & FUNG, JONES APPAREL, A.E.O, AERIE, SPD GLOBAL LLC, RALPH LAUREN, TRENDY INC, CHORMY SHOPS, NEW CREATIONS, PRETTY GOOD, CHICOS, GREEN CONTINENTAL, HAMRICKS, MAX & K.C, GRAFFITY, PUMA, FILA, J & t TRADING CORP, NORTH FACE INC, HANESBRANDS, EL CORTE INGLÉS S.A, FRONT MOD USA INC, WINNERS MERCHANT INTERNATIONAL LP, PINKETTE CLOTHING INC.

CRISIS ARE
NOT CREATED BY
WORKERS



MSICG IS SOLIDARY WITH THE RESISTANCE
OF EUROPEAN TRADE UNIONISM

Jonathan Menkos Zeissig

Economist with a specialization on social and fiscal policies. Since 2006 he's in charge of the research area on public budget and human rights in the Central American Institute of Fiscal Studies -ICEFI- for its initials in Spanish.



TAX REFORM IN GUATEMALA HOW WILL THE NEW ISR AFFECT WORKERS?

Starting on 2013, decree number 10-2012 of the Congress of the Republic will make valid several necessary changes, especially on the Tax on Revenue (ISR), which is opening the way for a globally progressive tax load, fairer and more equal. There still remain things to be done, but it is a first step in the right direction. Besides, a good deal of the reform's contents are based on recommendations issued in 2008 by the National Council for the Compliance with the Peace Accords (CNAP for its initials in Spanish), through the Promoting Group for Fiscal Dialogue.¹ Other social actors, like the Trade Union, Indigenous and Peasant Movement of Guatemala –MSICG- itself, had made recommendations for the actualization of the ISR².

Added to the reform of the ISR, the actualization will create a Tax to First License Plate (Iprima), which substitutes de payment of customs duties; it raises the Tax on Vehicle Circulation (ISCV) and it modifies some dispositions related to Customs, regarding the Tax on Added Value (IVA) and the use of fiscal stamps and sealed and stamped paper.

1) CNAP(2008). Recomendaciones para la modernización fiscal de Guatemala. March.

2) MSICG (2010) Proposal for a fiscal reform, presented to Congress by the Guatemalan Trade Union, Indigenous and Peasant Movement. January.

What are labor revenues?

It's those revenues that come from all sort of counter benefit, retribution or income, whatever their denomination or nature, derived by personal work lent by a Guatemalan resident in a dependency relation, developed within or outside Guatemala.

The main forms of labor revenue are:

- a)** Work that's carried out within or outside Guatemala by a Guatemalan resident, paid by another resident in Guatemala or in a permanent establishment or international organism operating in Guatemala.
- b)** Pensions, retirements and orphans and widows pensions caused by labor done within the country, paid or accredited to any beneficiary by a Guatemalan resident.
- c)** Wages, salaries, bonuses or travel expenses not subject to liquidation or that do not constitute reimbursement of expenses, and other rewards that people, entities, patrimonies, the State, autonomous entities, municipalities

and other public or private entities pay to their representatives, officials or employees in Guatemala or other countries.

d) Wages, salaries, bonuses and other rewards that do not imply reimbursement of expenses, of the crew members of air or sea ships and of land vehicles, provided that such ships and vehicles are headquartered in Guatemala or have their license plates or registries set in the country, independently of the nationality of domicile of the beneficiaries of the revenue and of the countries between which the traffic happens.

e) Payments, wages, commissions, travel expenses not subject to liquidations or that do not constitute reimbursement of expenses, representation expenses, gratifications or retributions, paid or accredited by entities with or without juridical personality in the country or to members of their boards, administration councils and other councils or directive or consultation organisms, provided that their members are in a relation of dependency.

Which labor revenues are considered as in a relation of dependency?

a) Wages, bonuses, commissions, tips, Christmas bonuses, travel expenses not subject to liquidation or that do not constitute reimbursement of expenses, and other remunerations that people, entities or patrimonies, the State, municipalities and other public or private entities pay to their representatives, officials or employees in Guatemala and abroad.

b) Wages, bonuses, Christmas bonuses and other remunerations that do not imply reimbursement of expenses, of crew members of air or sea ships and of land vehicles, provided that such ships or vehicles are headquartered in Guatemala or have their license plates or registries in the country, regardless of the nationality or domicile of those benefited by the revenue and of the countries between which the traffic happens.

c) Remunerations, wages, commissions, gratifications or retributions paid or accredited by entities with or without a juridical personality, residing in the country, to members of their boards, councils, administration councils or directive organs independent of where these collegiate organs act or meet, when such members are in a dependency relation.

Going deeper on the changes to the ISR, the tax will be charged according to the revenues perceived by companies or people, that is, depending on whether or not they are obtained through labor, through profitable activities or those related to capital or income issued from capital.

If we center the discussion on those changes related to the working class in a dependency relationship, the new law has reduced the fees of the tax, has increased the one deduction and has also reduced the possibilities of presenting an IVA chart with expenditure receipts. As a result of these changes, the number of effective contributors, that is, those that do pay the tax, should be expected to grow, among the people that receive revenues from their work.

The initial impact estimations indicate a certain progressivity in the new ISR, since it leaves out 90% of wage laborers, focusing on those whose monthly income is above Q6,000. A worker earning this amount will have to pay a monthly average of approximately Q70, which represents 1.2% of its monthly income, while a wage laborer that earns Q10,000 will have to pay approximately Q250 a month (2.5% of its monthly income). Finally, a worker with a monthly income of Q25,000 will have to pay, approximately, a monthly fee of Q940 as his or her ISR, which is equal to 3.8 of his or her income.

It should be warned that this reform will imply a greater effort for wage earners, even if it concentrates on those with larger income. The greatest question right now may be about how to keep making reforms on the right direction, that is, changes on the rules of the game that contribute to equity and progressivity in the Guatemalan tax paying, since the recent tax actualization has been relatively mild regarding companies and the regulations that they must have in order to avoid

In Guatemala, only one out of ten wage workers has a monthly income above Q6,000, which confirms the low wage level of most Guatemalan workers.

using those mechanisms that would allow them, legally or illegally, to pay less taxes.

To keep moving on with this agenda of pending but necessary issues, it should be the citizens' and particularly the trade unions' job to push for an increase on mining royalties, which should not be handled under an alms scheme, as the intentions

currently are. On the other hand, the need to regulate particular taxes for thriving economic sectors, like cell phone companies and exporters of sugar, coffee and cardamom, among others, should be open for public debate. The huge fiscal privileges held by company groups like maquilas and duty free zones, should also be debated.

Main changes in the ISR for labor revenue

Variables for calculating the tax	ISR Labor Revenues	
	Up to 2012	From 2013 on
Vital minimum	Q36,000.00	Q48,000.00
IVA Chart	Limitless deduction	Up to Q12,000.00

Way of calculating ISR on labor revenue from 2013

	Fixed amount	Tax rate
Between Q0.01 and Q300,000.00	Q0.00	5% on imposable revenue
From Q300,000.01 on	Q15,000	7% on the profit exceeding Q300,000.00

For the first range, the tax to pay is determined applying the five percent tax type (5%) on taxable revenues. The second range is determined adding the quantity resulting from applying the seven percent (7%) taxable type to the fixed import, according to the scale above.

Remember that taxable revenue is the sum of taxed income obtained during the year minus the following deductions: a) Up to Q60,000, of which Q48,000 correspond to personal expenses, unnecessary to prove by any means (vital minimum); and Q12,000 which could be credited in the chart of the Added Value Tax already paid. b) Donations that may be proved beyond doubt, granted in favor of the State, universities, cultural or scientific entities for up to a maximum of 5% of the gross income. c) Fees of the Guatemalan Institute of Social Security, the Institute of Military Prevention and the State and its institutions for social prevision regime fees, and d) Life insurance primes to cover risk exclusively regarding the worker, provided the insurance contrite does not earn any sum whatsoever in concept of returns, reimbursement or rescue.

Gross income is the sum of all taxed and exempt income, while net income is the difference between the gross income and the exempt income.

Marielos Monzón

Guatemalan journalist specialized in social and human rights issues. She hosted the shows "Punto de encuentro" and "En perspectiva" and currently writes a weekly opinion column in the Prensa Libre daily newspaper.

Through exercising her profession, she has taken the voice of Guatemala's socially excluded ones to every corner of the planet, reason by which she has suffered all sorts of threats, intimidations and, most recently, a criminal complaint without any other fundament than silencing social injustices that happen in Guatemala.

MSICG condemns the criminal complaint set at the General Attorney's Office against companion Marielos Monzón, clearly false and libelous, and extends her its solidarity, as well as her friends and family, and ratifies that it will keep supporting her unconditionally in the face of this new attack that she suffers, and which undermines the right of freedom of expression.



NEVER AGAIN A DEATH SENTENCE

By: Marielos Monzón

"The impunity of power, born from lack of memory, is one of the teachers in the School of Crime." Eduardo Galeano

The year 2011 ended with a negative balance for those who work for the defense of human rights and liberties in Guatemala. According to a report of the Unit for the Protection of Human Rights Defenders (UDEFEQUA, for its initials in Spanish) between January and December 2011, there were 402 attacks, going from unlawful entries and threats to pressing criminal charges, criminalizing, rape, cruel and inhuman treatment, kidnapping and murder.

The groups that suffered the most attacks were leaders and members of community organizations that deal with the defense of the right to lands, natural resources and territories, and trade unionists. As well as those defenders that work with the right to memory, truth, justice and reparation and those who defend the rights of indigenous people.

According to UDEFEQUA: "the worsening of the situation of human rights defenders is directly linked to the absence of attention to land conflicts and to the repressive policies against those communities that oppose to having their resources taken without previously consulting them. Bad handling of social upheaval led the government to use states of exception as ways to achieve social control, thus worsening the situation of human rights defenders in the region". During the last four years a total of 1224 attacks against human rights defenders were registered, and there were 19 murders between January and December 2011.

In the specific case of the trade union movement, and according to a report presented by the Guatemalan Union, Indigenous and Peasant Movement (MSICG), between the years 2007 and 2010 47 trade unionists were murdered in Guatemala and many acts of violence against leaders and unionists occurred, including death threats, kidnappings, torture, attacks with firearms or cut and thrust weapons, breakings into houses and union headquarters and administrative hampering or blocking to the forming or functioning of unions and destruction of unions that are being formed. "Trade union activity is criminalized, charges being pressed against unionists for doing peaceful demonstrations, attacking unions in anti-union publications or through discredit campaigns (...) This generates a climate of terror that allows the dismantling of unions and prevents new ones to be formed" the document says.

The Commission of Experts in Applications of Treaties and Recommendations of the International Labor Organization (ILO) pronounced itself in this regard on its 2011 report. The item concerning Union Freedom, Collective Negotiation and Labor Relationships states that: "The Commission could not verify that the situation of violence against trade unionists and the poor work of criminal justice and impunity keep degrading (...) The Commission regrets coming to the conclusion that the Government has not shown the necessary political will to counter the violence directed against union leaders and unionists and to fight impunity."

The anti-union and anti-human rights discourse that also plays a role in this scenario adds up to the

situation. The media coverage ousting the leaders and their movements adds up to the disqualification and indifference and is part of a strategy that seeks the annihilation of collectiveness and the criminalization of mobilization and protest, which are legitimate and acknowledged ways of struggle.

Non justice, that is, impunity surrounding most cases, thus becomes the worst of messages and strengthens the situation of vulnerability and risk of defenders, leaders and guild, union and community militants, as well as their families. The Justice System remains coopted and within it, mafias and clandestine and parallel groups remain, weaving webs of impunity. In this context, the work of those that defend fundamental rights and liberties is an obstacle and therefore there's a violent answer and aggressions.

It is an undelayable must to take the perpetrators and the masterminds of these crimes before justice, thus setting a precedent so that never again exercising unionism and defense of human rights should be a death sentence. The struggle for the acknowledgment and defense of the people's human rights as well as of the liberties granted by national and international laws cannot remain subject of harassment, persecution, criminalization and attack.

Beyond protecting and guaranteeing life, we must be able to acknowledge, as State and society, the brave and committed work carried on by hundreds of men and women that struggle from their everyday collective and community spaces for the defense of essential rights.



<http://www.youtube.com/Movimientosicg>

HELMER VELASQUEZExecutive Director of the NGO and
Cooperatives' Coordination**CONGCOOP**

PEASANT MOVEMENT AND THE NEW GOVERNMENT

Guatemala starts the second decade of the twenty first century with the arrival of a conservative government, an event that is no landmark in our political history, nothing unusual for the government. Here's a brief account of our recent history: None of the governments that came after the end of the military dictatorships –in 1985- to this day has been endowed –in its political actions- of a different ideology. Absolutely none of them has managed to stray from the aegis of the conservative oligarchy. There may have been a differentiated discourse, however in their practice there has been no difference among them. In reality, what determines this country's events is the conservative ideology that the creole oligarchy professes. "They have kidnapped the State" said ex-president Alfonso Portillo (2000-2004) when he gave justifications on why his government was unable to undertake real actions to counter inequity in Guatemala. He explicitly acknowledged the lock that the oligarchy imposes on governments' action space.

Obviously there are shades between different governments; however, none of them has determined any change in the Guatemalan social and historical structure. So, for example, we've just left behind Alvaro Colom's so called social democrat administration, which carried out neoliberal and oligarchic policies. Otto Perez Molina, who assumed

office on January 14th 2012, bases his ruling on a political party that considers itself liberal, and which is a member by full rights of the international liberal. From that political and ideological platform, this new government represents the absolute continuity of the current economic model. It won't go any further of what we've had for the last 31 years. Which means: land hoarding, monocultures like sugar cane, oil palm, banana and rubber; extensive cattle farming, absolute opening to foreign investments and unrestricted support to the competitiveness agenda, which calls for doubling direct foreign investments in order to take them to the 1,800 billion dollar per year figure and thus putting the country among the five most competitive ones in Latin America. The stakes are clear. (Statement by Sergio de la Torre, Minister of Economy).

Mining will have an important place as an income generator for the State, in consequence, we should expect it to expand. With this, I don't mean to say that such a model is good for the country, and that therefore I don't consider that the new government's position on the subject poses a problem. Much on the contrary, I am among those that think and hold that this economic model harms the environment, de-structuralizes indigenous peoples and cultures, impoverishes peasants, creates urban misery and in consequence it

atrophies development and causes social, economic and ; new government is obvious, and leaves no room for doubt: There will be an absolute continuation of old policies

However, social and popular organizations are most concerned on what could be considered the “shade” of Otto Perez Molina’s government: Society’s re-militarization, which would lead to repression of popular expressions and of the people itself. This concern finds a hold among other elements in Otto Perez Molina’s army origins and his actions in the armed internal conflict, and on the fact that, up to this moment, several retired military officers have joined the government, especially on security issues. Although it is too soon to jump to conclusions, the concern and the ringing of alarms that this situation

“The last government granted land access to approximately 20 peasant groups, a little over one hundred families, in four years! This happens in the face of an estimated demand of 400,000 peasants, according to the Institute of National Problems of the University of San Carlos.”

has caused in national and international democratic sectors is totally understandable, so crucial issues like Human Rights, truth and justice, freedom of organization, protest and proposals, and the end of impunity, among other rights, are in the list of markers where there should be no turning back on the few spaces that have been built since the signing of the peace accords to this day.

Concerning rural development –both the agricultural and the agrarian sectors- the government agenda and its first actions on the subject –with just 10 days on office- may be still considered part of a speech. Currently, actions don’t go beyond naming new officials, whose knowledge on this field’s problems is no guarantee of complying with what’s offered. Their proposals may roughly be summarized as: fomenting investments in alimentary production, especially on grains; subsidizing tenure of land; purchase of peasant production of corn and beans to ensure prices and supplies; promoting the use of local and improved

seeds and the subsidized distribution of chemical fertilizers. However, to this day there are no foreseen measures to revert the problem of the historic and unjust distribution of lands, where 2% of the producers own 65% of productive lands.

There’s been a backward step on the issue of peasant access to land. The last government granted land access to approximately 20 peasant groups, a little over one hundred families, in four years! This happens in the face of an estimated demand of 400,000 peasants, according to the Institute of National Problems of the University of San Carlos. The most the current government has done on the subject is reforming the Land Fund, which is the entity in charge of administering the program of accessing lands via the market. However, they have

not explained clearly what this reform will mean or who will take part in its doing. What is explicit is the priority that the government has fixed: To dynamize the peasant economy –as mentioned by Otto Perez in his speech when he assumed office- by means of generating complementary intersections

between great capital investments and peasant productions, as was stated by the Presidential Commissioner for Rural Development. It is still unclear how this will be achieved, but naturally, there is skepticism among peasant and indigenous movements

In this historic and current frame huge challenges are posed for the peasant and indigenous movement: The historical task of reorganizing the movement and creating a political instrument, not a political party, is added to the immediate answer that must be given to the misery, malnutrition and exclusion suffered by their grassroots members. It is an issue of creating and strengthening a wide based organic structure, a categorical agenda and an autonomous capacity to propose, negotiate and make alliances with clear and firm convictions, which is to say, that organized circles of indigenous or poor ladino peasants must rise among their everyday hunger, their families most basic needs and pressing political tasks. It must be said that the last two

governments' strategic intelligence apparatuses have given clear dimension to this situation, taking political advantage of it and this weakening the historical structures of the movement.

This anguish caused by everyday needs –fully comprehensible, on the other hand- has been the cornerstone of Oscar Berger's and Alvaro Colom's governments to demobilize the peasant movement. They have managed to generate an inter-organizational competition for government services: a "who's first" dynamic on the lines to get fertilizers, tenure subsidies and tin sheet for minimum housing, to the degree that even an important part of the historic peasant movement has been pulled by these toes and froes.

The government strategy was complemented by the "rise" of pro-government peasant organizations –especially during Alvaro Colom's office- supported by favors to their leaders and "services" for the grassroots members. These "white" organizations have managed to wear out historic organizations; opening new fronts of confrontation for them. They have committed to weakening their grassroots supporters by offering simplistic solutions –which never arrive but cause divisions among them. They have become a media prone element on the peasant and indigenous struggle. On the basis of the premise that it is better to negotiate than to confront, they boast of their excellent relationships with public officers and attribute to this fact their "ability" to bring solidarity aid and other State obligations to their members. Their aim is to withdraw political initiatives from the struggles to meet demands, and they

create false ways out of a historical problem.

Recovery of political initiative, as is well known, shall depend of the correlation of forces generated by the historical indigenous and peasant movement. This will put the capacity of peasant leaders and their allies to generate political agreements and alliances among them to the trial. It shall also be vital to avoid dispersion of interests, as well as as returning to the old conviction that conquering services from the State is just a mean and not an end in itself. We shall add to this a peasant agenda that is realistic in its demands, firm, flexible on immediate negotiation but visionary on its objectives and long term conceptions, with a fraternal, serious and responsible attitude when negotiating political agreements with sister organizations.

An indigenous and peasant front could be determinant to deepen State pro peasant policies, especially regarding access to productive resources, mainly lands. The alliance that is now forming among the National Coordination of Peasant Organizations -CNOC-, the Highlands Peasant Committee -CCDA-, the Popular Indigenous and Peasant Coordination for the East -COPISCO- with the technical and political support of the NGO and Cooperatives Coordination –CONGCOOP is a window in this direction.

VISIT:

www.movimientosicg.org



SEMBLANCES



INTERVIEW WITH

JOSÉ GONZALO ERAZO DÍAZ

José Gonzalo Erazo Díaz was born in the municipality of Camotán of the department of Chiquimula, to a poor family made up his parents and five siblings. He got married in 1986, is father of two daughters and a son, to whom he tries to teach the same values that his father taught him. Since April 4th 2011 he is the Secretary General of one of the largest and most historic trade unions in the Guatemalan unionist movement, the Trade Union of Workers of the Guatemalan Institute of Social Security –STIGGS.

WHO IS JOSÉ GONZALO ERAZO DÍAZ?

I was born in the municipality of Camotán, which can only be cultivated in winter times, otherwise there was nothing there unless one had money to buy it. My family was always poor, mi parents couldn't afford to pay for mi studies. I managed to study thanks to a Belgian mission that established a school in Jocotán, where I was an intern for six years, studying my whole elementary school. I studied high school thanks to my own effort, but seeing the poverty in my family I started striving to support them. Afterwards I managed to finish studying to become a nurse, which has been my job since then. I started working in the nurses area when I was 23 years old in a health center in Ixcán, Quiché, when that region was beaten by the internal armed conflict. By the end of 1990 I moved to San Juan de Dios General Hospital and since the year 1998 I work in the Guatemalan Institute of Social Security.

HOW WERE YOUR BEGGININGS IN THE TRADE UNION MOVEMENT?

I joined unionism motivated by many things. First, because my dad taught me since I was very small that a person has to fight for his or her rights wherever they are. He taught me to respect people and grant them their proper value, and that there would not be things in this Earth if it wasn't for man's intervention, therefore, things cannot be placed above people. Another influence was the fact that I studied in a

catholic school where I was taught the fundamental principles that have ruled my life up to this day and that make me feel like a person among people. It was in this school where I got in touch with the Scriptures when I started understanding why there was a God and Men, how God values men and why He makes men the most important of all. Later on, I got really interested in the Theology of Liberation, which helped me understand that human rights are fundamental rights and must be defended.

When I started working I didn't think immediately in unionism, but until I started being conscious of what was going on around me. I saw abusive people that intimidated the workers; I saw that our rights were not respected and that we were victims of many injustices. All these circumstances made me be constantly in a struggle and assume the defense of the workers' rights using the best tool there is for that, which is trade unionism.

HOW DID YOU FIRST GET IN TOUCH WITH UNIONISM?

When I worked in the San Juan de Dios General Hospital I was thirty six years old and I decided to affiliate to the National Union of Nursery Workers of Guatemala, where I got to be Secretary of Acts and Agreements. Later on, when I started working in the Guatemalan Institute of Social Security I affiliated to the STIGSS, where I was granted the position of Secretary of Acts and Agreements during the previous term, and now I'm the Secretary General.

WHAT DO YOU THINK PEOPLE EXPECT FROM TRADE UNION, TAKING INTO ACCOUNT THAT YOU'VE BEEN AN AFFILIATE AND A LEADER OF THEM?

People expect that trade unions will assume decisively the defense of the labor, economic and social rights of the working class, that they will speak out and they will really value and defend the worker. Sadly, trade unions have to deal with authorities that don't heed our demands and that impose their own decisions, even against the law. These circumstances cause a negative effect on the workers, that end up thinking that the trade unions are the ones to be blamed for the violations of their rights.

HOW DO YOU RATE THE STATE AS AN EMPLOYER, WORKING AS YOU HAVE FOR MORE THAN 25 YEARS FOR THE STATE OF GUATEMALA?

As an employer, the State shows much irresponsibility when complying with their duties. A clear example of this is the debt that it has with the Guatemalan Institute of Social Security, and the lack of will to pay it, which definitely affects all workers.

DOES THE STATE, AS AN EMPLOYER, RESPECT UNION FREEDOM?

In the words it does, but not in its deeds, because for example, the very fact of not giving validity to what trade unions manifest as spokesmen of the working classes shows that they violate union freedom. Regarding repressive practices, these are always present. When they are not aimed at union leaders, they are meant to weaken the organizations by repressing their base members. Hiring staff through temporary contracts to fill in the space of workers that have gone into retirement is a clear anti-union policy. The people that take these positions cannot unionize, or are afraid that if they do so their contracts will not be renewed, and this situation weakens the unions.

WHAT ARE THE MAIN VIOLATIONS TO WORKERS RIGHTS IN THE GUATEMALAN SOCIAL SECURITY INSTITUTE?

The main violation is to hire staff through temporary contracts, because by doing that they are denying workers labor stability and the acknowledgement of



Secretary General of STIGSS presenting an Inconstitutionality Action at the CC against IGSS agreements.

the rights that the Political Constitution of the Republic of Guatemala, ordinary labor laws and International Agreements guarantee. There are also many arbitrary dismissals, working in tandem with a justice system that tends to favor employers, even when labor laws are tutelary of the working classes.

WHEN DID STIGSS BEGIN?

STIGSS was founded on December 7th 1949, during the government of Juan José Arévalo Bermejo. It's one of the few unions of that period that still exist. On 2011 STIGSS celebrated 62 years of struggle.

IS THE STIGSS A SELF-SUSTAINABLE UNION?

Yes. It functions thanks to its members' fees, which has allowed us to have our own headquarters, among other benefits achieved thanks to the right handling of our resources. The problem is that we are presently seeing that when our affiliates retire, they are substituted by people hired through temporary contracts, so even though they want to affiliate, they can't. This situation is practically a strategy to end unionism, since the fewer affiliates we have, the more difficult it is to achieve self-sustainability for the organization.

WHAT IS STIGSS MAIN CHALLENGE?

It is hard to establish priorities for a union like STIGSS, because although we can say that improving the social and economic conditions of IGSS' workers is among our priorities, so is to raise the flag of the struggle to defend social security for all kinds of workers in Guatemala. In this sense, internally, the main challenges are to protect the retirement plan of IGSS workers, acknowledging the labor relations of the workers that are hired through temporary contracts and negotiating a collective pact that really represents a benefit for the Institute's workers, and externally, to struggle for achieving better social security coverage, defending the program of retirement due to disabilities, old age and

survival, avoiding the privatization of IGSS, among other no less important issues.

WHAT CHANGES IS STIGSS PUSHING TO ACHIEVE ITS GOALS?

STIGSS leaders are assuming office with a lot of enthusiasm. We are strengthening ourselves as an organization and getting closer to our bases, it is crucial in our agenda to strengthen our departmental offices. On the other hand, to affiliate ourselves to MSICG was a very important step for the strengthening of STIGSS, since the only way to defeat anything that threatens the working class is to unite our efforts.

WHY DID YOU DECIDE TO AFFILIATE TO MSICG?

Because we have seen how strongly it acts. Its position regarding the defense of labor, economic and social rights is well defined, and it really fights together with other organizations that form this movement. Seeing that there was firmness in MSICG's union policies, we as STIGSS sat down to discuss it and we finally decided in favor of doing it.

HOW DOES STIGSS EVALUATE THE PRESENT SITUATION OF THE SOCIAL SECURITY IN GUATEMALA?

STIGSS is worried about the present situation of the social security, and we think that trade unions need to take a serious stance. The issuing of Agreement 1,257, which increases retirement age and the number of fees required to have access to the right of pension due to disability, old age and survival; the Agreement 1,272 which modifies the Complementary Plan for the Pensions of IGSS Employees; Agreement 1,268 which establishes an alternative social security system; Agreement 1,269 which modifies the concept of IGSS affiliate, eliminating as such all retired people, and granting IGSS wide faculties to deny services to its affiliates at its own discretion, and the reforms of Agreement 284, which opens for

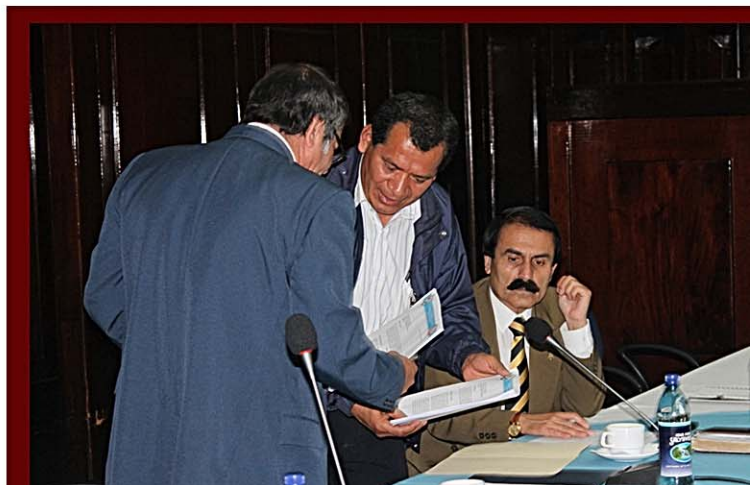
IGSS the possibility for retroactively intervene in all the pension plans in the country, even opening the possibility of eliminating them, all of which are clear signs of a covert privatization of the social security.

THE LAST ACTIONS TAKEN IN DEFENSE OF THE SOCIAL SECURITY MANAGED TO GATHER MANY PEOPLE. WHY DO YOU THINK THIS HAPPENED?

In my opinion, this gathering happened because the workers of IGSS noticed that their rights were being defended, they were informed that IGSS authorities were starting a covert privatization process, that they wanted to change the retirement plan, that they were hiring staff through temporary contracts, that several protests would take place because of all of it. All this information generated trust among the workers, and they went there to have a presence, to say to the IGSS authorities that they disagreed, and I think that this trust still prevails.

HOW DO YOU REGARD NATIONAL TRADE UNIONISM IN GENERAL?

I think there's a lack of union conscience among unionist. Many of them ignore what their true duties are. They organize, they live unionized, but they don't try to achieve the goals by which they were organized. In Guatemala, trade unionism is not lived the way it should be, people unionize but ignore what they must do as unionists.



Secretary General of STIGSS presenting a complaint against the Ombudsman, before the Human Rights Commission of the Congress of the Republic of Guatemala.

WHAT ARE THE CHALLENGES OF UNIONISM, AT A NATIONAL AND INTERNATIONAL LEVEL?

One of the main challenges would be to achieve a greater social justice, that is, a fairer distribution of resources, to work for the improvement of the social and economic situation of the working class, to achieve for all wages according to the level of our needs. Another challenge is to move towards a real union self-reform, to get to organize sectors that are presently a majority, like youth, women, independent workers and peasants. In my opinion, it should be mandatory for all to organize, because development can only be achieved through organization. If we are dispersed, we are like the sheep, when one is left behind, the wolf gets it.

follow us
www.facebook.com/movimientosicg.org
 twitter: @msicg

IGSS: ONE OF THE MOST REPRESSIVE INSTITUTIONS AGAINST UNION FREEDOM IN GUATEMALA

The Guatemalan Institute of Social Security –IGSS- is the institution in charge by constitutional mandate to direct and administer the social security regime. In this case, the Bossie has a special trait, and it is that its highest decision taking organism is a collegiate organism in which workers' representatives take part.

For at least the last 18 years, the workers' representation has been held by members of the so called United Workers of Guatemala –UGT for its initials in Spanish- and during this period several measures against the workers have been taken with the approval of these supposed representatives, a situation that has worsened during the last two board terms.

Although it is true that in all spaces where workers' representation is permitted, this is done in numeric inferiority, it would be expected that at least, the unions' representatives would vote against measures affecting the working class, setting in the records the reasons why they voted against, and not playing the roles of administrators with pro-company views.

During the term of the Board in which the

representative of the workers was Mr. Rigoberto Dueñas Morales, representing the General Workers' Central of Guatemala –CGTG- as a part of the UGT, many measures were taken restricting the rights of IGSS affiliated workers but, mainly, we can quote the approval of Agreement 1090 of the Board of IGSS, which constitutes the General Regulations for the administration of Human Resources of Social Security Institute of Guatemala, which in its very name depicts a derogatory view regarding the contribution of IGSS workers, considering them like manageable resources instead of what they are, human beings that contribute with their physical and mental efforts to complying with the Institute's ends, not just as workers but also as people who contribute to its programs with their fees.

The aforementioned regulations, among many other things, disregards the fundamental rights acknowledged to public employees on the Civil Service Law, and which are the least that IGSS workers should be granted as employees of a public entity; likewise, it regulates the presumption of guilt of a worker in case he or she are considered as subject to sanction or dismissal, it regulates open sanction figures which admit adjustment to any conduct and an accumulative and temporarily

unlimited system which allows for double or triple sanctions of the same deed, contemplating as cause for dismissal committing three faults on a limited period, among other aspects.

During the term of the Board in which the representatives for UGT before the Board were Miguel Angel Lucas, of the Central of Field and City Workers –CTC for its initials in Spanish- and Reynaldo González for the Union Federation of Banking and Similar Employees –FESEBS for its initials in Spanish- the Board of IGSS agreed the negotiation of a collective pact with the minority union, which as a whole don't even represent 50% of the total of affiliates of the Workers' Union of the Social Security Institute of Guatemala –STIGSS for its initials in Spanish- (the major union) as to avoid negotiating a Collective Agreement of Labor Conditions with it, the agreement that IGSS negotiated with these unions is basically a copy of Agreement 1090 of the Board of IGSS.

In this administration, UGT signed an agreement with IGSS oriented to push forward the approval of several measures that were contrary to the interests of Guatemalan workers, like the increase of the retirement age and of the number of fees needed to have access to it, the reduction of the base for calculating pensions, the elimination of protection for the family of the beneficiaries, moving the attention given to workers to clinics hired and financed by the employers, increasing retirement age for IGSS workers, an agreement that basically creates the conditions for the disarticulation of IGSS' service structures and makes the workers subject to clinics financed and controlled by the employers themselves, which restrict access to due protection of their health, among others.

In this term, there have also been incidents that aim at cancelling labor contracts of hundreds of unionized workers, labor lawyers expert in destroying unions have been hired, as is the case of the hiring of the same lawyer that advises the Friedrich Ebert Foundation in the case of antiunion dismissal executed against companion Lesbia Guadalupe Amézquita Garnica for taking part in the 99th International Labor Conference.

However, the most concerning thing of all is that this Board has authorized criminal actions to be held against union leaders for exerting their union freedom, in which there has even been legal action taken to interfere with the unions' internal affairs, as it was the case with the criminal suits started against companions RODOLFO JUAREZ RALDA and LAYLA LERISA CHANQUIN JOCOL DE PEREZ, secretary general and secretary of acts, respectively, of the Union of Professional Workers of the Guatemalan Institute of Social Security.

During the present Board's term, in which once again the representation of workers is exerted by UGT through Julia Amparo Lotán Garzona, of the Unstragua Federation and Adolfo acs Palomo, of FESEBS, the policies of attacking IGSS' autonomous unions has continued, using even affiliates of these unions to start actions or pretend to destabilize STIGSS, trying to prevent the free execution of its assembly's dispositions, and threatening once more with taking penal actions against STIGSS national direction. Likewise, an agreement has been approved eliminating the nature of IGSS affiliate enjoyed by workers which are benefited by retirement plans.

Parallel to this, IGSS has implemented for several years now a policy of hiring private companies to lend services that IGSS itself should lend, services that are often low quality and put the life and health of affiliates at risk.

Also, there's been an implementation of a policy that substitutes permanent work positions, corresponding to permanent IGSS activities, with temporary contracts; this not only destroys the public service career of workers but it also ends labor stability and weakens the complementary pension plan of IGSS workers, since logically, a person whose contract may not be renewed in a few months will have little interest in pay fees to an old age retirement plan, this in turn works as pressure so the workers will not affiliate to autonomous unions of the institution.

There is also constant harassment to workers so they will not unionize; it has even been said that on

IGSS work centers there are more cameras than on the country's jails, and there are even work centers where policies of degrading treatment and insults from immediate bosses has been implemented against the workers, who have been threatened with sanctions if they are seen talking with a STIGSS directive, such are the cases of the centers of Escuintla and Santa Lucía Cotzumalguapa.

Some months ago, with the support of MSICG, STIGSS and the Union of Professional Workers of the Social Security Institute of Guatemala –STPIGSS- an affiliation campaign was begun, for which a poster was made for each union in order to display them at work centers, there 100% of the posters were taken off the walls following orders of the work centers' authorities.

Presently, as it happened in due time with the STPIGSS leaders, the STIGSS is subject to a campaign of division on behalf of affiliates that have agreed to help the employers and that have attempted to block important decisions of the STIGSS assembly, as well as threatened with starting criminal suits against STIGSS, supported by some union organizations that have put their autonomy aside based on unclear statements which could be criminally sued, and through which they have pretended to create division among STIGSS' bases.

This issue's Bossie is a particularly repressive one, that has not doubted to spend significant amounts of resources that in the end are monies from its own affiliates to create advertisement campaigns for their measures, which go against the interests of the working class (which has been advised by the very union representatives, as is detailed on the act 04-2011 of IGSS Board) and to hire lawyers that justify violations to its workers' rights and to destroy autonomous unions with a real calling for defending these guarantees through the endorsement of a type of unionism that has traded the defense of these rights for personal interests.

These very representatives have also agreed to exert pressure upon the Constitutionality Court regarding the resolution of unconstitutionality actions presented against those IGSS agreements that gravely affect social security.

What makes this situation even worse is precisely that all the measures taken against Guatemalan workers has been endorsed by people that, even not representing them, have been put in such spaces and have nevertheless chosen to act against the goals that correspond by nature to workers' union organizations.

This is why the Editorial Council of Wachb'il has decided not to put in this space the Ombudsman Office for imposing modalities of forced labor and attacking union freedom together with a appeal tribunal, and also because the present Ombudsman has committed himself to effectively complying with the Labor Conditions Collective Agreement, and to cease the attacks against the Organized Ombudsman Office Workers' Union –STOPGN for its initials in Spanish- and ordering the chiefs of the different dependences to comply with the collective agreement.



Alejandro Arriaza

songwriter

How did you start writing songs?

It was due to my fascination with author's songs. When I entered the University of San Carlos de Guatemala I was acquainted with Joaquin Sabina, Luis Eduardo Aute and the group Guaragua, but at USAC I got to know the music of Silvio Rodriguez and Pablo Milanés, and my devotion for the genre was complete. So I learned to play the guitar and all those songs. Then I realized that all my friends who also played the guitar had written at least one song of their own, so just like that, with the idea of not being left out on friends' reunions, I decided to write one too, one that would be "my song", and then I just didn't stop.

How many CD's have you recorded?

Three: "Tranquila tu mente" (2002), "Artesanías para Voladores" (2007) and "Antronauta" (2010).

Is it hard to record three CD's in a country where support for national artists is always lacking? How was your case?

It is very difficult. There is no music industry in Guatemala, but you don't know that when you start out. When you begin, you think that at some point someone will show up that will tell you "man, I'll produce your CD!" ...but this really never happens, and

at some point you say to yourself, well, if I don't do this now on my own, no one is going to come and do it for me. So the help of friends becomes crucial. In my case, they helped me record my first two CD's for the fun of it (and I'm talking about the musicians, sound engineer and the fiend who designed the covers). For the third CD I managed to get small support from an NGO that sponsors cultural projects, which allowed me to repay the people that worked with me. But in all three cases I've been the producer of my own CDs.

There's a song in your first CD called "Ernesto querido", dedicated to Ernesto Che Guevara. What does Che mean to you?

When I discovered the figure of Che Guevara I was dazzled by this character. That was some time ago, more than fifteen years, and at that moment I wrote the song. Che is the heroic character par excellence. An Argentinian from a good family, with an education, that turns his back to the comfortable life that he would have had, had he wanted it, and instead he traveled all trough Latin America, looking for its different faces and realities, and then he also joined in the epic story par excellence, the Cuban Revolution, that brought a dictatorship down with huge popular support, then implanting a model of dignity that still prevails. And then, instead of staying in Cuba enjoying a life of glory, he also gives that up to keep pursuing his dream of a free America, and possibly a free world, and he dies defending that dream. He was definitely an archetypical dreamer, a whole person, full of integrity. Of course, as time goes by one gets to see Che with other shades, he had defects, he was rigid in his postures, but of course, he was only human. Nevertheless he was an exceptional human being, an admirable, outstanding figure in all aspects, and he still deserves all possible homages.

Many of your songs are denouncing Guatemalan social realities, which makes us think that you do not share such realities. How should reality be for Alejandro Arriaza?

Well, reality must be accepted the way it is, so you can then change what you don't like about it, in

other words, you cannot change what you do not accept. Presently, reality is the product of the selfish, dissatisfied nature of human beings, and in order to have a new reality we must give those parameters up. Then we would have a reality where everybody, absolutely everybody would have access to work freely in what they desired, not to survive and much less to half live, but to create and produce, and to use the human talent and energy that we all have. Then, in that new reality that we are trying to build, every human being, from the moment of their birth, would be entitled to health education, housing and food (although maybe without any luxury, but with dignity), and no one would be able to stockpile wealth that they don't need, especially at the cost of their brothers misery. In such a context, when people have covered their basic needs, and being able to work joyfully to express themselves more than just to survive, there wouldn't be any economic violence (which is the cause of many of the crimes that are committed nowadays), people's minds would be healthier and life would be quieter, with more respect towards nature (which has suffered so much violence sue to the unmeasured desire for profit) and of a higher quality (less unnecessary consumption and more real quality of life).

To what extent do you consider that art can help build this reality?

What art does in this sense is to propose ideas and alternatives so that people who can get in touch with the art piece questions the existing reality and the possibility of building a new desired reality. Art in itself can hardly change reality, but it's a very important tool, acting as a finger that points out what's wrong and what can be corrected.

What do you want to achieve with your music?

I want to express myself, to transmit what I think and what I feel, I want to enjoy doing music (both writing songs and singing them) and to transmit something to people. It may be the ideas kept in the lyrics, the emotion with which I sing, something in there, to share it with people.

What inspired you to write songs like Circo realidad, Casa Nueva, Resistencia, Ixcán?

All my songs come from different experiences. Each one has a story behind it and, starting with one experience, a whole song is devised, different scenarios are imagined, used as perspectives for future possibilities. For example, Ixcán was born of a visit to a Community of Resisting Population (CPR) in that municipality of Quiché, where very brave and ingenious people live, with very hard and crude stories, but who managed to come through and that inspired the song of the history of Ixcán as an epic poem of creation, destruction and hope. I created La Casa Nueva (The New House) because in fact I was moving out of my mother's house to live on my own, and that was a great joy and expectation, and I translated that into a song that talks about a great new house where all of us can live, a metaphor of a better country. And so on.

Which of the songs included in your CDs are your favorite or most cherished ones, and why?

Actually, it's very hard to have a favorite song, but in fact my favorite songs are usually not in my CDs, but the other way around. As I manage to record the songs, I am somehow liberated from them, I have then new space for new songs, for those that are still not recorded or that I'm still in the process of writing. It may be because the songs that I record are usually older, or I've played them more often, and in order to record them in a CD I have to play them (and hear them) very many times, so I grow a bit weary of them, even though I still enjoy singing them later. And then I have the new songs, fresh and less played.

How do you regard Guatemalan reality?

It has always been hard, this country was founded as a huge finca so the majority of the population would work at the service of a handful of wealthy people. And recently it's gotten more complex because the civil war filled the lower and middle classes with fear and conformity, and this savage and aggressive publicity that we have now alienates the people and prevents them from seeing that the problem is the situation in which they are, thinking that the solution is working even harder to buy more things and be better.



“All throughout the Twentieth Century, art in Guatemala has been very vibrant, full of denounces and reflecting the violent and unequal reality that we have. Sadly, for this very reason it has been ignored by the mass media and by the large capitals that are afraid of the conscious raising that these pieces would bring with them.”

According to you, what has been the role of art in the Guatemalan society during the last years?

All throughout the Twentieth Century, art in Guatemala has been very vibrant, full of denounces and reflecting the violent and unequal reality that we have. Sadly, for this very reason it has been ignored by the mass media and by the large capitals that are afraid of the conscious raising that these pieces would bring with them. So the trend has always rather been to support the more commercial and "light" artwork. Lately, this phenomenon has become more acute due to globalization and new trends. People want artwork that's esthetically nice, though devoid of meaning, comfortable pieces, and even among creators the tendency to create with a message, or with conscience, has decreased.

Do you think art can be a means of social transformation an why?

Definitely, but it must be committed, thought over, reflecting reality, free of bondages or economic pressures, and it must also be an art that's accessible to the masses, an art that many people have access to, and that they can claim freely, listen to it and dance it, see it in the streets and even participate in the creative process, only then can art contribute to social transformation. Locked up in expensive concert halls or refined galleries, it only serves an esthetic role for the elites.

What are the main challenges for Guatemalan artists?

To break free of this commercial environment that pushes them to betray what they think and believe, in search for sponsorship, thus befriending large opinion makers, which are the ones that in the end close the door to artists that denounce, and boost shallow ones. And also, precisely, to hold on in this environment that is so not stimulating, and not to stop doing what they do nor to lose their joy in their art making. We have to keep looking for gaps to work, and continue doing new things, creative things. Not to accommodate ourselves.

According to you, which are the main challenges of Guatemalan art to contribute to the structural changes that this country needs?

An artist must always be true to himself. And as much as he shouldn't bow before the market, neither should he just look for a result; for example, a specific social change. Artists must witness life, interpret it and transform it in their work. If an artist doesn't like something about reality, the art work should reflect this, as well as if he likes it, and just by doing that he is providing tools to make these changes, but just as an artist must try to avoid being shallow or commercial just to be liked and to sell the pieces, he shouldn't turn exclusively to achieve a specific cause, because he would be at risk of turning his work into a repetitive pamphlet. He must be true to himself and his conscience.

www.alejandrorriaza.com



EPITAPH TO: LUIS ENRIQUE SAM COLOP

Since I was very small we shared together many hardships, as all the children of the countryside or rural areas do, as well as aspirations, joy, dreams and hopes.

When we graduated, him as a social sciences professional and me as a technician, we met again and, though sporadically, we shared again our deep indignation, anger and frustration over so much injustice, repression, marginality, oppression and oblivion that we as Mayan people suffered, specifically as Mayan K'iche, which we resent collective and socially since the Spanish invasion up to our days.

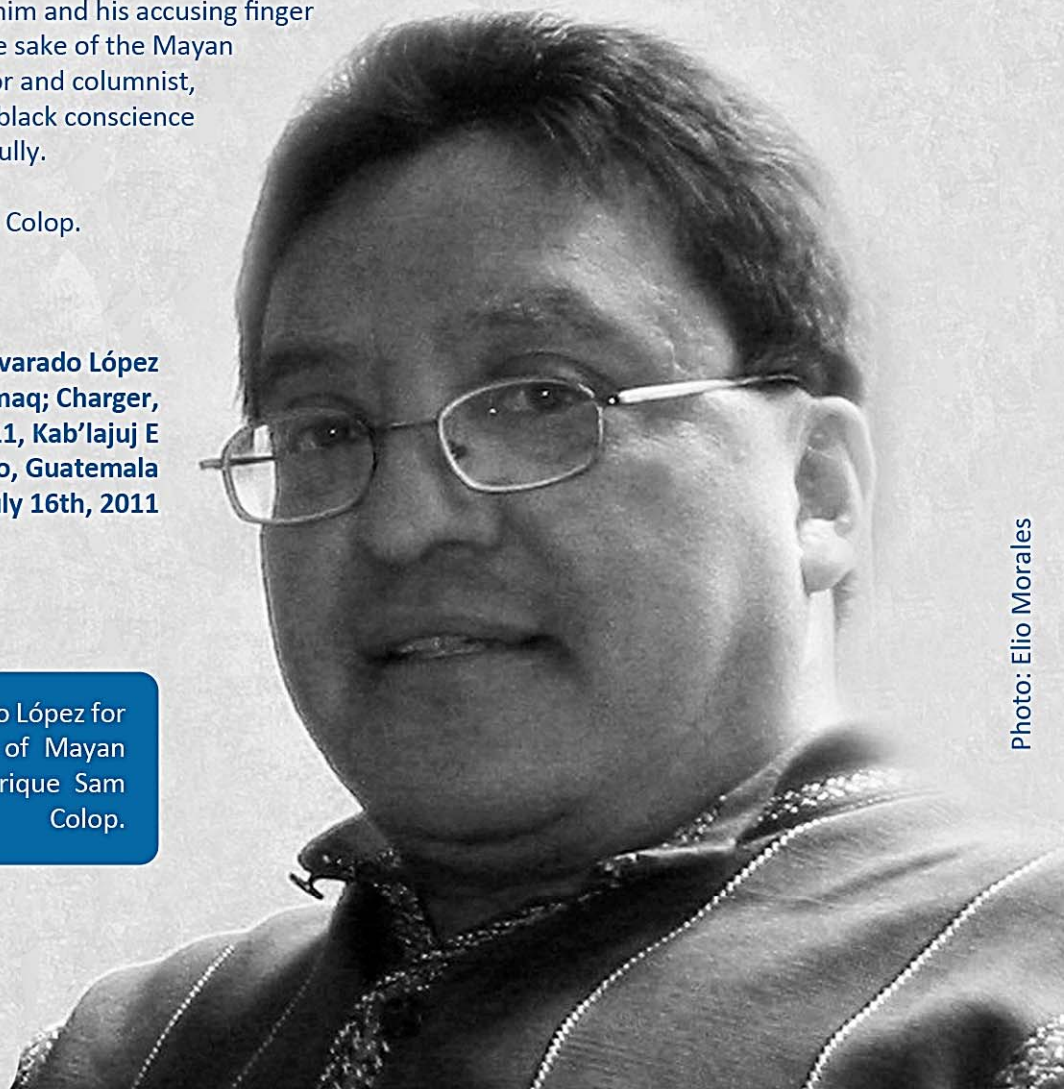
From his column, Ucha'xik, published in Prensa Libre, Luis Enrique oriented, clarified and informed his readers on several issues; likewise, he denounced and pointed out war criminals and genocides like Efraín Ríos Montt, he wrote against corrupt and manipulating political figures, called attention over our wachalales that had been coopted and become opportunists and fortune seekers; he listed the intellectual and material authors of our exploitation and exclusion, racist, discriminative people of all sorts and origin.

Now that Luis Enrique has passed away these social pigmies can breathe more at ease because him and his accusing finger are gone, the prosecutor for the sake of the Mayan people, the independent auditor and columnist, although in the depths of their black conscience they will not be or sleep peacefully.

Rest in peace, Luis Enrique Sam Colop.

Martín Edmundo Alvarado López
Q'antel, Nawal Oxlajuj Ajmaq; Charger,
year 2011, Kab'lajuj E
Pachaj, Cantel Quetzaltenango, Guatemala
C.A. July 16th, 2011

MSICG thanks Martin Edmundo Alvarado López for sending this eulogy for the memory of Mayan writer, scholar and columnist Luis Enrique Sam Colop.





MSICG

Take Action!

FORMATIVE ACTIVITIES

On the fame of its formative program, during the last six months MSICG carried out a series of workshops on social and political training, which strengthened the knowledge of union leaders and base members of their affiliated organizations, as well as facilitated their union work through the use of technology. As a whole, 150 workers took part on these activities, showing interest in the continuation of the formative program.

Among the formative workshops, the one called "The rights of Guatemalan particular household workers" is outstanding since, aside from those rights acknowledge for that sector in the Labor Code, it approached the Political Constitution of the Republic of Guatemala, International Agreements, ILO's Agreement 189 on decent work for household workers, and legal and practical incidences supposed by its ratification by the State of Guatemala.

Likewise, among the activities undertaken by MSICG to strengthen the struggle for the defense of particular household workers in Guatemala, there was a General Assembly of the sector's workers, in which more than one hundred Departmental delegates, mostly indigenous women, took part.

There was also a workshop on Union Self-Reform and Communication, intended to motivate within union structures the installment of specialized communication equipment, thus strengthening the organizations' inner and outer communication, their democratization and organization strengthening. Among the issues that the workshop approached, we should mention Union Self-Reform, the importance of communication in Self-Reform processes, the elements of the process of communication, the difference between communication and information, the news fact, campaign planning and alternative media.

MSICG formative program put a particular emphasis in the inner management of unions, complementing the Self Reform and communication formation with formative activities on Strategic Planning and Union Cooperation Formation, and another workshop regarding Systems and Accountability Formation, as well as management software. These activities approached issues like project and work plan elaboration, unions' accountancy duties, Act books and General Assembly and Board Meetings Agreements, as well as affiliate management through Member Record books. As input for this last activity, a

self-installable application called MSICGDataBase was created in Access, which expects to incorporate the use of computer systems for an adequate management of union organizations' affiliates.

MSICG also sought to create debate through two specific activities: A discussion forum on the rights of indigenous people on the national and union agenda and a cinema forum which projected the Brazilian movie "Eles Nao usam Black-Tie".

RESEARCH ACTIVITIES

On October 2011, MSICG presented the research report: "Textile and confection maquila in Guatemala: Opportunity and Development?" which was well received by the media and population in general.

ADVISORY AREA

In the advisory area, MSICG has benefited more than 5,300 workers affiliated to its member organizations, through direct advisory and accompaniment in more than 100 different process, including incidents of re-hiring and of employer actions to terminate contracts, ordinary trials, collective trials, defense against administrative disciplinary cases, Appeal actions, Unconstitutionality actions and defense of trade unionists in criminal suits before judicial authorities.

One of the most relevant cases was the Appeal Action set in favor of a group of IGSS retirees, who were arbitrarily deprived from enjoying their old age pensions. In the end, and after a long process, the Court of Constitutionality ruled on second instance in favor of the plaintiffs, ordering IGSS to immediately restore their retired pensions, and to retroactively pay pensions indebted since 2005. IGSS did all these payments after the sentence in favor of MSICG was issued.

Other no less important cases have been those regarding the defense of union freedom of the workers of the Criminalist Research Direction of the District Attorney's Office, where almost all the members of the Executive Committee of SITRADICMP are facing arbitrary processes to terminate their





contracts as part of a strategy to disarticulate the union, which the District Attorney's Office' authorities are implementing.

Aside from advisory in judicial processes, MSICG has accompanied its member union organizations in the celebration of their General Assemblies, such as in the case of the Union of Professional Workers of the Guatemalan Institute of Social Security, the Union of Workers of the Criminalist Research Direction of the District Attorney's Office, the Union of Workers of the Finca La Soledad of the municipality of Patulul, in the Department of Suchitepéquez, the Union of Workers of the Guatemalan Institute of Social Security, among others who have received accompaniment and advisory when they carry out their Assemblies.

STRUGGLE FOR THE RATIFYING OF AGREEMENT 189

Since ILO's Agreement 189 on decent work for domestic workers was approved in the frame of the 100th International Labor Conference held in Geneva, Switzerland, MSICG has taken actions together with their member organization, the Union of Particular Household Workers of Guatemala before competent authorities to have it ratified by the Congress of the Republic of Guatemala. As a part of this struggle to ratify ILO's Agreement 189, which would benefit more than 180,000 particular household workers in Guatemala, for the last 6

months MSICG has held several meetings with the Presidency of the Republic of Guatemala, the Metropolitan Archbishop, Monsignor Julio Vian Morales S.B.D. and the Labor and Social Prevision Minister. Likewise, among the actions taken to continue this struggle, on November 25th 2011, in the frame of the Day for Non Violence to Women, an assembly with the sector's workers was held, in which it was agreed to march from Morazán park to Presidential House with the intention of presenting the former President of the Republic of Guatemala, Engineer Alvaro Colom, with the proposal for a Law Initiative to ratify ILO's Agreement 189. However, despite these actions, the former governments as well as the present one, led by General Otto Pérez Molina, have shown no political will to take the necessary steps to ratify the Agreement.

DEFENDING SOCIAL SECURITY

MSICG, together with its member unions, has started a relentless defense of social security in Guatemala, which has been affected by the approval and implementation by the Board of the Guatemalan Institute of Social Security –IGSS- of several agreements which tend to limit the reach and coverage of social security, the weakening of IGSS' service structure and the steady transfer of IGSS' functions to private companies.

As a part of this struggle, several Unconstitutionality actions have been presented against Agreement

1,257 of the Board of IGSS which, among other aspects, such as grave as those, increases the age of retirement, the number of fees needed to have access to the right of pension due to disability, old age and survival, reducing the base of calculus for the pension and eliminating protections to the worker's family; against Agreement 1,272 of the Board of IGSS, which modifies the Complementary Pensions Plan for IGSS Employees in the same way than the plan for disability, old age and general survival; Agreement 1,268 of the Board of IGSS, which transfers attention of workers and attributions born from such attention to the employers, or to clinics hired by them, thus creating a network of attention in the hands of the private sector totally alternative to IGSS; Agreement 1,269 of the Board of IGSS, which modifies the concept of IGSS affiliate, eliminating all retired people from this definition, and granting IGSS wide powers to deny service to affiliates at its own discretion, and reforms to agreement 284 which open the possibility of intervening IGSS retroactively in all pension plans in the country, even opening the door to its suppression. All these are clear signs of a covert privatization of the social security.

This legal actions have been complemented by actions of a political nature, among which are the request to separate the workers' representatives before the Board of IGSS, the suit presented before the Congress' Human Rights Commission against the Ombudsman for not acting in defense of the social security of the

Guatemalan population, as well as several gatherings and reunions with national authorities to discuss this issue.

Up to this date, actions taken by MSICG and its IGSS' affiliated unions allowed to stop the implementation of Agreement 1,272 of the Board of IGSS, which benefits more than 5,000 workers.

In a global framework, these actions benefit more than 5 million Guatemalan workers.

ACTIONS AT AN INTERNATIONAL LEVEL

At an international level, MSICG has kept presenting complaints before the United Nations system, especially before the control organs of the International Labor Organization -OIT-.

Among those actions promoted before ILO we should mention several complaints presented before the Committee for Union Freedom and several Comments to the validity of the Agreements before the Commission of Experts on Application of Agreements and Recommendations -CEACR- all of them related to grave violations to International labor Agreements ratified by the State of Guatemala.

As a result of these actions, dated March 2nd 2012, CEACR pointed the State of Guatemala out in its report of that year as one of the most flagrant violators of





labor, union and indigenous people's human rights, asking that it takes immediate measures to make these violations stop.

Among the main comments and requests made by ILO through CEACR we should point out:

CEACR points out the State of Guatemala for the second year in a row with a DOUBLE FOOT PAGE NOTE WITH SPECIAL CALLING due to the grave and repeated violations to Agreement number 87, Agreement on Union Freedom and Protection to the Right to Unionize, which implies that the State of Guatemala will be questioned again at the Commission for Norm Applications of the 101st International Labor Conference of ILO, to be held in June 2012. A double foot page note with special calling is the gravest signal that CEACR can issue against a State for violating International Agreements.

This warning was issued despite that CACIF constantly makes comments opposing the constant complaints presented by MSICG before ILO, which are also a part of the same defense that the State of Guatemala has presented for several years.

WITH REGARD TO VIOLATIONS TO AGREEMENT 98, AGREEMENT ON THE RIGHT TO UNIONIZE AND TO COLLECTIVE NEGOTIATIONS, the Commission textually says "The Commission takes due note that communications between CSI and MSICG confirms that the mentioned problems continue today" referring to the excessive slowness to restore unionist, non-compliance with unionist restoration sentences, slowness and inefficiency in procedures to punish labor law violations, lack of collective negotiation, especially in the case of maquilas, anti-union discrimination, labor justice slowness, etcetera. In this sense, the Commission asks the government for an immediate solution to these problems, and that they be included in the State priorities regarding the Agreement dispositions. Likewise, the Commission asks the State to send observers on MSICG arguments.

REGARDING GRAVE VIOLATIONS TO AGREEMENT 169 ON INDIGENOUS AND TRIBAL PEOPLES, and

taking into account the repeated complaints remitted by MSICG in its comments to the validity of the Agreement, ILO, through CEACR, asks that the State of Guatemala aligns its legislation and practice with the Agreement in the following sense: That it should respect the right of indigenous peoples to consultation and their right to decide about their own priorities of development and participate in the formulation, application and evaluation of development plans and programs which are susceptible of affecting them directly, that it should take swift measures to establish an appropriate mechanism of consultation and participation according to the Agreement, to align the Mining Law with what the Agreement establishes; informing on the application of integral rural development Policies and on a regulation of land tenure which guarantees indigenous peoples access to land.

The Commission report also highlights flagrant VIOLATIONS TO AGREEMENT NUMBER 81, ON LABOR INSPECTION, AND NUMBER 129 ON AGRICULTURAL LABOR INSPECTION, and given the graveness of them asks that the State of Guatemala to immediately cancel the role of conciliators imposed to labor inspectors, since their only role is to monitor compliance with labor laws and international agreements. In this frame, CEACR also asks that the State of Guatemala regulates the classification of the positions and wages of inspectors, granting them all measures needed to perform their duties, including training, transportation, adequate measuring equipment, traveling allowances, etcetera.

The Commission also asks the State of Guatemala to derogate or modify articles 419, 390 paragraph 2 and 430 of the Criminal Code which, in violation of AGREEMENT 105, AGREEMENT ON THE ABOLISHMENT OF FORCED LABOR, impose prison, together with the duty of working, sanction the expression of certain political opinions or are imposed as disciplinary measures at work or for taking part on strikes.

It is important to highlight that among the dispositions that CECR asks to be derogated is the one relative to punishing with prison those actions

actions oriented to sabotage or destroy, paralyze or disturb companies that contribute to the economic development of the country, with the intention of damaging national production or important services of public use.

To MSICG, the report of CEACR and the requests that it makes are a significant progress regarding the defense of the interests of the Guatemalan working class and the indigenous peoples, and it is committed since now to give it the follow up that is necessary so the State of Guatemala complies with them.

