

# Philippines: Workers slam PNoy's \$1B loan to IMF

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The labor party Partido ng Manggagawa (PM) today slammed the government's decision to loan \$1 billion of the country's foreign reserves to the International Monetary Fund (IMF). The fund is intended for the Eurozone crisis but PM avers that it will be used by the IMF to impose anti-workers austerity schemes in Europe.

"We call on PNoy to reconsider his decision. \$1 billion is better used for social protection at home than social devastation abroad. The workers and people of Greece, Spain, Portugal, Italy and even France have rejected austerity through the polls and by protests," insisted Renato Magtubo, PM national chair.

Tomorrow PM together with the Philippine Airlines Employees' Association (PALEA) will stage a rally at the Central Bank headquarters and office of the Department of Finance in Manila in protest of the loan to the IMF. The rally also coincides with the 9<sup>th</sup> month anniversary of PALEA's fight against outsourcing. Last year, on September 27 PALEA launched a protest action at the airport against contractualization which was forcibly suppressed by airport police and security guards.

Gerry Rivera, PALEA president, said that "PNoy readily comes to the aid of European bankers but he is blind and deaf to the cries of the Filipino workers for wage increase and regular jobs. In opposing the loan to the IMF, we are extending the hand of solidarity to our brothers and sisters in Europe. Let us help the needy not the greedy. The IMF will use our \$1B—which is the blood and sweat of our OFW's—to bail out the bankers of Europe and squeeze money from the workers through cuts in wages, pension, subsidies and social programs."

Magtubo added that "The IMF wants the workers to pay for the crisis of the capitalists. The Eurozone crisis is a result of European governments' bailing out their bankers which were saddled by failed speculative investments in the subprime housing market in the US that collapsed in 2008. As a result of austerity tied to loans, Greece is in recession for five years running with unemployment at more than 20% in general but more than 50% for the youth. This year Spain fell into a double-dip recession with unemployment rates similar to Greece which will be aggravated by austerity measures dictated in the recent bailout scheme."

"Just like Europe, the Philippines too is a victim to the anti-labor and anti-people policies of the IMF. Liberalization has led to the collapse of Philippine industry and agriculture resulting to job losses and rural unemployment. Privatization and deregulation has led to price hikes and worsening poverty. It is time for a paradigm shift. International solidarity instead of IMF austerity. Uphold growth and hope instead of recession and injustice in Europe and the Philippines. Shift to a new paradigm of living wages, regular jobs, taxes on the rich, social services, national industrialization and agrarian reform," Rivera explained.

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Contact Judy Ann Miranda

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