Revolts against price rises bring down government

Haiti

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On Friday 6 July 2018 the government of Haiti, obeying the IMF’s injunctions, decided to end subsidies for certain products, including fuels. This meant a 38% increase for gasoline, 47% for diesel and 51% for kerosene lamp oil. This when there is no electricity in poor neighbourhoods!

The government announced the measure at the time of the Belgium-Brazil World Cup football match, hoping without doubt that attentions would be mainly occupied in supporting Brazil, a very popular team in Haiti. However, this was not enough: as soon as the decision became known, thousands of residents took to the streets to shout their anger. Protesters attacked the country’s signs of wealth, banks or luxury hotels. The supermarkets were stormed, and demonstrators took away staple products. The city of Port-au-Prince was blockaded, and the explosion also affected provincial towns, in the north, on the central plateau, and in the south. Everywhere, the poor population let its anger explode.

The next day, Saturday, 7 July, the government issued a decree cancelling that of the previous day and also the price increases. This did not prevent the riots from continuing for a few days, until the resignation of the government on Saturday, 14 July.

IMF and bosses manoeuvre

The agreement signed on 25 February with the IMF is supposedly a serious attempt to promote economic growth and reduce poverty! In return for financial “help”, the IMF, as usual, requires measures to reduce deficits, and therefore a reduction in subsidies. With the immediate result of increases in the price of transport, as well as food transported from the countryside to the cities.

Haiti is considered one of the poorest countries on the planet. It has 58% of its population living below the poverty line, according to UN figures. Inflation is already rampant, above 13%, and unemployment is massive, which explains these violent reactions.

This is not the first time the population has shown its anger and expressed its demands: in September 2017, the capital was hit by a transport strike following an increase in taxes on several products, including petrol. In the spring of this year, in May and June, thousands of textile workers, working on a cheap subcontract for Western firms, repeatedly demonstrated to claim a minimum wage of 1000 gourdes (15 euros) per day. The minimum wage has been fixed since July 2017 at 350 gourdes (8.50 euros) and does not allow a decent standard of living. “We are paid on Saturday, on Monday we start to go into debt,” said a protester. Despite repeated promises at each social explosion, the government has not raised the minimum wage, encouraged by the Haitian bosses. A government that had already promised a few months ago social benefits in relation to transport, health insurance cards and social housing. Promises which have not been fulfilled.

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