

A LETTER on NEO-LIBERALISM in LATIN AMERICA

The Latin American Provincials of the Society of Jesus

Dear brother Jesuits,

1. As Provincial Superiors of the Society of Jesus in Latin America and the Caribbean, hearing the call of the 34th General Congregation to deepen our mission: **"to proclaim the faith which seeks justice,"** we wish to share **some reflections about the so-called neo-liberalism in our countries** with all those who participate in the apostolic mission of the Society of Jesus throughout the continent and all those who make common cause with our people, especially the poorest. To claim that the economic measures applied in recent years in every Latin American and Caribbean country represent the only possible way of shaping the economy, and that the impoverishment of millions of Latin Americans is the inevitable price for future growth, are claims we cannot accept with equanimity. These economic measures are fruit of a **culture**, propose a vision of the human person, and mark out a political strategy that we must discern from the perspective of models of society to which we aspire and for which we work along with many men and women motivated by the hope of living in a more just and human society and of leaving it so for future generations.

2. The reflections presented here do not claim to be the scientific analysis of a complex issue that merits study with many disciplines. They are reflections concerning the criteria and effects of neo-liberalism, and characteristics of the society we long for. Our main concern is ethical and religious in nature. The economic and political practices that we discuss reflect, in the public sphere, the counter-values and limits of a culture founded upon a conception of the human person and society incompatible with the values of the Gospel.

THE SOCIETY WE ARE PART OF

3. On the threshold of the twenty-first century, communications link us closely, technology offers new possibilities for knowledge and creativity, and markets permeate all social spaces. In contrast to the past decade, the economy in most of our countries has begun to grow again.

4. This material expansion could create hope for everyone, but instead it leaves multitudes in poverty with no chance to participate in building up a common destiny; it threatens cultural identity; it destroys natural resources. We estimate that in Latin America and the Caribbean at least 180 million people live in poverty and 80 million subsist in extreme poverty.

5. The economic forces that produce these perverse results tend to turn into ideologies and lift certain concepts up as absolutes. The market, for example, which used to be a useful and even necessary instrument to improve and increase supply and reduce prices, has become **the means, the method, and the goal** that govern relationships among human beings.

6. This cause is behind the spread of so-called "neo-liberal" economic measures throughout the continent.

- They consider economic growth — and not the totality of men and women in harmony with creation — to be the economy's *raison d'être*.
- They restrict State intervention to the point of stripping it of its responsibilities for the minimum goods that every citizen deserves in virtue of being a person.
- They eliminate comprehensive programmes meant to generate opportunity for everyone and replace them with incidental assistance to specific groups.
- They privatize businesses on the assumption that, in all cases, the State is an inefficient administrator.

- They open borders to the flow of capital, finance and merchandise without restrictions, leaving the smallest and weakest producers without enough protection.
- On the problem of the foreign debt whose servicing requires drastic cutbacks in social investment, they keep silent.
- They subordinate the complexity of the public treasury to the adjustment of macroeconomic variables: a balanced fiscal budget, inflation reduction, and a stable balance of payments; as if from this would flow all common good without creating new problems for the population.
- They insist that these adjustments will create growth which, when substantial, will increase income levels and trickle down to solve the situation of the disadvantaged.
- In order to create incentives for private investment, they eliminate any obstacles entailed by legislation to protect workers.
- They exempt powerful groups from taxes and environmental obligations and shelter them in order to accelerate the industrialization process, thus leading to an even greater concentration of wealth and economic power.
- They place political activity at the service of this economic strategy, by removing every restraint, every political and social control, in order to guarantee the hegemony of the free market in every field including the free contracting of labour.

7. We acknowledge that the structural adjustments have also had some positive effects. Market mechanisms have increased the supply of higher quality products at better prices. Inflation has been reduced throughout the continent. Governments have given up tasks outside their competence in order to attend, as is their duty, to the common good. General awareness has risen of the value of fiscal austerity which uses public resources better. And trade relations among our countries have moved ahead significantly.

8. But these factors far from compensate the immense imbalances caused: a great concentration of income, wealth and land tenure; an exponential increase in masses of urban unemployed or those who subsist with unstable or unproductive jobs; the bankruptcy of thousands of small and medium-sized businesses; destruction and forced displacement of indigenous and rural populations; spread of drug-trafficking based in rural sectors whose traditional products are no longer competitive; disappearance of food security; increase in criminality, often exacerbated by hunger; destabilization of national economies by the free flow of international speculation; imbalances in local communities caused by projects of multinational companies that do not take the local population into account.

9. As a result, concomitant with moderate economic growth, social unrest is on the rise in nearly all our countries, as expressed in strikes and public protests. In some areas, armed struggle has reemerged, which solves nothing. There is a growing repudiation of the general direction of the economy which, far from improving the common good, is deepening the traditional causes of public discontent: **inequality, misery, and corruption.**

WHAT IT MEANS TO BE HUMAN

10. Underlying the "neo-liberal" economic logic there is a conception of the human person which limits the greatness of man and woman to their capacity to generate monetary income. This intensifies individualism and the race to earn and to own, and easily leads to attacks on the integrity of creation. In many cases, greed, corruption, and violence are unleashed. Moreover, as this conception permeates social groups, it radically destroys community.

11. A set of values is imposed which puts priority on individual freedom of access to satisfaction and pleasures; it legitimizes, among other things, drugs and eroticism without limits. It is a freedom that rejects any government interference in private initiatives, opposes social planning, ignores the virtues of solidarity, and acknowledges the laws of the market alone.

12. Through economic globalization, this manner of comprehending man and woman penetrates our countries with highly seductive messages and symbols. Thanks to the control which this vision exercises over the mass media, it destroys the identity of local cultures that lack the ability to make themselves heard.

13. The leaders of our societies, usually linked to these movements of globalization and imbued with the wholesale acceptance of the market logic, often live as strangers in their own countries. Rather than dialogue, they perceive the people as an obstacle and threat to their interests, not as brothers and sisters, companions or associates.

14. This subtle and attractive conception considers it normal for millions of men and women on the continent to be born and die in misery, unable to generate enough income to obtain a **more human level of life**. Consequently, governments and societies are not shocked by the hunger and insecurity of multitudes left hopeless and bewildered by the excesses of those who abuse society's and nature's resources with no thought for others.

THE SOCIETY WE WANT

15. Thanks be to God, different cultural and ethnic groups and generations, different classes and various social sectors are taking initiatives at transformation that suggest the emergence of a new world.

16. Inspired by these efforts, we want to help build a reality closer to the **Kingdom of justice, brotherhood and solidarity** found in the Gospel, where life with dignity is possible for all men and women.

17. We long for a society in which all people have access to the goods and services they deserve by virtue of having been called to share this life as a common path toward God. We do not demand a welfare society of unlimited material satisfaction. We call for a just society in which no one remains excluded from work and from access to basic goods necessary to achieve personal fulfilment, such as education, food, health, family and security.

18. We want a society in which all can live in family and look toward the future with hope, share the natural environment and bequeath its marvels to the generations which will succeed us.

19. A society which respects the cultural traditions that have identified the indigenous peoples, those who came from other regions, Afro-Americans, and those of mixed race.

20. A society sensitive to the weak, the marginalised, those who have suffered the impact of socio-economic processes that deny first place to the human being. A democratic society, structured in a participatory manner, in which political activity is a viable choice for those who wish to serve the broader interests important for everyone.

21. We are aware of the high cost to be paid for achieving this kind of society in terms of the changes required in attitudes, habits, and priorities. We are challenged to adopt as our own the positive elements of modernity such as work, organization, and efficiency, without which we cannot build that society we dream of. Finally, we want to contribute to the construction of a Latin American community among our peoples.

TASKS

22. An enormous task lies ahead of us to be accomplished in different fields:

- For our universities and research centres to collaborate with many others on the basis of theology, social sciences, and the philosophy of man and nature, in a serious study of neo-liberalism followed by effective publication, with a view to discovering its underlying rationality and the effects which strike at human beings and destroy the harmony of creation.

- To **compare** and **discern** the courses of action that flow from the analysis so as to take the appropriate options.

23. This understanding and these decisions should lead us:

- To share the plight of victims through communities of solidarity, in order to safeguard the rights of the excluded and undertake with them, in dialogue with decision-making sectors, the building-up of societies which are open, non-excluding and mutually supportive.
- To strengthen the cultural and spiritual traditions of our peoples so that they may become involved in global relationships based on their own identity, without jeopardizing their symbolic richness and community spirit.
- To incorporate into educational work, which we do with many others, the order of values necessary to form persons capable of protecting the primacy of human beings in the world we share.
- To give our students the necessary training to understand this reality and work for its transformation.
- To resist the consumerist society vigorously and its ideology of happiness based on the unlimited acquisition of material satisfaction.
- To communicate and disseminate widely in all media the findings of this analysis of neo-liberalism, the values that must be preserved and promoted, and to make the possible alternatives known.
- To propose viable solutions in those arenas where global and macroeconomic decisions are made.

24. Beginning from the spirituality of Saint Ignatius of Loyola which is engaged in the transformation of the human heart, we will work to strengthen the value of gratuity in a world where everything has its price; to stimulate a sobriety of life and a sense of simple beauty; to promote internal silence and the spiritual quest; and to reinforce a responsible freedom that resolutely incorporates the practice of solidarity.

25. To make our undertaking credible, to show our solidarity with the excluded of this continent, and to demonstrate our distance from consumerism, we will not only strive for personal austerity, but also have our works and institutions avoid every kind of ostentation and employ methods consistent with our poverty. In their investments and consumption, they should not support companies which violate human rights or damage the eco-systems. In this way we want to reaffirm the radical option of faith that led us to answer God's call to follow Jesus in poverty, so as to be more effective and free in the quest for justice.

26. With many others we shall strive for a national and Latin American community of solidarity, where science, technology, and markets are at the service of all people in our countries. Where the commitment to the poor makes plain that working for the well-being of all men and women, without exclusions, is our contribution both modest and serious to the greater glory of God in history and in creation.

We hope that these reflections stimulate efforts to improve our service to the peoples of Latin America. We ask our Lady of Guadalupe, Patron Saint of Latin America, to bless our peoples and intercede with God to obtain for us abundant grace to carry out our mission.

Mexico City, November 14, 1996
Feast of Saint Joseph Pignatelli

Ferdinand Azevedo (Northern Brazil); Carlos Cardó (Peru); José Adán Cuadra (Central America); Benjamín González Bueta (Dominican Republic); Juan Díaz Martínez (Chile); Mariano García Díaz (Paraguay); Ignacio García-Mata (Argentina); José Adolfo González (Colombia); Mario López Barrio (Mexico); Jorge Machín (Cuba); Allan Mendoza (Ecuador); Emilio M. Moreira (Bahia); Fernando Picó (Puerto Rico); Armando Raffo (Uruguay); Marcos Recolons (Bolivia); João Claudio Rhoden (Southern Brazil); Francisco Ivern Simó (Central Brazil); Arturo Sosa A. (Venezuela).