THE PLAN INCA
Lima, 03 October 1968

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A. PURPOSE
The Revolution of the Armed Forces will carry out a process that transforms economic, social, political and cultural structures, with the aim of achieving a new society in which Peruvian men and women live in freedom and justice.

This revolution will be nationalist, independent and humanist. It will not conform to schemes or dogmas. It only responds to Peruvian reality.

It will be nationalist because it is rooted in the country’s highest values, in the interests of the Peruvian people, and in our own reality; it will be independent because it is not linked to existing ideologies, political parties or powerful groups because it will fight against all forms of dependence; and it will be humanist because it is concerned with the full realization of man within a caring community, whose essential and inseparable values are justice and freedom.

The revolution’s purpose will be achieved through the implementation of the five goals established by the General Statute of the Revolutionary Government, which in turn must be achieved through a set of specific objectives.

B. SPECIFIC GOALS AND ACTION
1. OIL
   A. Situation
      1. Most of the oil industry is in foreign hands.
      2. Due to a lack of support, the State Oil Corporation is bureaucratic, inefficient, and lacks economic significance.
      3. The International Petroleum Company, without any legal title, has a virtual monopoly on the oil industry.
      4. The record of this company’s pressure and bribes has culminated in a sellout (entreguista) contract that cancels their outstanding debts to the country and grants it concessions contrary to the national interest.
   
   B. Objective
      All the stages of the oil industry will be carried out exclusively by the State.
   
   C. Actions (to achieve this objective)
      1. Cancel the contract signed on August 12, 1968 with the IPC, the "Act of Talara," and all related actions.
      2. Expropriate IPC property and charge it against their debts to the State.
      3. Create a single state enterprise responsible for all oil activities.
      4. Eliminate the concession system.
5. In a first phase, establish a system of private contracts to achieve economic capacity that permits the execution of all oil operations directly by the state.
6. In a second stage, when it achieves this capability, only the state will participate in the oil industry.

2. PLANNING
   A. Situation
      1. Interest Groups maintained planning as a mere formality.
      2. Planning designed to promote economic growth and not socioeconomic development.
      3. Deficient Statistics.

   B. Objective
      A permanent and comprehensive planning, compulsory for the public sector and highly recommended, as a priority, for the private sector.

   C. Actions
      1. Prepare and update the diagnosis of reality.
      2. Establish guidelines for the country's development.
      3. Carry out long, medium and short term plans.
      4. Identify standards for the country’s development.
      5. Institutionalize the system of planning within public administration.
      6. Integrate statistical agencies into System Planning.

3. INTERNATIONAL SITUATION
   A. Situation
      1. Foreign policy timid and dependent mainly upon the United States.
      2. International relations only with capitalist countries.
      3. Lack of awareness of Peru’s role in the group of "Third World" countries [Non-Aligned Movement].
      4. Little prestige for Peru in the international consensus.
      5. Lack of assertiveness and initiative in defense of the doctrine that territorial seas extend to 200-miles.
      6. Commercial trade shaped by foreign pressures and economic interests.
      7. Absence of a policy for development and integration of border areas.

   B. Objective
      Nationalist and independent foreign policy, based on the strong and active defense of national sovereignty and dignity.

   C. Actions
      1. Orient international politics in defense of our territorial integrity.
      2. Reject any form of foreign intervention in our internal affairs and do not interfere in the internal affairs of other countries.
      3. Eliminate all foreign forms of pressure and dependence from any power center.
4. Establish relations with all countries that may be in the national interest and participate actively in the group of "Third World" countries [Non-Aligned Movement].
5. Present the world with the country’s true image and its revolutionary process.
6. Seek global recognition for the doctrine that territorial seas extend to 200-miles.
7. Demand fair treatment in trade.
8. Take decisive action for Sub-regional Andean Integration and Regional Latin American Integration.
9. Promote the development and integration of border areas to reaffirm our sovereignty.
10. Adjust the Foreign Service to the requirements of the new international policy.

4. AGRICULTURAL REFORM
   A. Situation
      1. Unjust and inefficient agrarian structure that allows concentration of wealth and power in few hands. 2% of the population owns 90% of the arable land.
      2. Predominance of large estates and subsistence smallholdings (minifundios).
      3. Extensive and rich lands in the hands of foreign companies.
      4. Existence of a mediated Agrarian Reform Law that leaves intact highland ranches and coastal agro-industrial plantations.

   B. Objective
   Transformation of the agrarian structure in order to achieve as quickly as possible a fair and effective system of land tenure, based on the principle that "the land belongs to the person who works it."

   C. Actions
      1. Execute a reform that balances social needs with high levels of performance and whose key features are:
         a. Implement reform throughout the country, without privileges or exceptions.
         b. Establish a limit for property unaffected by agrarian reform, consistent with fulfillment of its social function.
         c. Give preferential right to sharecroppers or small tenants in the allotment of lands.
         d. Use the system of expropriation, paying part in cash and the rest in bonds, investing capital from such bonds in domestic industry.
         e. Promote and encourage the creation of communal property owners to exploit the land.
      2. Expropriate immediately coastal agro-industrial plantations, allocating them to their workers organized in cooperatives.
      3. Create necessary administrative and judicial bodies. . . .

5. BUSINESS REFORMS
   A. Situation
      1. Business structure that concedes to capital the main role in the productive process, underestimating labor’s contribution.
      2. The regime of private enterprise is a major cause of the unjust distribution of wealth.
3. The worker is a simple wage earner, without access to the company’s profits, management, or ownership.

B. Objective
A corporate structure that enables the worker to share in the company’s management, profits, and ownership.

C. Actions
1. Establish a Labor Community through which the worker will share in the company’s management, profits, and ownership. In State Companies, there will be no participation in ownership.
2. Create a mechanism to provide balance among communities with different levels of profitability.
3. Promote and encourage collectively owned enterprises.

7. INDUSTRY
A. Situation
1. Nascent industrial activity mainly dedicated to production of non-essential goods.
2. Non-competitive, with monopolistic trend.
3. Based on excessive exemptions and exceptions favoring a few economically powerful groups.
4. Dependent on large foreign consortia and with a regime that treats capital contrary to the country's interests.

B. Objective
A permanent and self-sustaining industrial development that effectively contributes to economic independence and the country's socioeconomic development.

C. Actions
1. Create the Ministry of Industry.
2. Plan industrial activity in the long and medium term, considering the standards of development to be established.
3. Ensure the active participation of the state as a dynamic manager of industrial development, reserving to it exclusively production in the war industry.
4. Prioritize industrial development and establish corresponding incentive schemes.
5. Reduce dependence from abroad.
6. Develop technological research.
7. Promote small-scale industries and handicrafts.
8. Encourage collectively owned enterprises.

8. MINING
A. Situation
1. Almost all of extraction, refining, and marketing is in the hands of large foreign companies.
2. The law allows concessionaires to maintain deposits in reserve indefinitely, without exploiting them, paying only a small fee.
3. The vast majority of minerals are exported without any added value.
4. Concessionaires use transfer pricing (comercialización) as a tool for financing their mining operations in other countries and as a means to evade taxes by selling at low prices to its "parent" corporation.
5. Concessionaires are given excessive tax and exchange rate guarantees, yet no new investment has been made.
6. The security and welfare of mining workers are very poor.

B. Objective
Maximum development of mining potential, placing it in the country’s service through the predominant activity of the State.

C. Actions
1. Require concessionaires to work deposits immediately, under penalty of forfeiture, assuring future exploitation by the system "Protection through Work."
2. Place the State in charge of exploitation of large deposits, refining, and marketing.
3. Reduce incentives to reasonable limits.
4. Promote mine prospecting in our territory.
5. Give mineworkers dignity by increasing their safety and welfare.
6. Create a single state enterprise responsible for all mining activities in the State.

12. TRADE
A. Situation
1. External marketing is in the hands of a few economically powerful groups.
2. Importation (importancia [sic]) is liberal and indiscriminate, permitting an excessive waste of foreign currency.
3. Speculation and excessive intermediaries raise product prices.
4. Poor marketing infrastructure.
5. Spread of smuggling and other forms of illegal trade.

B. Objective
A system that allows the marketing of goods under conditions demanded by the people and the country's development. The State will take charge of external marketing of economically significant products.

C. Actions
1. Create state agencies responsible for external marketing.
2. Promote the maximum export of non-traditional products.
3. Limit imports to goods that are indispensable to the population and development.
4. Develop the necessary infrastructure.
5. Reduce intermediaries.
6. Combat smuggling and speculation.
7. Promote internal marketing through cooperatives.
8. Create the Ministry of Commerce.
16. MONETARY AND CREDIT SYSTEM
   A. Situation
      1. State Banking with serious liquidity problems and at the service of family and group interests.
      2. Lack of effective control by the government, the Central Reserve Bank, and the National Bank.
      3. Private Banking, controlled by foreign capital, practically directs the country’s monetary and credit policy.
      4. Expensive credit and absence of a system to regulate it.
      5. Lack of coordination between banks and other lending institutions.
      6. Insurance Companies held by national and foreign groups linked to large foreign consortia.
   
   B. Objective

Institutions of credit controlled exclusively by the State, with monetary and credit policy oriented to the country’s socio-economic development.

   C. Actions
      1. Establish gradual State ownership of credit and insurance institutions.
      2. Create laws and agencies to ensure State management and control of monetary and credit policy.
      3. Establish a system of selective credit and ensure its accessibility to the majority of Peruvian nationals.
      4. Restructure the State Development Bank and streamline its operations.
      5. Encourage expansion of capital markets. . . .

20. HOUSING
   A. Situation
      1. The great majority of people live in subhuman conditions, occupying unsanitary housing, lacking amenities or security.
      2. Only a minority has its own housing.
      3. Land speculation, taxes, and the high cost of materials and techniques, make housing expensive.
      4. Lending policies favor privileged groups.
      5. Legislation regulating tenancy is unjust.
      6. Large urban areas lack communal services.

   B. Objective

All Peruvian families must have access to adequate housing.

   C. Actions
      1. Create a ministry responsible for housing.
      2. Provide essential services to slums and rename the derogatory "Barriadas."
      3. Eliminate slums.
      4. Reduce the cost of housing by:
a) Eliminating land speculation.
b) Developing techniques and producing inexpensive building materials appropriate
to our regions.
c) Streamlining taxes that affect the cost of affordable housing.
5. Target credit exclusively to affordable housing, giving preference to requests from the
vast majority.
6. Regulate rents justly in proportion to the value of housing.
7. Promote and regulate the construction of communal services.

21. HEALTH
   A. Situation
      1. Concentration of services in large cities and absolute helplessness in the rest of the
country.
      2. Absence of preventive medicine and rehabilitation.
      3. Criterion of profitability in the exercise of private medicine and in the production and
trade of medical drugs.
      4. Insufficient and inadequate infrastructure.

   B. Objective
      Medicines adequate to social needs and accessible to the entire population.

   C. Actions
      1. Plan and integrate health activities based on social criteria, covering the entire
population.
      2. Streamline the procurement and use of medical and paramedical personnel.
      3. Develop infrastructure.
      4. Fully produce the country’s pharmaceutical needs.
      5. Establish compulsory, free rural medical service for new medical school graduates.
      6. Encourage scientific and technical research.

22. LABOR AND SOCIAL SECURITY
   A. Situation
      1. Labor Legislation dispersed, anachronistic, and pro-employer.
      2. Inadequate administrative structure and biased conduct of authorities.
      3. Lack of stability in work and wage policy.
      4. Politicized trade unionism with corrupt leadership.
      5. Failure and deficiency in provisions on the right to strike.
      6. Social Security limited to a minority of the population.
      7. Corruption, weakness, and lack of unity within the institutions of Social Security.

   B. Objectives
      1. Fair Labor Relations that balance the worker’s dignity, safety, and welfare with
workplace efficiency and the country’s socioeconomic development.
      2. Efficient Social Security, generalized to the entire population.

   C. Actions
1. Restructure labor laws with the criteria of simplicity and fairness.
2. Reorganize, decentralize, and moralize management structure.
4. Reorganize the system of trade unions to benefit workers themselves.
5. Regulate the exercise of the right to strike so that it does not affect the interests of the worker or the country.
6. Gradually extend social security eligibility to the entire population, assuring it initially to workers and their families.
7. Reorganize, unify, and moralize social security institutions.

23. REGARDING PERUVIAN WOMEN
   A. Situation
      1. The Peruvian woman does not effectively exercise citizen rights.
      2. Women's access to high political and administrative posts and other activities is very limited.
      3. Men control marital assets without spousal consent.
      4. Discrimination against women in employment and pay.
      5. Unfair and inhuman treatment of single mothers.
      6. The low cultural level of most women intensifies men’s abusive treatment of women.

   B. Objective
      Effective equality with men in rights and duties.

   C. Actions
      1. To promote the participation of women in all activities and high-level positions.
      2. Remove all discriminatory treatment that limits opportunities or affects the rights and dignity of women.
      3. Promote the coeducation of men and women.
      4. Ensure that marital assets are not controlled by the husband’s unilateral decision. . . .