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**Onderwerp:** Ecuador at the crossroads after the elections - Eric Toussaint (CADTM)

## Ecuador at the crossroads

Eric Toussaint (CADTM)[1]

<http://www.cadtm.org/spip.php?rubrique2>

In the general elections held on Sunday 26 April, Ecuadorians granted their president Rafael Correa a new four-year mandate. He took over 52% of the votes, placing him more than 20 points ahead of Lucio Gutierrez, his main opponent, the former right-wing president who was overthrown by a popular mobilization in 2005.

At the head of what he calls a “citizens’ revolution process”, Rafael Correa had already won several significant ballots. Elected president at the end of 2006, he held a referendum on general elections to appoint members of a Constituent Assembly, which collected 82% of favourable votes in April 2007, that is, at a time when the establishment and all the media were set against him. In September 2007, candidates of Alianza Pais, Rafael Correa’s new political movement, and of other left-wing parties that supported his project took a majority of seats in the Constituent Assembly. The text of the new Constitution was approved by the ‘assemblists’ in July 2008 after 8 months of democratic preparation during which time representatives of the opposition had ample opportunity to draft proposals. This draft Constitution, developed with sustained civil society participation, was subsequently put to a referendum on 28 September 2008. It was approved with over 60% of votes in its favour. The elections of Sunday 26 April thus confirm the people’s support for Rafael Correa and the parties that have rallied to him.

Provisional results estimate that Alianza Pais has 62 elected representatives out of the 124 members of the new National Assembly resulting from Sunday’s ballot. The other left-wing parties that could ally themselves with Correa are said to have some 15 elected representatives (7 for the MPD, 5 for the municipalists, and 4 for Pachakutik).

The new Constitution guarantees increased cultural, economic and social rights for the population. It has also set up a democratic mechanism through which elected representatives can be dismissed at mid-mandate whatever the level they operate at, including the President of the Republic (this is also the case in the Constitutions set up in Venezuela in 1999 and in Bolivia in 2009).

Democratic political changes in Ecuador are hardly ever mentioned in the major media of industrialized countries. On the contrary a defamatory campaign is methodically orchestrated to present the heads of State of these three countries as authoritarian populist leaders.

Yet the experiences of these three Andean countries in terms of new Constitutions are very rich. They ought to inspire people and political forces in other countries. They contrast sharply, for instance, with the situation in the EU where there is no democratic procedure to adopt a constitutional treaty. Obviously the current experiences in Venezuela, Bolivia and Ecuador also present significant contradictions and limitations which have to be analyzed.

The coming months will show whether Ecuador’s government can take the necessary measures to face the consequences of the international crisis which is deeply affecting the Ecuadorian population.

Since November 2008 Ecuador has stopped repaying part of the loans contracted by previous governments as bonds (the *bonos global 2012 y 2030*). The Ecuadorian authorities made this decision on the basis of the results of work carried out by the Commission for a complete auditing of the public debt.[2] These bonds are indeed nullified by the very conditions in which they were issued. On 20 April 2009 the government proposed that those who acquired such bonds should agree to a 70% devaluation. Their decision is expected by 15 May 2009. Like the majority on the commission, I personally supported

the idea of simply putting an end to the repayment of those bonds and suing the people who were in charge, whether in Ecuador or abroad (mainly US major banks) for the various crimes they are responsible for. While announcing that legal actions would be initiated, the Ecuadorian authorities, as is indeed their right, opted for a more moderate course (similar to that taken by Argentina between 2002 and 2005). The future will say whether this course was enough to relieve the burden of debt on a lasting basis, but today nothing is less certain.

Still, so far, the Ecuadorian government is the only one in the world to launch a complete audit of its public debt during the 2000s and involve society at large. The fact that other governments have not yet followed their example has made life difficult for the Quito authorities since they fear being isolated on the international scene. A new public debt crisis is on its way as a consequence of the international crisis that started in countries of the North in 2007. In the coming months and years several countries will be facing serious repayment difficulties. This is why it is essential to stand firm and defend people's rights against the diktats of creditors.

**Translated by Christine Pagnouille in collaboration with Judith Harris**

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[2] As a member, I have been directly involved in the audit carried out by that commission.

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