Rafael Correa declared new president of Ecuador

By Rafael Azul
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Rafael Correa was officially declared president of Ecuador on December 4 by that nation’s electoral court. He will be sworn in January 15 as the 56th president of Ecuador, the seventh to occupy the post since the legislature removed President Abdalà Bucaram 10 years ago in the midst of a debt crisis that devastated the country.

Correa won the second round of the elections last month, with 58 percent of the vote as compared to Alvaro Noboa’s 42 percent. Correa finished second in the first round of the elections, held in October, with 22.8 percent of the vote. Noboa gained 26.8 percent in the first round.

Correa, a 46-year-old economist trained in the United States and Belgium, served briefly as minister of economics under the government of Alfredo Palacios. Correa has been a university professor most of his life. His running mate, Lenin Morales, a businessman, is new to electoral politics.

Noboa is considered the nation’s richest man. He is heir to a banana fortune and combines a paternalistic persona with staunch anti-union views. He has fired plantation workers who joined trade unions. In 2002, paid gunmen employed by Noboa attacked and shot at striking banana workers.

Correa’s party, Alianza PAÍS, is a bourgeois nationalist party that declares itself to be part of a “progressive current that is taking hold of Latin America and the Caribbean to restore Ecuador from 500 years of exploitation.” Its statement of principles, issued in Spanish and Quichua (the language of the Incas), makes references to the pan-Americanism of Simón Bolívar and the struggle of Ecuador’s native peoples, and calls for the formation of a “new order” based on equality between the ethnicities, ecologically sustainable development and the renegotiation of external debt.

To his followers, in Spanish and Quichua, Correa delivered a populist message with heavy doses of Catholic social doctrine—he is a devout evangelical Catholic. At the same time, he reassured Ecuador’s elite and international finance that he would stay within the bounds of capitalist property relations. In this regard, his choice of vice president, Lenin Morales, an executive who heads the National Federation of Chambers of Tourism, is significant.

During the campaign, both candidates made demagogic promises to provide housing and welfare programs for the poor. Correa presented himself as an anti-corruption reformer and emphasized his opposition to a proposed “free trade” treaty with the United States. He accused his opponent of surrendering national sovereignty and transforming Ecuador into a banana republic.

Correa also called for “neutrality” on Plan Colombia, the US-Colombian program ostensibly aimed at drug interdiction, whose primary purpose is to ensure Colombian oil supplies to US transnational companies. He proposed that Ecuador not renew its lease of the Manta Air Base to the United States. The lease expires in 2009.

Correa opposed the trade pact with the US on the grounds that it would open the door to subsidized US agricultural products and harm the interests of Ecuador’s peasants and small farmers.

He initially proposed that the movement of short-term capital in and out of the country be regulated, and called for suspension of debt payments to the International Monetary Fund (IMF) and other international agencies, pending renegotiation of terms. He subsequently backtracked on both of these proposals under pressure from the business sector. During the campaign in the second round of the elections, Correa made efforts to reassure international lenders that their investments would not suffer under his administration.

Under the hammer of mass protests from workers and indigenous peoples, Ecuador’s legislature has exercised its power to remove presidents from office six times in the last 10 years. Correa and Alianza PAÍS intend to organize a referendum for a National Covention that would reform the constitution to prevent Congress from removing presidents and shift more power to the executive branch. A strong executive would empower the state to more effectively confront social unrest. If this project fails, Correa’s proposals and his future as a president will be in the hands of Congress.

Ecuador is an example of the disaster caused by “free market” policies imposed across the region by the IMF, the World Bank and the US State Department. Beginning in the 1980s, these new prescriptions—free movement of capital, privatization and substantial cuts in government social programs—have had a devastating impact on education, health and social security.

After 20 years of 4 percent yearly growth in per capita income, Ecuador’s per capita gross domestic product (GDP) shrank by 14 percent in 1980-2000. Since then, per capita income has grown a paltry 8 percent in five years.

As a result, the average per capita GDP in 2005—$4,300—was lower than the figure for 1980. Nearly half of Ecuador’s 13 million inhabitants live in poverty; 30 percent exist on less than
The last elected president, Lucio Gutierrez, an ally of US President George W. Bush, was removed from office in April 2005 in the midst of a general strike sparked by massive cuts in public spending, imposed as part of a deal with the IMF. Gutierrez became president on a program of social spending and reform similar to Correa’s, and with the support of Indian organizations, but then reversed himself by agreeing to an IMF-imposed austerity program.

Correa joins a layer of Latin American “left” leaders who, to varying degrees, have challenged US demands that they further open their economies to US capital and sacrifice social programs to the demands of foreign bondholders. Among these are Brazil’s Luiz Inácio Lula da Silva, Argentina’s Nestor Kirchner, Venezuela’s Hugo Chavez and Bolivia’s Evo Morales. All of them came to power on wave of popular resentment by combining nationalist demagogy with assurances to business interests that they would protect profits and capitalist property.

There is nothing novel about this so-called “progressive current.” The bourgeois nationalist “lefts” in Latin America appear to threaten the international financial oligarchy with the prospect of social chaos and instability in an effort to extract loan and trade concessions and mitigate the social crises within their countries. Their essential role, however, is to preempt and prevent the development of an independent political movement of the working class. As a rule, “left” periods of bourgeois rule are followed by periods of increasing economic exploitation and political repression.

Two days after his victory, Correa received a congratulatory phone call from President Bush. Describing the conversation, he referred to the US leader as a “noble person.”

Correa also met with the US ambassador to Ecuador, Linda Jewell. At the meeting, Correa thanked the United States for having extended a bilateral trade agreement that favors Ecuadorean exports to the US. A US State Department official referred to the US leader as a “noble person.”

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