This article examines the context in which Rafael Correa became president, his initiatives, and his accomplishments, followed by a review of the type of constitution he seeks and likely scenarios following the constitutional referendum. Brief mention is also made of Correa’s foreign policy and the state of the economy.¹

How Did Rafael Correa Become President of Ecuador?

Correa came to office in the wake of a crisis of governance set off after Vice President Alberto Dahik was removed from office in 1995. None of the seven presidents Ecuador had in the years that followed completed his term of office. Political stability seemed a distant dream.

In the ensuing turmoil, flouting the Constitution and the law to suit special interests became an everyday occurrence. The executive and legislative branches became mired in conflict, obstructionist tactics, and blackmail. Justice and oversight institutions became politicized and the armed forces were frequently called upon to arbitrate the constant squabbling.

The central government became weakened and unable to fulfill its role in the decentralization process. Key democratic institutions like Congress, the justice system and political parties lost face and credibility. Angry rejection of the political system became widespread. As parties became acutely fragmented, new local leaderships rose to fill the void.

(continued on page 3)
The Inter-American Dialogue is delighted to publish this paper, which features two separate essays prepared by Adrián Bonilla, director of FLACSO (Latin American Faculty of Social Sciences)/Ecuador, and César Montúfar, professor of social and global studies at the Universidad Andina Simón Bolívar in Quito. Bonilla and Montúfar, who are among Ecuador’s leading and most respected political analysts, offer different perspectives on the political origins and outlook of the Rafael Correa government, with a focus on its foreign policy priorities, including relations with the United States. Their thoughtful essays, which concur in some respects and diverge in others, provide important insights about where the Correa administration might be headed.

This working paper is the eighteenth in a special series focused on the Andean countries of South America. The Dialogue’s aim is to stimulate a broad and well-informed public debate on the complex issues facing key analysts and decision makers concerned with Colombia, Venezuela, Peru, Ecuador and Bolivia. We seek to offer diagnoses of the current situation as well as policy prescriptions to deal more effectively with deep-seated problems.

The series is a byproduct of a working group project launched by the Dialogue in 2001. The Andean working group is comprised of select and diverse analysts and policymakers from the Andean region, other Latin American countries, Europe, Canada and the United States. Like the working paper series itself, the group was launched with a particular focus on the Colombian conflict but then naturally expanded to encompass all of the Andean countries.

The working group essentially serves as a “brain trust” or core group of advisors for the Dialogue as well as for policy officials in the Andean region, elsewhere in Latin America, and in the United States, Europe and Canada. The goal of the group is not necessarily to reach agreements or produce consensus documents. Rather, it is to generate fresh and innovative interpretations of multiple Andean challenges, in order to inform the thinking of the relevant actors, and encourage constructive responses from them.

To date, the papers have dealt with a wide range of topics, including the Colombian conflict, drug trafficking, civil-military relations, human security and the political stalemate in Bolivia. We hope this paper will contribute to a deeper understanding of a critical and complex situation in the hemisphere. The opinions of Bonilla and Montúfar do not necessarily reflect the views of the working group or the Inter-American Dialogue.

We are pleased to recognize the assistance provided by the Ford Foundation for our work on the Andean region and for supporting the production of this report.

Michael Shifter
Vice President for Policy
That was the state of affairs in Ecuador when the presidential election of October 2006 was called. Rafael Correa, a former economy and finance minister under President Alfredo Palacio, ran on the Alianza País (AP) or National Alliance ticket. AP was an ad hoc movement bringing together elements of the established left, disaffected members of traditional parties, and a sprinkling of social movement figures. In addition, Correa received support from the Socialist Party in the first vote and from the Democratic Popular Movement in a subsequent runoff election. Indigenous representatives Pachakutik and CONAIE (Ecuadoran Confederation of Indigenous Nations) declined, leaving the movement out of the winning coalition.

In the first round, Correa took second place with 23 percent of the votes cast. Álvaro Noboa garnered 26 percent. Correa subsequently won the runoff election with 56 percent of the vote. In the first round, he had advanced a left-leaning platform denouncing “the long neoliberal night,” international financial institutions, a free trade agreement with the United States, and U.S. use of Ecuador’s Manta air force base. Most importantly, Correa ran on the need to convene a constituent assembly capable of “refounding” the country and ridding Ecuador of political party elites. AP declined to field candidates for Congress and emphasized that only a constituent assembly could really change Ecuador, and this strategic move paid off handsomely. From a dark horse who barely registered seven percent in initial voter surveys, in a matter of weeks he was leading the polls.

Correa then toned down his message. In the second round he emphasized redistribution of wealth, subsidies for the poor, holding the line on utility rates and reducing sales taxes. Correa benefitted greatly from his contender’s unpopularity, as many voted for him primarily to preclude a Noboa win. In brief, Correa won because he appealed to a wider audience, addressed the demands of the needy, and stood as a viable option for anti-Noboa voters.

Rafael Correa, however, was a weak president the instant he acceded to power. His decision not to field congressional candidates meant he had no support in the legislature. State institutions were still controlled by the party establishment and his grassroots support was no greater than that of other new presidents. Just like other Ecuadoran presidents elected on the second ballot, Correa had won with the support of voters who could not tolerate his challenger. At that point, the stunning increase in support he would later enjoy was hard to envision.

However, Correa owes his phenomenal popularity to his use of every tool the state apparatus can offer. Rather than an outsiders’ revolt that sets about transforming the state—as Correa’s “Citizens’ Revolution” campaign slogan would suggest—his project originates in the state and is being imposed on society from the top down.

Correa’s Initiatives and Accomplishments

Since his inauguration on January 15, 2007, Rafael Correa has used every political, legal, fiscal and public relations tool available to build his constituency. The government, for example, conducts systematic opinion polls as inputs for initiatives and messages which are then widely publicized. Correa has also succeeded in introducing the “permanent campaign” style of governing, based on main-
taining high approval ratings. Depending on the polling agency, his numbers in March 2008 ranged from 62 percent (Cedatos) to 80 percent (Pérez). Approval was greatest in Cuenca, slightly less in Quito, and somewhat lower in Guayaquil. Such levels of presidential approval are unprecedented for Ecuador, where most incumbents have governed with 40 percent support or less.

Correa’s permanent campaign approach builds on the anti-political discourse of his candidacy and works by polarizing issues as a prelude to a confrontation with traditional power holders. A key component of this strategy is constant confrontation of political parties, local governments, private banks and corporations, the media, and multilateral lenders. From the government’s perspective, political initiative is the sole prerogative of a president who must do battle against the “mafias” of the past. Correa sees himself as representing the public against the oligarchy, as the embodiment of a state which must be strengthened in order to defend the public against the criminals who plundered it from within.

Essential to building this new order is discrediting and supplanting the private news media. As it fills the airwaves and newspapers with a massive barrage of propaganda, the government is hard at work building a parallel print and broadcasting network. The intent is to lift the monopoly on shaping public opinion from private media hands and ensure that Correa’s sense of urgency flows unimpeded to all citizens.

Using these tactics, Rafael Correa convoked a national constituent assembly, controlled by an absolute government majority. This required unconstitutionally removing 57 legislators from office and shutting down Congress. Once in control of the assembly, the president ruled single-handedly on the contents of the new Constitution.

In addition, constitutional assembly Directive 001 stated that the Constitution remains in effect only insofar as it does not conflict with the decisions of the assembly. This peculiar interpretation is aligned with government requirements and gives the assembly a free hand in altering legal structures before the new Constitution takes effect.

Effectively doing away with the separation of powers, the assembly has directly or indirectly helped the government achieve unbridled influence on the judiciary, the Constitutional Court, and the elections agency, as well as the offices of the Comptroller General, Public Prosecutor, Solicitor General and the Ombudsman, not to mention the Central Bank and a majority of local governments.

The Correa government has also implemented a range of populist measures, including cash transfers, a “redistributionist” tax reform, revision of oil company contracts, and price controls. His expansive fiscal policy is designed to benefit the poor, the military, organized labor, and powerful unions, in exchange for support.

Correa has also created new sectoral and regional coordination ministries, plus a plethora of other cabinet posts. In so doing, he has issued emergency decrees exempting the administration from established procedure. For example, he has handed control of PetroEcuador, the state oil company, to the armed forces and given major road construction contracts to the Army Corps of Engineers.

In the elections of March and September 2007, Alianza País emerged as the indisput-
able new majority, shifting Ecuador from massive political fragmentation to tight concentration. With the probable exception of the mayor of Guayaquil, the government has managed to neutralize most national and local political opponents. Now the sole actor on the political and media scene, the president is overshadowed by no one, including his own supporters in the assembly. Political initiative is effectively a monopoly in presidential hands.

The new political and economic arrangement Correa and his supporters seek is a work in progress. So far, all we can say is that the permanent campaign style of governing has, in a very short time, allowed Correa to make fundamental changes in the way power is shared. Old parties have been destroyed, as have new political options, while state organs have been shut down or reorganized to conform to presidential wishes. An expansive fiscal policy establishes and reproduces clientelistic practices. To circumvent checks and balances on fiscal expansion, the role of the executive has been restructured. Ecuador is being offered a new state built exclusively around the presidential persona. The plan includes supplanting and discrediting all other intermediaries (i.e., democratic institutions, opposition parties, the news media, unions, business groups) and building a structure based on direct exchanges between the executive and society. All other intermediaries have been temporarily or permanently pushed aside by new institutions.

The unprecedented concentration of power in Correa’s hands has proceeded at the cost of breaking down or damaging the constitutional and legal order. In this regard, the government’s chief strategic achievement is to have secured control of the process of change. Government spokesmen argue that it was the only way the power elite, including the political and economic mafia that had commandeered the state, could be unseated. The government suggests that concentration of power was a tactic required by the need to transform old structures, and that the new Constitution will emphasize democracy and power-sharing. Can these assurances be believed? The answer lies in the draft Constitution.

The Proposed Constitution

By controlling a majority of the constituent assembly, the government had no need to negotiate the content of the Constitution with other groups. A reading of the constitutional text, presented on July 25, reflects this imposition:

• **A Strong Presidential System:** The proposed Constitution would permit reelection and expand presidential prerogatives. This power is manifest in the ability to dissolve Congress, presidential influence over constitutional oversight bodies, curbs on private media and expansion of government outlets, referendum democracy based on support for the president, an electoral system that concentrates representation, and the mobilization of client groups through direct democracy.

• **A Centralist Territorial Arrangement:** There would be a strong state, due to a recentralization of powers and resources as well as a government-controlled regionalization resulting in weaker local and autonomous governments.

• **A State-Centric Economy:** The new constitutional document includes strong central planning, a coercive tax system, an expanded economic role for the state and the armed forces, the transfer of strategic areas of the economy to government control, consolidation of a resource export economic model, curbs on both the domestic and international private sectors, and expanded partnerships with government-owned corporations in other countries.
Rolling out these changes is likely to lead to conflict and erode government support, with a few likely flash points:

• The new territorial arrangement runs counter to the decentralization and autonomy efforts of the past 15 years. It should encounter strong opposition from local stakeholders and will likely be a key point of contention.

• The new economic model will hurt segments of the private sector, communities in and around resource-rich areas, and middle- and low-income groups hit by high taxes and economic decline.

• The new political system will weaken a liberal middle class that believes in democracy and rights. These sectors are key media influences and can sway public opinion.

The government proposal is likely to receive support from:

• Radicalized middle-class leftists who support state-centric, authoritarian positions;

• Beneficiaries of subsidies and cash transfers;

• The armed forces (although they are likely to keep their distance in order to retain room to maneuver); and

• Public service associations and powerful unions, including for teachers, healthcare, and oil workers.

The government’s constituency is a diverse mix of impoverished clients, radicalized leftists, public service and other unions, the armed forces, and elements of the indigenous movement. The government will likely remain flexible on some issues in order to negotiate support from additional sectors as required.

**Scenarios after the Constitutional Referendum**

To bring its plans to fruition, the government must first win the constitutional referendum, which is contingent on consolidating its hold on the electorate and attaining a majority among local governments. Thus, 2008 is an exceedingly political year, with all government and assembly initiatives revolving around this objective. Crucially, assembly rules dictate that the draft Constitution requires the approval of 50 percent plus one of the electorate. It also requires a much higher voter turnout than in September 2007, when presidential popularity was at 80 percent and AP won 52 percent of votes cast to give it a strong majority of constituent assembly seats. In a scenario resembling conditions in September 2007, approval of the new Constitution would require 59.5 percent of votes cast. In the conditions of the March 2007 referendum, the figure would be 53.1 percent, and in the scenario of the general elections of October 2006, 76 percent.3

Whatever the circumstances, as in 2007, the government will surely not hesitate to use every available resource to secure victory at the polls.

While Correa’s support makes approval highly likely, it is by no means a foregone conclusion. An economic downturn, the impact of severe flooding in coastal areas, or controversy over constitutional issues could yet prevent the government from obtaining the plurality it needs.

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In the aftermath of the referendum, the country may face the following scenarios:

**Scenario 1: Strong authoritarian institutions** (Likelihood: medium to high) If the draft Constitution passes by a wide or reasonably comfortable margin, the stage would be set for Alianza País to make a clean sweep at the subsequent local, presidential and congressional elections. The new Constitution would set the country on a period of political stability under an authoritarian and illiberal regime running a strong central state with control over economic and resource distribution matters.

**Scenario 2: Weaker authoritarian institutions** (Likelihood: medium to high) Should the draft Constitution pass by a narrow margin, the government could stumble at the polls or have trouble implementing the new Constitution. It may win reelection, but its position could be weakened as the opposition begins to regain strength. Depending on the balance of power, this scenario could morph into Scenario 1 or 3.

**Scenario 3: Return to political instability** (Likelihood: low) If the draft Constitution does not pass, the government may not be strong enough to win the next elections. This might bring back political instability and even lead to extremes, such as the resignation of President Correa or the rise of a destabilizing opposition. The laws and directives passed by the assembly would no longer be in effect, causing constitutional and legal chaos.

**Scenario 4: Return to democratic institutions** (Likelihood: very low) If the draft Constitution fails to pass and the president accepts the results, reformulates his objectives and agrees to leave office as mandated by the 1998 Constitution, assembly laws and directives would be set aside and the opposition could regain strength without recourse to conspiracies or destabilizing tactics.

Regardless, there is no easy way out. Scenarios 1 to 3 would be particularly detrimental to Ecuador. Scenario 4 would be less traumatic but is also less likely.

**Foreign Policy**

The crisis following Colombia’s March 1 incursion against a Revolutionary Armed Forces of Colombia (FARC) camp in Ecuadoran territory became a watershed moment for Correa’s foreign policy. Prior to this, he had kept a low profile and focused mostly on relations with South America. Ecuador was an early supporter of the Bank of the South initiative; forged closer energy and political ties to Venezuela while keeping its distance from Hugo Chávez; and sought stronger ties with China, Indonesia, and Iran. Despite Ecuador's refusal to resume trade talks with the United States or renew the Manta agreement, bilateral relations remained fluid. The Ecuadoran government did not indulge in anti-U.S. rhetoric and continued to seek cooperation and understanding on specific issues.

Rafael Correa had come into office at the lowest point in bilateral relations with neighboring Colombia in recent history. In an effort to reverse the trend—during which his predecessor withdrew Ecuador's ambassador to Colombia for several months—Correa oversaw a notable improvement in political, trade, and diplomatic relations. Of course, aerial fumigation of suspected coca crops along the border remained a source of friction. Faced with Colombia's refusal to put the spraying on hold, Ecuador had even threatened to take the matter to the International Court of Justice.

But the events of March 1 shook Ecuador's overall foreign policy. In addition to denouncing the incursion in the strongest terms, Correa made scathing remarks about Colombian security policy, branding it an...
Two Perspectives on Ecuador

He expelled the Colombian ambassador, broke off diplomatic ties and made good on his threat to take the fumigation issue to the World Court. A radicalized Correa went as far as charging Ecuadoran military intelligence with taking their marching orders from the U.S. Central Intelligence Agency.

The initial Ecuadoran strategy was closely aligned with Venezuela’s. Although Presidents Chávez and Uribe later moved to defuse the situation, an uncompromising Correa persisted in blasting Colombia, even after the resolution passed by ministers of Foreign Affairs at the Organization of American States. Going forward, friction and mutual mistrust can be expected to continue, whether diplomatic ties are re-established or not. To Correa, standing up to Uribe pays high political dividends at home, especially when coupled with tough words about national sovereignty and intervention by “foreign powers,” Correa’s code for the United States. On the other hand, the international community will have to judge Colombian charges of links between the FARC and Ecuadoran officials. President Uribe himself has maintained that the FARC contributed to Correa’s election campaign. While the Correa government has succeeded in convincing Ecuadorans that these allegations are part of a smear campaign, the issue may eventually undermine the support Correa has received from around Latin America.

Brief Overview of the Economy

Rafael Correa has had good news on the world economic front. World prices for crude oil and other key Ecuadoran exports are high, remittance flows are on the rise, and local exports are benefitting from a declining U.S. dollar. Yet, in spite of this bright outlook, economic performance in 2007 came up short. Ecuador’s 1.9 percent gross domestic product (GDP) growth was among Latin America’s lowest. Crude oil production fell and growth in other sectors of the economy was sluggish. As of March 2008, inflation had climbed to over five percent and job creation was down year-on-year. Foreign investment in 2007 was a low $900 million, interest rates went up, and public spending increased exponentially. Cash transfers took a $4 billion chunk out of the budget and public sector wages were raised by 23 percent for political and electoral reasons.

For 2008, prospects are more upbeat although not outstanding (the International Monetary Fund forecasts 2.9 percent GDP growth). While crude oil production is expected to increase in a context of high world prices, a global downturn could hurt Ecuadoran exports and drive inflation. These externalities may be compounded by current bad weather and by further fiscal expansion designed to help Ecuador emerge from what Correa terms “the long neoliberal night.”
kidnapped. In short, the country was clearly not governed democratically.

From this vantage point, Correa’s presidency can be seen as another episode within a long tradition of Ecuadoran politics dominated by individual leaders rather than stable or enduring institutions. The difference now is that no president in recent Ecuadoran history has enjoyed the popular support or total institutional control that Correa enjoys. Nor has any president faced such weak and divided opposition from the political class, general population or business interests. Beyond any specific reform or deliberate effort to weaken the state, the present concentration was enabled by the unpopularity and disintegration of the political system inaugurated in 1979.

**Popularity**

What explains Correa’s popularity? The first reason is the dismal reputation of the post-1979 political order, which was dominated by corrupt and exclusionary political parties. Correa is seen as completely outside of the Ecuadoran political class, due to his independence and lack of previous experience, but also to his relative youth and fiery anti-establishment rhetoric.

A second factor explaining Correa’s popularity is his strategic management of his public image, both during electoral campaigns and while president. Correa governs as though he is on a permanent campaign and has benefited from excellent marketing, without hesitating to finance it with public resources. Part of the reason Correa has deliberately never ceased to be a candidate is that he has participated in four national elections: the first round of the presidential election, the presidential runoff, the referendum to convolve the constituent assembly, and the election of assembly delegates. In the past two years, Ecuador has never emerged from campaign mode and neither has Correa, the most important national political figure.

The public image that the president seeks to project is of an anti-system, patriotic reformer. He emphasizes the reemergence of the Ecuadoran national identity through the frequent invocation of the “patria” or homeland. Somehow the president and his publicity team have generated a collective identity that is exceptionally strong, particularly for Ecuador, which is usually united only by athletic triumphs or international military confrontations.

Third, the Correa government has retained popularity by avoiding the perception of significant or generalized corruption, particularly illicit personal enrichment. So far, at least, the figures surrounding the president—technocrats, academics, and leftist activists—have not provoked hostility among the electorate or evoked the negative stereotypes of traditional politicians.

Lastly, Correa’s support is a product of the fact that Ecuadoran society is marked by inequality and exclusion. The collapse of the financial system and dollarization in the 1990s cost the country over $4 billion, left millions destitute, and pushed ten percent of the population to leave the country. Special interests had captured the state, protecting some sectors and impoverishing others. Even after years of economic growth, the current poverty rate is 38 percent, with 11 percent of the population living in extreme poverty. This history helps explain why the discourse of the current Ecuadoran government makes a clear break with past regimes and emphasizes equality and inclusion.

Given his widespread support, popular referenda have been the most powerful instruments for legitimizing Correa and his proposals for reform. The sudden blossoming
of political change that had been germinating for more than a decade can only be explained by the sudden appearance of an extraordinarily popular political figure. Correa enjoys an exceptional electoral mandate, particularly by Ecuadoran standards, and uses it to apply pressure to the rest of the political system.

Correa’s popularity has barely diminished despite several incidents during his administration. Just in the last few months, these include the confrontation with Colombia stemming from the bombing of a FARC encampment in Ecuadoran territory, the resignation of the president of the constituent assembly, and the confiscation of more than 160 subsidiaries of the Isais Group (the owners of banks that collapsed at the beginning of the decade), including two nationally broadcast television channels. While his popularity has dropped somewhat from earlier levels, he retains strong personal support.

Old Politics

One question still to be answered is whether Correa’s political project is another episode in Ecuador’s history of political instability or a turning point toward greater institutionalization. Movimiento País or National Movement, the center-left coalition of powerful local leaders (caudillos), small social movements, and minority political parties, is the loose political coalition that backs the president. It professes the common goal of transforming the state, but the modus operandi of its members is nearly indistinguishable from that of the traditional political operatives. Clientelism and patronage, especially at the local government and corporate levels, continue to be standard practice.

In the era since 1979, the central laws governing Ecuador’s political parties, elections, law enforcement agencies, and the judiciary have been repeatedly modified and revised to accommodate the immediate interests of sitting governments. The Correa government is no exception to this trend, and there is a high probability that the current draft constitution will fall victim to the same fate. While the political arena—particularly the media and elites—has undergone a social and generational evolution, the Correa administration has not yet demonstrated that it will break from Ecuador’s questionable traditional political practices.

The Rise of Correa

Three coups, six governments, three supreme courts, and two constituent assemblies over the last 13 years testify to Ecuador’s political turmoil. The instability began in 1995 with the first interruption of a government mandate. Congress impeached then-vice president Alberto Dahik, marking the beginning of a decade in which no Ecuadoran president would manage to complete his term. Abdalá Bucaram was thrown out of office for “mental incompetence” barely six months after his term began, followed by Jamil Mahuad of the conservative wing of the Christian Democratic Party in 2000. Lucio Gutiérrez won the 2002 elections with leftist rhetoric and the support of the indigenous party, only to change his political orientation and expel his former allies from government six months into his term.

Small groups on the left, low-profile local caudillos, union leaders, intellectuals and academics initiated Correa’s 2006 presidential campaign, which later garnered the support of other powerful social movements, including indigenous groups. The candidate’s personal charisma and work ethic, coupled with a well-funded campaign, put him ahead in the polls during the last weeks before the election. Correa came in second in the first round of voting, six points behind the multimillionaire Álvaro Noboa, who combined populist pledges with devout Catholic rhetoric. Correa’s campaign gained new life,
however, when he decided not to support candidates for Congress, which leant credibility to his proposal to convene a constituent assembly. Against all predictions, Correa won the second round runoff by an overwhelming 16 percent.

Upon assuming power, the constituent assembly plan became the main focus of the Correa administration. Not only was it a central campaign theme, it is his symbolic link to the renewal and change sought by the electorate. The assembly proposal distinguished and distanced Correa from the opposition, ensuring he had the popular support in each political battle.

Such clashes were numerous because Correa assumed control of the executive in a position of extreme political weakness. He was bombarded with attacks from the opposition, which controlled law enforcement agencies, the Constitutional Tribunal, the Electoral Tribunal, the Supreme Court, and most importantly, Congress. Facing this onslaught, Correa appeared headed for the same fate as past presidents: blackmailed by political parties and later unceremoniously thrown out of office.

While the congressional opposition attempted to stymie Correa by blocking the constituent assembly, its resistance was easily dissolved, overcome by overwhelming public support and an Electoral Tribunal ruling of dubious legality. This first confrontation with the Congress was decisive. Correa took advantage of the unpopularity of the legislature to overwhelm it. A majority of Congress opposed calling a referendum to decide whether or not to convocate the assembly, but the opposition became entangled in the legal wrangling over control of the Electoral Tribunal. At the same time, 58 opposition members of Congress were dismissed, accused of sabotaging the electoral process. When the Tribunal eventually dissolved the Congress, the media was virtually the only social or political force that came to its defense. A new Congress comprised of substitute deputies expressed their gratitude toward Correa by voting in favor of all of his proposals.

The Constitutional Assembly

Ecuador has already undergone twenty constitutional experiments, and they have most often been used as a way out of an institutional crisis or period of instability, such as when it entered or emerged from dictatorships. The current Constitution is no different, offering a response to recent political turmoil by ushering in dramatic changes to presidential powers and electoral rules.

Government Control

Once the congressional opposition was neutralized, obstacles to convoking the constituent assembly were suddenly swept away. Correa quickly moved forward with his agenda, winning the referendum to convocate the constitutional assembly with more than 80 percent in favor. The subsequent vote to elect delegates had a low electoral threshold for representation, which benefited small parties and minority groups to an unprecedented degree. Once again, Correa achieved an overwhelming electoral victory, unmatched in Ecuadoran history. Movimiento País, the president’s political coalition, won 86 out of 130 seats. The Partido Sociedad Patriótica or Patriotic Society Party, led by ex-president Lucio Gutiérrez, was the next runner up with just seven seats.

Such a resounding victory made the debate over the decision making powers of the assembly irrelevant. The opposition always maintained that the body’s mandate extended no further than the drafting of a new Constitution, but the government majority argued it had the power to reorganize any institution. As such, the first action
taken by the assembly was to effectively dissolve Congress by declaring it in recess, even though it had also served as just a rubber stamp for the president.

With its overwhelming majority, government allies can control the outcome of the process without having to compromise or respond to dissent. Politics has turned inwards, reflecting the priorities of the Movimiento País governing coalition without representing or including opposition interests. Because it lacks input from large sectors of the population, the constitutional document approved at the end of July will not necessarily mark a point of unification for a new society.

Internal Conflict

Acuerdo País, the political party that supports Correa and controlled the assembly, is hardly a homogenous group, and several points of ideological tension have emerged. All of these conflicts have been resolved by the omnipotent interventions of the president, who settles controversial issues according to political convenience or his own ideological values. This became especially evident when the president of the constituent assembly and a close ally of the president, Alberto Acosta, was obliged to resign.

Up until he stepped down, Acosta was the second most important political figure in Ecuador and a symbol of the movement that brought Correa to power. In some ways, he was an early mentor to the president, pushing him into public life through the study and debate groups that proliferated in the country after the banking crisis. An argument with the president about when the assembly should finish its work was the last episode in a series of disagreements over collective and individual rights, environmental protections, and indigenous issues. The dispute ended with the political bureau of Acuerdo País, a collective authority named by the President, asking Acosta to resign the presidency of the assembly. He complied, and the body finished drafting the Constitution under the watchful eye of the president’s legal advisor. The dismissal of Acosta cemented Correa’s personal control over the political movement and the government.

Correa defines himself as a politician of the left, but he does not govern in collaboration with any of Ecuador’s traditional leftist social movements. Emblematic of this isolation is his rocky relationship with the Ecuadoran Confederation of Indigenous Nations or CONAIE. A key actor in Ecuadoran politics during the 1990s, CONAIE was damaged by its alliance with ex-president Lucio Gutiérrez and has been excluded from any participation in Correa’s government. Its presidential candidate garnered barely two percent of the vote in the last elections, and various parts of the organization have been co-opted by the president’s political project. Thus, CONAIE’s opposition to some government policies has not hurt the government or Correa’s popularity.

Environmental issues are among the most important and contentious internal conflicts. The president has little sympathy for ecology, as his background in development economics conflicts with the demands of environmental groups. This is the issue where the discord between the president and his former mentor Alberto Acosta was the most visible, but they also disagreed over the timeline for the assembly and the necessity of involving social movements.

Issues of individual rights have also provoked disagreement within the Alianza leadership. Correa is a devout and conservative, even recalcitrant, Catholic on these issues. Various members of the assembly, on the other hand, have lobbied for the legalization of homosex-
ual marriage and abortion. This discrepancy has led to delays and tensions within the coalition, but the eventual compromise more closely reflected Correa’s view.

While these conflicts have taken a toll on the governing coalition, the most important divisions will be those that emerge when the government is obliged to select candidates. If the draft constitution is passed, new elections will be called in which the government’s chosen candidates stand a far better chance of victory. Thus, the hierarchy within Alianza País will be critical. While there are different political currents within the coalition, so far they have all been obscured by the overpowering presence of the president and his personalist style of government. All functionaries and activists now declare themselves correístas—Correa supporters—but the president clearly favors some friends over others.

**Opposition**

The opposition was devastated during the first year of the Correa government. The business and political elites have been unable to organize themselves since they lost control of state institutions, which they had openly profited from for decades. Less than two years after winning the first round of presidential voting, Álvaro Noboa was forced to give up his seat in the assembly because he refused to make a full disclosure of his assets. Former president Lucio Gutiérrez has lost influence after he was implicated in various espionage scandals and his collaborators were named in bribery cases. This leaves the mayor of Guayaquil, Jaime Nebot, as the default opposition spokesman, but he has no intention of sacrificing his post to challenge Correa at the national level.

Regional tensions do persist in Ecuador, but not nearly at the level of conflict between the Santa Cruz economic elite and Evo Morales’s supporters in Bolivia. In the last elections in Ecuador, in fact, government candidates won by a three-to-one margin in Guayaquil, which is both the center of opposition and the city where Correa was born.

**The Draft Constitution**

The president’s approval ratings will probably fall in the run-up to the referendum, but it is difficult to predict if they will descend to a level that would endanger his project. The government will likely win the referendum to approve the Constitution as well as the subsequent presidential elections, which are particularly significant given that the new Constitution would allow for reelection.

In general terms, the draft Constitution represents another step towards hyper-presidentialism. Not only are there fewer checks and balances on the executive, but the president would gain more prerogatives and powers. The provision allowing for immediate presidential reelection breaks with the tradition of alternation in power dating back to the return of civilian government. Beyond the nationalist rhetoric that flows through the document, at the crux are provisional regulations that guarantee presidential control over all state authorities and powers, including the Supreme Court and the Electoral Tribunal.

This concentration of power contrasts with the respect for civil liberties shown by the administration. For example, the confiscation of the media outlets of the Isaías brothers, the ex-bankers accused of not paying debts to their clients and the state, was carried out according to legal procedures and overwhelmingly supported by the public. The problem is that constitutional legality in Ecuador is the product of the political system and, as such, can be compromised at any moment.
Ecuador in the Context of Andean Populism

The Andean region, with the probable exception of Peru, is characterized by the presence of extremely powerful executives, the lack of checks and balances on the powers of state, a weakly represented civil society, and collapsed political parties. These conditions have spawned a new form of politics, one that is replacing the old order with coalitions of social and regional caudillos united around the image of the president.

Ecuador, a part of this trend, is undergoing a transition to a new political framework, very different from the one adopted during the transfer from military to civilian rule. Like its Andean neighbors, the new system involves a powerful executive, few checks and balances, political symbolism, a malleable constitution, and legitimization through elections.¹

A regime of this nature has been established fairly late in Ecuador, relative to other Andean societies. Fujimori began the series in Peru during the 1990s, but this model can also be seen in Venezuela under Hugo Chávez, Colombia under Álvaro Uribe, Bolivia under Evo Morales, and of course in Ecuador under Correa.

This political system has existed as much in governments of the left as those of the right. Personalist rule is not a product of a specific ideology, but rather of the inability of the liberal economic model to deal with the pressures of globalization. For this reason, it is necessary to differentiate between two phenomena occurring in the Andes and within Ecuador. The first is the development of a political regime that concentrates power in the hands of the executive, putting some civil liberties at risk. The other is the general tendency of Latin American voters to elect leftist governments. It would be a methodological and conceptual error to presume that ideology—in this case the left—causes or creates the political regime that many call populism, neo-populism, or radical populism.

In order to understand Ecuadoran democracy, one must ask whether the “populism” concept is useful in distinguishing among particular cases. To the contrary, populism is broad enough to describe nearly the full spectrum of political processes in the region. Rather than shedding light on the nature of emerging political practices, the term more often generalizes very distinct processes, thereby constructing stereotypes with little informative value.

External Influences

Venezuela

While the Ecuadoran government is frequently called “pro-Chávez,” this label is both vague and an oversimplification. Elements of Ecuador’s domestic politics and constituent assembly may evoke the Venezuelan experience, but it has staked out international, social, and economic policies that are distinct from Venezuela’s. For example, Quito has not accepted the invitation to become a member of Chávez’s Bolivarian Alternative trade arrangement, ALBA. In fact, the level of cooperation with Venezuela since Correa came to power has remained nearly unchanged. Rafael Correa is attempting to leave Ecuador’s discredited political model behind, but he is not merely duplicating another country’s approach.

¹ Some of the ideas developed in this work were also expounded during the conference “Understanding Populism and Participation: A New Look at the New Left in Latin America,” Wilson Center, March 2008
Ecuador has attempted to diversify its foreign relations, moving away from a reliance on either the United States or Venezuela. In the area of defense, for example, Venezuela is hardly Ecuador’s principal partner. Chile and Brazil are the main sources of Ecuador’s weapon systems within the region, and traditional suppliers such as the United States, Israel, France and China continue to maintain normal flows. For ideological and practical security reasons, Ecuador and Venezuela both harbor a certain level of distrust towards the government of Colombia. This tension, however, has not necessarily hurt Ecuador’s relationship with other countries. For example, in spite of recent temptations presented by the border crisis with Colombia, the Correa government has largely avoided confrontational rhetoric with the United States.

### United States

Andean countries are much more heterogeneous than even the rest of Latin America, particularly when it comes to their policies towards the United States. Venezuela strives to construct a counter-hegemonic bloc while Colombia tries to maintain a special alliance with the United States. Ecuador has distant but cordial relations with the superpower, without hostility or explicit membership in any regional alliance. Peru keeps up its independence and good bilateral relations while Bolivia joins Venezuela in its negative view of the United States.

The indifference of the United States towards changes in the region and its stubborn adherence to a uniform agenda for extremely heterogeneous countries help explain the tensions in the hemisphere. United States policy toward the Andean region is characterized by overemphasis on security, reliance on a Cold War era approach to the Colombian conflict, and unwillingness to adapt to political changes in the region.

The one-size-fits-all approach of the United States is especially ironic given its emphasis on bilateralism. Washington’s preference for trade negotiations with individual countries reveals the limits of its influence beyond security issues. By decoupling historic economic relationships between neighboring countries, bilateralism has severely weakened the fragile institutions of the Andean Community of Nations (CAN), particularly Ecuador and Colombia.

### Multilateral Institutions

The consensus that emerged from the Summit of the Americas in Miami in 1994 ushered in years of cooperation on defense and democracy, but it has now disintegrated. This remarkable progress was undermined by the unilateral character of Washington’s global initiatives and its focus on security.

Responsibility for the exclusive focus on security does not lie only with Washington. In the Andean region at least, several states followed and consolidated this trend based on their own national interests. Specifically, the Colombian effort to present its internal conflict as a regional issue provoked negative reactions among its neighbors, especially Ecuador. This tension prompted the militarization of borders, enunciation of separate and isolated conflict strategies, and “securitization” of Ecuador’s relationship with Colombia. As a result, bilateral relations between Colombia and Ecuador deteriorated to an unprecedented degree.

The absence of democratic accountability on the hemispheric and regional level—the product of the weakening of multilateral institutions—has encouraged the tolerance of antidemocratic conduct. The most dramatic case in the Andean region remains the government of Alberto Fujimori in Peru in the 1990s. This lack of collective democratic
standards allows for a variety of practices that contravene the rule of law, political tolerance, and free electoral competition.

**Conclusion**

The political regime inaugurated in 1979 was unable to process the central tensions in Ecuadorian society and, as a result, collapsed with the election of Rafael Correa. In less than a single year, without widespread or lethal violence, all of Ecuador’s political institutions fell under control of the executive. The opposition, which was never loyal to the concept of equality or representative democracy, has been decimated. In this power vacuum, Correa, seen as a reformist caudillo, has concentrated all the powers of government and representative functions in his own hands.

It is impossible to understand the domestic politics of Andean countries, and particularly the Ecuadoran case, if one does not reflect on the nature of US foreign policy over the last dozen years and its impact on the region. Bilateralism is the preferred form of relations, and security issues have dominated the agenda. Hemispheric and regional multilateral institutions have eroded, as evidenced by the absence of regional strategic blocs, and domestic political institutions are weakening as well.

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