FEATURED Q&A

Will Protests Force Ecuador’s Correa to Backtrack?

Critics of Ecuadorean President Rafael Correa are planning a one-day national strike on Thursday to protest government moves including a law that revised state contributions to pensions and a temporarily shelved proposal to boost inheritance taxes. Despite the vocal opposition to Correa’s agenda, the president had the approval of 65 percent of respondents in Quito in a poll released July 14 by CIEES, with similar levels of support in Guayaquil and Cuenca. Will the protests lead Correa to backtrack on his proposals? To what can Correa attribute his popularity in recent polls? How well is he managing Ecuador’s economy?

Francisco Borja, Ecuador’s ambassador to the United States: “President Rafael Correa’s approval rating is easy to understand when we look at the results of the policies that his administration has implemented over the last eight years, which have reduced the country’s poverty to 25.5 percent from 37.6 percent; extreme poverty to 8.6 percent from 16.9 percent; and unemployment to 3.8 percent, the lowest in Latin America. During his administration, Ecuador’s GDP has doubled, and investment in education increased to 2.1 percent of GDP. Despite the great progress our country has achieved, challenges remain that the government is working to address. The proposed laws are designed to enable our country’s economy to continue to grow without affecting the day-to-day lives of the majority of our citizens. The government suspended its proposed legislation recognizing the importance of communicating to all Ecuadoreans the goals and details of its proposed reforms. In line with this inclusive approach, and abiding by the government’s promise to promote national dialogue on these issues, the...
Ruling Party’s Scioli Leads in Argentine Presidential Primary

Daniel Scioli, the candidate of Argentina’s ruling Judicialist party, led the field in Sunday’s presidential primary, though the results showed that a November runoff is likely after the country’s October general election. With 87 percent of the votes counted, Scioli, the governor of Buenos Aires province, led with 36.5 percent of the vote, the Financial Times reported. Buenos Aires Mayor Mauricio Macri of the opposition Cambiemos coalition trailed with 31.4 percent, and Congressman Sergio Massa, a dissident Peronist, was in third place with 20.5 percent of the vote. “Argentina has found a way. It is evident that with this result there is a clear will to continue advancing toward a great future,” said Macri. “We have to unite, because united we are more.” Unlike primaries in other countries, Argentina’s primary is less about which candidates will be selected to lead their parties’ tickets in the general election and more about which candidates have enough support to become the country’s next president, Agence France-Presse reported. Sunday’s results increased the likelihood of a second round in November, analysts said. In order to win in the first round on Oct. 25, a candidate must win either 45 percent of the vote or 40 percent with a 10 percentage point lead over the second-place candidate, the Financial Times reported. If the election goes to a runoff, the results of the second round could be determined by which candidate, Scioli or Macri, receives the bulk of Massa’s supporters if Massa fails to advance. [Editor’s note: See Q&A on Argentina’s election in the Aug. 3 issue of the Advisor.]

Heavy Winds, Rain Force Chile Mines to Suspend Operations

A number of mines in major copper producer Chile took precautions and suspended operations over the weekend as heavy winds and rain battered the nation’s coastline, Reuters reported Sunday. Strong storms affected Chile’s coast, from Arica in the normally-dry northern Antofagasta desert down to Los Ríos in the south, killing at least five people and affecting at least another 1,000, who are being housed in shelters after evacuating or losing their homes, according to emergency service Onemi. Another 120,000 people were left without electricity. Mudslides wiped out roads in the city of Tocopilla in the Antofagasta region, causing at least three deaths, according to local media reports. More than 15 millimeters of rain (0.6 inch) of rain fell in the region in under six hours, the interior ministry said. After months of drought, an El Niño weather pattern is bringing warmer waters down the coastal region and leading to heavy rains, Bloomberg News reported. In March, Chile’s northern region saw its worst storms and flooding in decades. Chilean state-owned mining company Codelco said Sunday it had suspended its second-largest copper mine, Chuquicamata, as a safety measure. Another smaller mine halted work Sunday morning, but had resumed operation by the evening. Mining company Antofagasta said all of its mines were operating normally.

Cuban Government Arrests 90 Dissidents

Cuba on Sunday arrested about 90 activists, around 50 linked to the Ladies in White activist Group as well as another 40, some of whom were wearing masks with the image of U.S. President Barack Obama, Agence France-Presse reported. Some protesters criticized the thaw in U.S.-Cuba relations and said the Cuban government had grown bolder since diplomatic relations between the nations have improved. The arrests came just days before U.S. Secretary of State John Kerry is scheduled to arrive in Havana for the inauguration of the reopened U.S. embassy.
government has already held 696 meetings with more than 3,600 people in the 48 days since the president called for this national debate. The government also acknowledges those groups of people and opposition leaders who are discontented with the government’s proposals and are promoting protests and strikes, many of whom are seeking to advance personal political ambitions. Yet, they have a voice and are being listened to."

Marc Becker, professor of history at Truman State University: “Correa groups all of his opponents together as if they represent one single, united effort to destabilize his government, but it is important to recognize divisions in the opposition. While conservatives oppose his proposals to raise inheritance and capital gains taxes, those who are leading the current protests represent marginalized and impoverished sectors of society who benefit from such a redistribution of wealth. Indigenous movements that are currently leading a protest march from the southeastern Amazon to the capital city of Quito are not calling for a rollback of Correa’s economic agenda, but rather the realization of the promises co inténded in the progressive 2008 Constitution. Their demands include a restoration of the autonomy of the intercultural bilingual education program, free access to public education and a halt to the plunder of natural resources as promoted by new land, water and mining laws. In July, the Confederation of Indigenous Nationalities of Ecuador (CONAIE) ratified its ‘commitment to defeat the capitalist economic model built upon the exploitation of oil and mining resources.’ Instead, they called for the establishment of ‘an alternative community-based economy based on the principles of a plurinational state.’ Quite clearly, these are not the goals of the conservative opposition that under previous governments profited from the privatization of public resources. Hopefully, the current protests will pressure Correa to advance rather than backtrack on a progressive economic agenda that will benefit the majority the majority of people in Ecuador. It is those policies that previously earned him such high approval ratings.”

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<td>&quot;Despite a rising tide of protests, and though his poll numbers are actually lower than in the recent past, Rafael Correa remains one of very few current Latin American presidents whose approval ratings exceed 50 percent. Despite a reputation for being thin-skinned and polarizing, Correa benefits from relatively prudent management of income from the commodity boom that lifted Latin American economies until about 2013. The country is dotted with major infrastructure projects, schools, and health clinics, and living standards have risen notably since 2007. The Correa government’s strong influence over media coverage undoubtedly boosts public perceptions of him too. Correa’s popularity is fragile, though. His party fared surprisingly poorly in February’s local elections. And now, with oil and other commodity prices remaining low, his government is feeling the pinch: hence the proposed pension reform and other cost-cutting measures. These measures are likely to cost Correa some of his popularity, and the opposition, with its so-called ‘People’s National Strike,’ hopes to maximize that. They calculate that a weakened Correa will be more inclined to keep his word and abstain from seeking another re-election in 2017. With the opposition seeing opportunity and Correa accusing them of plotting a coup, the likelihood of compromise or backtracking is small. If they wish to make a dent in Correa’s popularity, though, the national strike’s organizers will need a large, peaceful turnout. A relative lack of participation, or outbreaks of violence, will play to President Correa’s advantage, and could even bolster his popularity.”</td>
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