## The coup in Ecuador: a grim warning

## Gerardo Nebbia, Bill Vann 2 February 2000

The brief seizure of power by a group of army officers in Ecuador on January 21 marked the first time since 1976 that the South American continent has seen a civilian government overthrown by a military junta. Not since General Jorge Videla carried out a coup that led to the death and disappearance of tens of thousands of Argentine workers, students and intellectuals has the South American military entered so directly onto the political stage.

While the military government held sway only long enough to topple Ecuador's unpopular president, Jamil Mahuad, and install his vice-president, Gustavo Noboa, the event has shaken the entire continent. Nearly two decades after Latin America's so-called democratic transition, the specter of military dictatorship is once again stalking the region.

With Ecuador, the chain of civilianized Latin American regimes has broken at its weakest link. The country is plagued by the continent's most intense economic crisis.

Last year the Ecuadorian inflation rate soured to 60 percent; production fell by nearly one-third and unemployment broke the 17 percent mark. In a country where per capita annual income is a mere \$1,600, workers' buying power has been dramatically slashed, while the government has frozen bank accounts in an attempt to stem a wave of banking collapses. Out of a population of 12.4 million, 8 million Ecuadorians are classified as poor.

Mahuad's proposal to dollarize the economy, scrapping the sucre, the national currency, in favor of US greenbacks, sparked widespread opposition and mass protests that ended in the military overthrow. Nonetheless, the events in Ecuador can hardly be ascribed to the peculiar characteristics of that nationality. Venezuela has seen the election of Hugo Chavez, the former paratrooper who led an abortive coup attempt in 1992 and has brought a layer of military officers into key positions in his own government. Some of those involved in the coup in Ecuador cited the Chavez regime as their inspiration.

In Peru, President Alberto Fujimori has presided over the effective militarization of the country, while amending the constitution to concentrate power in a Bonapartist presidency. And in Colombia, civil war intensifies, with growing US military involvement.

While relative calm has reigned in the streets of the capital, Quito, since Noboa's installation in the presidency, recriminations have continued over the motives and machinations that led to Mahuad's overthrow. The coup took place in the context of a nationwide protest that saw 10,000 Indians, organized by the National Federation of Ecuadorian Indians (CONAIE), enter Quito from the surrounding highlands. At the same time oil workers and the United Workers Front, FUT, Ecuador's main labor federation, called for a national strike for January 24, demanding that Mahuad, Congress and the Supreme Court resign.

On the morning of January 21, thousands of Indians surrounded the Congress building. To the sounds of the national anthem, they were escorted in by the military. Fifteen minutes later, an Indian flag had replaced the Ecuadorian flag and the takeover was complete. A three-man junta of "national salvation" was formed, consisting of Antonio Vargas, the head of CONAIE, Army Colonel Lucio Gutierrez and Carlos Solorzano, a retired leader of the Ecuadorian Supreme Court. Heavily

armed troops also occupied the presidential palace and the Supreme Court building.

By late that evening, armed forces chief General Carlos Mendoza had taken Gutierrez' place in the junta, stating at one point that the joint command was in complete control of every section of the armed forces. Within hours Mendoza dissolved the junta and declared that Noboa would take the reins of government. CONAIE quickly called off the protests and the Indians began streaming out of Quito.

In an interview last week, Mahuad charged that the Indian protests, which led elements of the so-called left in Ecuador and throughout Latin America to speak of the coup in terms of a popular uprising, had been manipulated by the military from the start. Elements of the military command, meanwhile, claimed that it was Mahuad who had been plotting an "auto-golpe" or self-coup, with the aim of assuming dictatorial powers. Reports surfacing over the past week indicate that both charges may be true.

*El Comercio*, one of Quito's dailies, reported that a month before the coup 60 army captains and 120 lieutenants, upset by cuts in the military budget, met at the Army Polytechnic School in Quito to discuss the political crisis confronting the Mahuad government. Within two weeks, they met again and obtained the support of several colonels. One of them, Lucio Gutierrez, drafted a letter from the group to the joint chiefs of staff, proposing Mahuad's removal. Gutierrez had already been in touch with CONAIE, and gave the army's tacit support for the Indian march on Quito.

Around that time, US Undersecretary of State for Latin American Affairs Peter Romero met in Quito with President Mahuad. Some observers think that Romero came to warn Mahuad against the coup, and to suggest that armed forces chief Jose Gallardo be removed. In the wake of the visit, Mahuad replaced Gallardo with General Mendoza and introduced the dollarization plan.

Both decisions sounded the alarm to the colonels, who, together with the CONAIE leadership, began preparing the overthrow in Quito. From the military's perspective, CONAIE's protest march on Quito was needed as a cover for the coup, allowing the officers to present their junta as an outgrowth of a mass popular struggle.

Mahuad insists that the coup was rooted in the military's resentments over cuts in arms spending, a refusal to provide officers with a larger salary hike than civilian state employees, and a 1998 peace treaty signed with Peru. The military itself was divided over the coup attempt. Sections of officers feared that if the colonels and lower-ranking officers succeeded in taking powers into their own hands it would disrupt the existing chain of command and threaten the system of rewards and privileges within the Ecuadorian armed forces.

Considerable interests were at stake. Army-dominated industries, ranging from TAME airlines to oil and agricultural enterprises, play a significant role in the Ecuadorian economy. The military's Industrial Directorate holding company is a part owner in a new Marriott Hotel that opened recently in Quito. It is an open secret that the military skims up to 15 percent of the revenues from the country's oil exports.

Another consideration in the swift handover of power to Noboa were threats from Washington that the consolidation of a military regime would be met with political isolation and an economic embargo. Romero reportedly phoned General Mendoza and told him that Quito would be given the same treatment as Havana if the junta stayed in power.

General Mendoza, who resigned after the abortive coup, charged that Mahuad had worked out plans with some of his ministers to suspend constitutional rights and assume dictatorial powers, along the lines of Peru's Fujimori. The plan was reportedly presented to the armed forces chiefs as well as the senior commanders of the Ecuadorian police. For his part, the ex-president has acknowledged that such proposals were made but claims that he was too much of a "democrat" to go along with them.

Since assuming the presidency, Noboa has vowed to press ahead with the unpopular economic policies of Mahuad, while vowing to maintain order. While claiming the support of the armed forces, he denies that his government is controlled by the military.

Yet the officer who replaced General Mendoza as armed forces chief, General Telmo Sandoval, has been widely identified as one of the chief coup plotters. Further, several hundred officers who participated in the overthrow will face no trial and have been restored to their military posts.

All the conditions that gave rise to the events of January 21 remain unchanged. The international banks and financial institutions continue to demand even sharper austerity measures from the Ecuadorian government, while existing conditions of joblessness and poverty will inevitably give rise to continued mass protests.

What both the abortive coup attempt and the reports of dictatorial plans within the Mahuad government reveal is that the traditional structures of civilian, parliamentary rule have become so weakened and corrupted that they are incapable of containing the immense social conflicts generated by the economic crisis.

In addition to workers' strikes and Indian protests, there is a threat that the country could split apart along regional lines. On the weekend of the coup attempt, the coastal province of Guayas, the economic and commercial center of Ecuador, held a referendum in which 85 percent of the voters approved a proposal for "economic autonomy," meaning that the provincial government should withhold tax payments from the central government in Quito.

The courts are going ahead with the prosecution of some of the leftnationalist elements who threw their support behind the coup. Two leaders of the MPD (Democratic Popular Movement), a Maoist party which is represented in the parliament, are facing trial on charges of leading the Indian demonstrators into the Congress. A leader of the court workers' union, meanwhile, will be prosecuted for taking control of the Supreme Court building.

These trials point to the politically criminal role played by the so-called left leaderships that dominate the workers' movement in Ecuador. The Maoists hailed the mass demonstrations of Indians, suggesting that their greatest achievement was "sensitizing" the armed forces to the plight of the people. They reserved their main fire for the "Yankee embassy" for plotting to bring down the "civic-military junta."

The Patriotic Front (PF), a parliamentary bloc that includes members of the former Ecuadorian Communist Party, made similar appeals for "progressive" sections of the military to join in the formation of a new government of national unity.

Political tendencies which in an earlier period extolled the virtues of guerrilla warfare today promote as instruments of liberation the very institutions that liquidated guerrilla movements like Alfaro Vive in Ecuador. These Stalinist and petty-bourgeois nationalist layers are incapable of learning anything from the previous political disasters in which their own policies played a critical role.

In the 1960s the Ecuadorian Communist Party hailed the military junta that came to power with the backing of the CIA. After their own leaders fell to the repression unleashed by this regime, they secured their release in exchange for an appeal to the working class to drop their resistance to

the dictatorship.

Again in the 1970s, when General Rodriguez Lara took power, also with CIA support, the Stalinist party proclaimed it a progressive regime and secured a role as unofficial adviser with an office in the presidential palace. The Rodriguez Lara regime paved the way to a military triumvirate, which unleashed intense political repression and carried out massacres of striking workers.

And, in the 1980s, when General Frank Vargas, the former armed forces chief, launched a military uprising, the Stalinists, together with the leaders of the former guerrilla movement that he repressed, backed his action, portraying it as a vehicle for national liberation.

Given the nature of these leaderships, and the unbroken chain of betrayals that they have carried out, it is hardly surprising that there is widespread confusion within the Ecuadorian working class over the military's role. Hatred of the existing order, combined with the profound crisis of perspective within the working class itself, produced substantial sympathy for the January 21 coup attempt.

The events of January 21 constitute a grave warning to the workers and oppressed of Ecuador and throughout Latin America. While the media speaks of the Ecuadorian army having gone back to its barracks, the coup attempt has served as a strategic probe from which the military and the ruling class are drawing their conclusions. As in Chile in 1973, the abortive coup may well prove only a rehearsal for the real thing.

Washington officially opposed the seizure of power by the military. It fears that a return to the era of dictatorship will destabilize the entire continent and risk the igniting of revolutionary struggles by the Latin American working class. Nonetheless, the imposition of relentless "structural adjustment" programs and austerity plans are creating intolerable social conditions throughout the region.

The policies promoted by Wall Street, the International Monetary Fund and the US government render inviable the hollow democratic forms that Washington insists must be maintained. In the end, the US-trained military in Ecuador and elsewhere on the continent remains the principal instrument for defending the interests of American capitalism in the hemisphere.

These interests are considerable, indeed decisive for the interests of the US-based banks and multinationals. The region absorbs 18 percent of US exports and accounts for about 21 percent of US companies' overseas investments. An economic collapse or revolutionary upheaval in the region would quickly rebound on the US economy. Given such a threat, Washington's distaste for military regimes could quickly evaporate, with the CIA and the Pentagon once again sponsoring coups and dictatorships.

The workers of Ecuador will soon be disabused of whatever illusions they retain in the democratic sentiments of that country's military. The January 21 events, with their manipulation of the Indian protests as a cover for a reorganization of the capitalist regime, has already begun this process. The repression which is now being prepared will further it.

Workers must learn the bitter lessons of the defeats of the 1970s, when reformist, Stalinist and nationalist leaderships tied the working class to the corrupt parties and governments of the national bourgeoisie, while the military and its US "advisors" prepared bloody coups and mass repression.

A successful struggle against a renewed threat of dictatorship in Ecuador and across the continent requires the mobilization of the working class based on its own, independent political program for the socialist transformation of society and the liberation of the Indian and peasant masses from the conditions of misery imposed by imperialism and the national bourgeoisie.



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