Ecuador shaken by anti-government protests, mass strikes over inflation

Dominic Gustavo 29 June 2022

Extreme social inequality exacerbated by spiraling inflation, especially food and gas prices, triggered a social explosion in Ecuador. The South American nation of 17.6 million people has been brought to a standstill by mass strikes and demonstrations, plunging the right-wing government of President Guillermo Lasso into crisis.

Protests began on June 13, when the Confederation of Indigenous Nationalities of Ecuador (CONAIE) group—the largest of the organizations purporting to represent the country's 1.1 million indigenous people—called for a national strike, issuing a list of 10 demands including: a reduction in the price of gas and diesel; implementation of price controls on agricultural products; social aid for more than 4 million families; a renegotiation of private debts; a moratorium on the expansion of mining and oil operations on indigenous lands; and a greater allocation of resources towards education and public health.

The *Guardian* quoted an indigenous woman from Samanga named Sonia Guamangate who gave a sense of the protesters grievances: "The prices have risen in the city but what we get paid for our agricultural products remain the same... Sometimes they are paying as little as \$5 or \$6 for a quintal [100kg] of potatoes. That's a year's work for some of us." She added, "They call us ignorant Indians. We are not ignorant; we supply the food for the city."

Tens of thousands of indigenous farmers and rural laborers descended from the Andes slopes and the Amazonian regions, setting up roadblocks throughout the country and marching in provincial cities before converging on the capital. They were joined in the cities by workers and students, who have also faced economic destitution due to inflation. As one worker, mechanical engineer Miguel Terán, told the *Guardian*: "There is a clamour among the people, especially those who don't have a job... It's very difficult to live when all the prices have risen so much. The fuel prices have gone up, so all the basic products have gone up."

Since June 21, Quito has been effectively paralyzed by protesters blocking off several key roads near the city center where they engaged in a standoff with police, punctuated by violent clashes.

Other parts of the country were similarly shut down and enveloped by deadly unrest. In Puyo, in Pastaza province, indigenous protesters bearing firearms and ancestral spears engaged in street fighting with soldiers and police, in the process setting fire to the police station and patrol cars. At least six protesters have been killed and hundreds wounded in the brutal state crackdown, which has seen unarmed protesters beaten, shot and gassed by heavily armed militarized police.

The mass protests have effectively paralyzed the Ecuadorian economy, with oil production having fallen by more than half as a result of road blockades, vandalism and the takeover of oil wells, according to the energy ministry which stated, 'In 14 days of demonstrations, the Ecuadorian state has stopped receiving around \$120 million.' The ministry warned Sunday that oil production could grind to a complete halt, "because it has not been possible to transport the supplies and diesel necessary to maintain operations.' Ecuador produced about 520,000 barrels of oil per day before the protests. It should be noted however that the transportation unions have refused to go out on strike, limiting the economic impact of the road blockages. Regardless, the supply disruptions have been immense.

Lasso initially declared a state of emergency over "grave internal commotions" in six provinces and claimed in televised remarks on June 24 that the leader of CONAIE—Leonidas Iza—was attempting to overthrow the government, saying "It is proven that the true intention of the violent (people) is to generate a coup and that is why we call on the international community to warn of this attempt to destabilize democracy in Ecuador ... Mr. Iza can no longer control the situation. The violence perpetrated by infiltrated criminals has gotten out of hand."

Just a day later however, Lasso abruptly ceded to the demands of indigenous groups to lift the state of emergency, and the National Assembly announced that it would form a commission to facilitate negotiations with indigenous leaders to bring an end to the protests.

Meanwhile the opposition Union for Hope party—aligned with former president Rafael Correa—had called for the impeachment of Lasso, but fell 12 short of the 92 votes required for the legislature to remove the president from office. Tuesday's impeachment vote in the National Assembly, however, hardly represents an end to Ecuador's crisis of bourgeois rule.

Oscillating between limited concessions and police state repression, Lasso seized upon the death of a member of the military in clashes with protesters on Tuesday as the pretext for breaking off talks with leaders of indigenous organizations, including CONAIE. This was accompanied by savage attacks by security forces on Quito's impoverished San Miguel del Comun neighborhood and against a protest at the University of Cuenca in the country's south.

In an effort to defuse popular anger, Lasso had earlier pledged on Sunday that he would cut gasoline and diesel prices by 10 cents a gallon, in addition to previously announced fertilizer subsidies and debt forgiveness measures.

These are the actions of a regime in desperate crisis, while also reflecting divisions within the Ecuadorian bourgeoisie over how best to control an increasingly restive population. Sections of the oligarchy are losing confidence in the Lasso government's ability to manage the situation. But whatever Lasso's fate, the roots of the current crisis are deep, and cannot be solved on the basis of parliamentary maneuvers.

Lasso, a multimillionaire ex-banker, was elected in April 2021 on the basis of the failure of the governments of Rafael Correa and his successor, Lenin Moreno—part of the pseudoleft "Pink Tide" that swept Latin America—to follow through on promises of social reform, instead lurching sharply to the right.

Though elected on the basis of right-wing populist promises to create jobs and raise living standards, Lasso's neo-liberal market policies, which were dictated by the IMF, have entailed sharp cuts in social spending, tax cuts for capitalist investors, the lifting of restrictions on mining and oil drilling, and the surrender of key sections of Ecuador's economy to imperialist capital.

These policies have resulted in a bonanza for foreign investors and the country's venal ruling elite, on the one hand. On the other, the IMF austerity measures—combined with the impact of the COVID-19 pandemic and inflation—have plunged masses of workers and the rural poor into absolute destitution.

According to a report by the NGO CARE, 2022 saw levels of poverty explode in the already deeply unequal nation, with 35 percent of the population living on less than two

dollars a day, and 40 percent of households facing food insecurity. Some 8 percent of children will likely be forced to abandon their studies to work, much of it unpaid care work.

Ecuador has been ravaged by COVID-19, having recorded nearly a million cases and almost 36,000 deaths, almost certainly an undercount. The economic ramifications of the pandemic caused unemployment to skyrocket, and even today just 33.2 percent of Ecuadorians are formally employed, with 22.1 percent classified as underemployed, according to Ecuador's national labor statistics.

Such levels of inequality and poverty have inevitably produced extreme social dislocation. Rates of violent crime, which had been declining for years, exploded in 2021, fueled by gang violence and the growth of drug trafficking operations. Deadly riots in the country's overcrowded prisons—the last was in May, with 44 dead—have become more common, and have provoked outrage among the population, with distraught relatives blaming the government. Since February 2021, nearly 400 inmates have been killed in six separate massacres.

To all of this must be added the devastating effect of the spiraling inflation, produced by the instability of the world financial markets and the disruption of international supply chains provoked by the US-NATO proxy war against Russia in Ukraine.

The social explosion in Ecuador must be seen in this broader context. Similar conditions prevail throughout Latin America, which was already the region with the highest debt in the world and riven by the most extreme social inequality. Whatever the immediate outcome of this struggle, it will happen again, and on a larger scale.

The fear gripping the bourgeoisie was expressed in May of last year by outgoing Colombian President Ivan Duque. As his security forces were gunning down protesters, he warned that the pandemic would be the trigger for "great social unrest" that would soon grip other nations in the region.

The spiraling capitalist crisis is shaking the very foundations of the old order and is throwing the great oppressed masses of humanity into struggle. In Ecuador, as throughout Latin America and internationally, it is only the working class that can lead these struggles to a successful conclusion. This requires the building of sections of the International Committee of the Fourth International to lead the struggle for socialism.



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