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Ecuador

# The Fall of Lucio Gutiérrez

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**We publish here a part of the political balance sheet drawn up the Corriente Democracia Socialista (Ecuadorian section of the Fourth International) on the situation leading to the fall of president Lucio Gutierrez and the political conjuncture which has now opened up. This article forms part of a longer document analysing the two years of Gutiérrez government and the situation of the resistance.**

The fall of Lucio Gutierrez has an economic and political character. However, there is a predominance of the political element. For this part of the analysis we start with the same question as in 1997 and 2000. Why, if Lucio Gutiérrez was really a neoliberal president, was he overthrown?

[<https://www.internationalviewpoint.org/IMG/jpg/Ecuador3.jpg>]

Storming the presidential palace

### **The political factors.**

Due to the changes demanded by the Tratado de Libre Comercio (TLC - Free Trade Agreement) with the United States, and permanent political crises for eight consecutive years, there have been constant redefinitions of the "class forces", with the continued hegemony of the dominant class being far from certain. This seems to be what motivated the last political crisis - who will lead the current process of transformation, what political orientations and distribution will prevail in class and state terms?

### **The economic factors.**

The economic crisis was not the main reason for the recent political crisis, as it was at the time of Mahuad's fall in 2000, when the financial crisis reached a boiling point, but it does constitute part of the background to this new conflict.

It is motivated by conflict over the distribution of economic resources generated by oil and stemming from privileges in relation to the US, with Gutiérrez shifting his alliance from one class fraction to another, and still more by the possibility of boosting the process of capitalist accumulation with the income from global bonds, with the offer by the US to renegotiate the foreign debt; the possible economic income generated through privatization, the capital that would be generated from the sale of banks saved from bankruptcy and which were going to be sold off cheap by Gutiérrez through the AGD deposit insurance agency.

In addition, there were disagreements about certain points concerning the application of the TLC. Conflicts between different fractions exist over the TLC and Gutiérrez was unable to act as the axis of reconciliation between the factions of the dominant class to articulate agreements benefiting them all.

The position of the US in the negotiations has been extremely rigid, as opposed to which Peru, Ecuador and Colombia have displayed an impressive servility. It seems that this led to frictions between Gutiérrez and groups that had experienced greater difficulty in the negotiations, for example, the agricultural, cattle, floriculture and pharmaceutical sectors among others.

This exacerbated disputes over who was to derive the greatest benefit from the TLC within the dominant class.

In the midst of the struggle, the political crisis eroded the impression that Gutiérrez had created among wide segments of the popular sectors that certain aspects of economic crisis of the neoliberal model had been overcome, that the financial crisis of 2000 was over, that economic crises no longer exist and that fiscal packages nor structural adjustment measures "are no longer necessary" due to the increase in oil prices.

## The Fall of Lucio Gutiérrez

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*The successive overthrows of the government in 1997 (Abdala Bucaram), 2000 (Jamil Mahuad) and April 2005 (Lucio Gutiérrez) can be analysed together.* Again it is necessary to go back to 1997 when Abdalá Bucaram's government fell after a very deep political crisis and 2000, when Mahuad's government collapsed following an economic and political fiasco. The two governmental collapses opened a crisis of hegemony of the dominant class and a deep political instability in its alliances.

The deterioration of the relationship of forces between the dominant class and the regime was obvious, although they are united behind neoliberalism and capitalist domination.

In 1997 and 2000 the governments fell as a result of a deep crisis of the neoliberal model and the globalization of economies. In 2005, Gutiérrez's presidency collapsed at a time of some economic growth, but an unresolved political crisis.

Above all in 1997 and 2005, after the fall of the respective presidents, the neoliberal model tends to back down momentarily before resuming and advancing.

In these eight years, political crises were connected to the process of dependency and the crisis of the state structure, the political parties and the resulting organizational forms of society with the same origin, an ever greater submission to US imperialism.

[<https://www.internationalviewpoint.org/IMG/jpg/Ecuador2.jpg>]

Molotov cocktails and tear gas in the streets

This explains the fragility of the political system and the instability of the alliances. On the one hand the PSC (party of the right) is the party axis in the disputes, and perhaps is the one which has benefited most from the falls of government, in 1997 there was an alliance of the PSC [1] and Fabian Alarcón- FRA [2], in 2000 there was a PSC-DP alliance, which ended in crisis, fragmentation and the virtual extinction of the DP; in 2005 the PSC-Gutiérrez alliance did not last long, and the present alliance of the PSC and ID-MUPNP [3] is equally fragile.

In the three cases the inter-bourgeois alliances expressed extremely aggressive struggles between economic groups. The recent alliances express high levels of competition and discordance.

All three presidents who have fallen from power have been similar in their authoritarian attempts to concentrate power. It is clear that Gutiérrez was much more bold than the others in wanting to concentrate power to his favour in the executive, legislature and judiciary. The change in the Supreme Court was a detonator. In 2005 a general crisis in the three functions of the state was obvious, a crisis that became untenable for Gutiérrez.

In the three governmental collapses, the behaviour of the US has been similar: to ensure that whoever succeeds to government is firm on the US military base at Manta, the foreign debt and the FTAA - TLC trade agreement and to ensure a constitutional resolution.

The successive crisis reveals a deteriorated political apparatus and demonstrates serious internal conflicts inside the armed forces. In 2000, the internal fissure in the armed forces that led to the coup d'etat was obvious. During the first quarter of 2005, there were internal clashes, denunciations of the level of repression, corruption and scandals concerning arms sales by the armed forces during a territorial conflict with Peru.

The three crises have not involved the highest levels of armed confrontation with the civilian population; nevertheless, civil confrontation and brutal repression have become increasingly normal. In 2000 16 indigenous activists died, in April 2005 there were several deaths, among them Julio Garcia, a Chilean journalist, and overall there was the highest degree of repression, persecution, belligerence, violence and civil confrontation in Quito

between defenders of Gutiérrez and opponents, something not before experienced and which deepened the regional conflicts.

[[https://www.internationalviewpoint.org/IMG/jpg/Lucio\\_Gutierrez.jpg](https://www.internationalviewpoint.org/IMG/jpg/Lucio_Gutierrez.jpg)]

Lucio Gutiérrez in 2002

The expulsions of Bucaram in 1997 and Lucio in 2005 were a product of multi-class spontaneous movements, but with different actors on each occasion. In 1997 Bucaram was defeated by a great national spontaneous democratic movement, with a significant presence of the popular sectors. In the case of Gutiérrez, although the mobilization was not at the same level, the presence of actors with democratic slogans was intense and exerted high levels of pressure. Unlike 1997, the broad popular sectors stayed depoliticized, on the margins.

The strength of the mobilization was constituted more by middle-class and petty bourgeois layers, with a broad layer of radicalized young people and women. On April 13, 2005 there was a mobilization of the middle-class, petty bourgeoisie and bourgeoisie in Guayaquil, Quito and Cuenca, related to the PSC and ID, whereas from April 14, at least in Quito, the mobilization, summoned by means of the radio "La Luna", advanced alone, self-managing its own forms of struggle without political parties; certain popular sectors appeared openly supporting the Gutiérrez regime.

In the successive crises mobilization has become a space of pressure for citizens to overthrow governments and to question the institutions as a whole. Criticism of the lack of democracy of the state institutions has been more evident in 1997 and in this recent mobilization.

In the three experiences two possible ways of resolution have emerged that demonstrate that the period of class struggle opened in 1982 has not been closed: a conservative way out and a democratic way out. Generally, the dominant sectors seek to sideline the democratic content and to consolidate the bourgeois class programme, within the framework of the existing institutions.

While the mobilizations express a democratic content and citizens' political demands, racial and sexual discrimination among groups that participate in the struggle has been obvious.

In this occasion, the more important economic problems related to the TLC have not been resolved. The mass media were under pressure to support the most democratic groups.

The successive falls of government are initially motivated by inter-bourgeois conflicts but the subsequent mobilizations go beyond this. After the fall of the presidents, the right seeks to deactivate.

### **The democratic struggles and the necessity of a revolutionary leadership**

Through the democratic road combined senses of participatory and direct democracy are built, escaping the structures of the political parties and after the fall of the governments more organic constructions have emerged.

Thus in 1997 the Popular Assemblies mobilized for the Constituent Assembly that emerged in 1998. In 2000 the indigenous movement impelled the articulation of indigenous and popular parliaments.

From the beginnings of April 20, 2005, various attempts at participation were made: the National Assembly of Peoples was set up by CONAIE [4] and other urban social sectors. It is independent of the political parties and its slogans are "Out with all of them, No to the TLC and out with the Manta base" but it does not manage to articulate an axis of confluence of the spontaneous struggle. In addition, assemblies in the south and north of Quito have emerged

to discuss action for a refoundation of the country.

In the three crises the indigenous movement and the social organizations have been hard hit. In 1997, the populist policy of Abdalá Bucaram divided the indigenous movement in the second electoral round, while in 2000, after the military-indigenous alliance, the indigenous movement was betrayed and harshly repressed. Now the indigenous movement, co-opted by the Gutiérrez government, is very divided and barely participated in the recent process, its bases have questioned the objectives of bringing down the government, others are caught up in the clientelist policy and as a whole distanced from the struggle of the poorest sectors of Ecuador.

The political crisis benefited the most reformist sectors of the left, at all times rooted to the alliances of the right opposing the government, as was the case with the Pachakutik movement. Other left groups have assumed independent positions but have not converted them into processes of broad leadership. A certain independent left exists although it is weak and has not taken on its final form. The CONAIE and other urban social organizations have for now decided to stay independent from the government of Palacio. During the April mobilization questions were opened on the signature of the TLC. .

### Political perspectives

1. The Palacio government has made slight modifications in orientation on themes like the distribution of oil funds for health and education as a priority and the TLC, extension of militarization and citizen participation.
2. Inter-bourgeois conflicts will remain on the TLC, the distribution of economic resources and the political crisis.
3. The big mobilizations and democratic demands have already raised the necessity of making changes, but the parties are already interpreting this as a cosmetic change to the political structure.
4. The Ecuadorian political system is characterised by great political and economic risk and instability.
5. If we observe the struggles from 1997 to today, the two axes of confrontation that have managed to influence the correlation of forces have been the fight against the neoliberal model and the fight for democracy and sovereignty.
6. "The fight for democracy must be oriented by the Refoundation of a New Country and against imperialism". The slogan "Que se vayan todos" ("Out with all of them") was an element of pressure for the overthrow of Lucio, and the basis to continue with the formation of Popular Assemblies.
7. The defeat of the left is evident, but a breathing space for the organizations to continue fighting has been created.
8. Advance towards the constitution of a political leadership based on a democratic and left content expressed in the mobilizations and construct independence in relation to the new government.

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[1] Partido Social Cristiano - Social Christian Party, one of the main rightwing formations.

[2] Frente Radical Alfarista, a liberal party

[3] An alliance of the social democratic 'Democratic Left' and the Pachakutik, the political wing of the CONAIE indigenous movement).

[4] Ecuador Indigenous Nationalities Confederation