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FEATURED Q&A

What Does a Defeat at the Polls Mean for Ecuador's Lasso?



Voters in Ecuador dealt President Guillermo Lasso a double blow this month, rejecting his proposals for constitutional changes and electing opposition members to key local offices. // File Photo: Ecuadorean Government.

Q **Ecuadoreans voted on Feb. 5 by 51.45 percent to reject President Guillermo Lasso's proposed reforms, including allowing extradition for organized crime. Lasso advocated for the measure in the referendum, which would have allowed Ecuador to send suspects abroad for trial on drug and weapons charges, as a tool to reduce crime. Also on Feb. 5, allies of leftist former President Rafael Correa won several local election contests, including the mayor's races in Quito and Guayaquil. What were the main reasons for the outcome of the vote? How might the plebiscite and local election results affect Lasso's popularity and the opposition's posture? How might they reshape the political dynamic in the country?**

A **Marc Becker, professor of Latin American history at Truman State University:** "Lasso's backers—both domestically and internationally—have attempted to put a positive spin on Lasso's wipeout in the recent elections, but there is no denying the reality. Voters overwhelmingly rejected Lasso's right-wing political agenda. But this is nothing new. Lasso and his neoliberal policies have never enjoyed popular support in Ecuador, and in fact, the rejection has been constant and intense as evidenced in last June's sustained protests. Historically, conservatives only win elections in Ecuador when the left is divided, which is exactly how Lasso managed to finally gain the presidency in 2021 after repeated previous failed attempts. Rafael Correa's Revolución Ciudadana was the big winner in this month's elections, but it is also important to recognize that the Indigenous political party Pachakutik was the second most significant force. Due to personality differences and the

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TODAY'S NEWS

ECONOMIC

Petro, Maduro Sign Agreement for Stronger Trade Ties

Colombian President Gustavo Petro and Venezuelan President Nicolás Maduro on Thursday signed an agreement on their countries' border to strengthen trade ties.

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BUSINESS

Chevron to Ship More Than 100,000 Barrels of Venezuelan Crude

Chevron is set to ship more than 100,000 barrels of Venezuelan crude to the United States this month, Reuters reported, citing shipping documents.

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POLITICAL

Canada's Trudeau Deploying Navy Vessels to Haiti

Canadian Prime Minister Justin Trudeau announced Thursday that he will deploy navy vessels to Haiti in order to help the Caribbean nation fight gangs.

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Trudeau // Photo: Facebook Page of Justin Trudeau.

POLITICAL NEWS

Canada to Deploy Navy Vessels to Haiti for Intelligence Effort

Canadian Prime Minister Justin Trudeau announced Thursday that he will send navy vessels to Haiti within the coming weeks in order to help the Caribbean nation with intelligence-gathering efforts as it fights gangs, Reuters reported. "We are working closely together to help address the political, security and humanitarian crisis in Haiti," Trudeau said, adding that the ships would also conduct surveillance. "Right now, Haiti is confronted with unrelenting gang violence, political turmoil and corruption. Now is the moment to come together to confront the severity of this situation," Trudeau added, the Associated Press reported. Trudeau made the comments in the Bahamas at an annual meeting of leaders of the Caribbean Community, or Caricom, regional bloc. Haiti is high on the agenda at the meeting, which began Wednesday night and runs until today. Trudeau's announcement followed the return of one of Canada's surveillance planes, which the prime minister had dispatched on a similar mission to help collect intelligence for Haitian police, the AP reported. Canada has also sent armored vehicles and security gear to Haiti, Reuters reported. Trudeau also said his government would provide an additional \$12.3 million in humanitarian assistance as well as \$10 million to the International Office on Migration in order to help protect Haitian women and children close to Haiti's border with the Dominican Republic. In the past year, the Dominican Republic has deported tens of thousands of Haitian migrants and others of Haitian

SUBSCRIBER NOTICE

The Latin America Advisor will not be published on Monday, Feb. 20 because of the Washington's Birthday holiday in the United States. We will resume publishing on Tuesday, Feb. 21.

ancestry, the AP reported. "The toll of human suffering in Haiti weighs heavily on me," said Trudeau. The Canadian leader announced sanctions on two additional individuals accused of supporting gangs, though he did not disclose their names. The sanctions brought to 17 the number of people Canada has sanctioned in connection to Haiti. Earlier on Thursday, Trudeau met with Haitian Prime Minister Ariel Henry, who told reporters that he wants his nation to hold elections despite worsening insecurity in the country, the AP reported. In January, the terms of Haiti's 10 remaining senators expired, leaving the country with no lawmakers in its National Assembly. The number of killings reported last year in Haiti rose by 35 percent to 2,183 victims, according to the United Nations, while the number of reported kidnappings more than doubled to 1,359, the AP reported. Last month, a report by the United Nations Integrated Office in Haiti said "gang-related violence reached levels not seen in decades" in the Caribbean nation. A power vacuum that followed the July 2021 assassination of Haitian President Jovenel Moïse has led to gangs increasingly taking control of territory, including in the capital, Port-au-Prince. Henry has appealed for foreign military forces to help Haiti regain security, but Sibylle Fischer, an associate professor at New York University, told the Advisor in a [Q&A](#) published Jan. 24 that few Haitians would support such forces. "Henry's request of a 'rapid response force' to restore security is in all likelihood an attempt to hold on to power," said Fischer. "Given that, and the dismal track record of international interventions in Haiti, most Haitians are adamantly opposed to an intervention," she added.

BUSINESS NEWS

Chevron to Ship 100,000-Plus Barrels of Venezuelan Crude

U.S. oil major Chevron is set to ship more than 100,000 barrels per day (bpd) of Venezuelan crude to the United States this month, accord-

NEWS BRIEFS

Guyana Expecting Annual Growth of 25% for Three to Four Years Amid Oil Boom

Guyana's government is forecasting an economic expansion of 25 percent annually over the next three to four years amid growth in its oil sector, Finance Minister Ashni Singh said Thursday at an energy conference, Reuters reported. Since a consortium led by U.S. oil major Exxon Mobil began oil production in the South American country in 2019, its economy has boomed. "From 2020 onwards, we've achieved extremely strong real economic growth overall," Singh said at the conference.

Chile Lowers Estimate for GDP This Year, Expects 0.7% Contraction

The Chilean government on Thursday lowered its estimates for the country's gross domestic product this year, expecting a 0.7 percent contraction, down from a 0.5 percent contraction, Reuters reported. The revision came amid the country's economic slowdown after a rapid post-pandemic recovery, coupled with high interest rates targeting soaring inflation. The government added that inflation could reach 7.3 percent this year, up from a previously forecast 6.3 percent, and well above the central bank's target range of 2 to 4 percent.

Amaral Resigns as Chief Operating Officer of Brazil's XP Investimentos

Bernardo Amaral resigned Thursday as chief operating officer of Brazilian investment fund management company XP Investimentos, Bloomberg Línea reported. Amaral's resignation came amid expectations for staff layoffs and disappointing fourth-quarter results. For the quarter, XP on Thursday reported adjusted net income of 893 million reais (\$171.1 million), below analysts' estimates of 1.03 billion reais.

ing to shipping documents, Reuters reported Thursday. Venezuela's state-owned PDVSA has been under sanctions since 2019, after Nicolás Maduro won his re-election bid in the country's 2018 presidential election, widely perceived as fraudulent. The U.S. Treasury Department granted Chevron a license late last year authorizing it to resume and expand operations in the South American country. It began shipping in January. Chevron has already exported some 75,000 bpd, mainly to the Pascagoula refinery in Mississippi, Reuters reported. The oil shipped under the U.S. license has come from Chevron's two main ventures in Venezuela: Petropiar and Petroboscan. PDVSA holds majority stakes in the joint ventures. It has tapped a section of Petroboscan's stocks as well as sent crude from Petropiar to its own refineries, the documents said, Reuters reported. Since Chevron's renegotiation of its contract last year, European oil companies have sought greater control of joint ventures in which they are involved in Venezuela, Bloomberg News reported. Italy-based Eni and Spain's Repsol are reportedly reviewing drafts of potential contracts after meeting with high-ranking Venezuelan government officials. [Editor's note: See related [Q&A](#) in the Dec. 23 Energy Advisor.]

ECONOMIC NEWS

Colombia, Venezuela Presidents Sign Trade Deal on Border

Colombian President Gustavo Petro and his Venezuelan counterpart, Nicolás Maduro, on Thursday met on their countries' shared border to sign an agreement to strengthen trade ties between the two countries and eliminate import duties on dozens of manufactured products, the Associated Press reported. "This is not only about making trade easier, but also about making it easier for people to move between both countries," Petro said during the ceremony on the Atanasio Girardot International Bridge, which connects the two countries, the wire service reported. "There has to be

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contrasting logics between Correa's political party and grassroots social movements as expressed with the Indigenous confederation CONAIE, tensions between the two forces have existed dating back to Correa's emergence on the political scene almost two decades ago and are unlikely to ever disappear. Those deep-seated divisions are the only reason Lasso is currently president, and his only hope of holding on to office for the final two years of his mandate. He and his policies have never enjoyed significant popular support, and these elections reflect that reality. Lasso's political agenda is dead, and he will be lucky to survive until the end of his term."

A **Marcelo Espinel, subdirector at FCD Ciudadanía y Desarrollo in Ecuador:** "Since Feb. 5, President Lasso has faced his worst days, because despite his calculations and an unfortunate triumphalism, he has positioned himself as the loser of these elections. The government had anticipated that it would not obtain good results in the local elections, so it did not devote more effort to them. However, it did not expect that former President Correa's political party would be the winner across the most important mayoral and prefecture races in the country. Furthermore, the government also obtained an

legality here, so that the rights of people are protected," Petro added. The trade agreement "updates everything having to do with tariffs, with goods traded, [and] lays the foundations for a new dynamic, for the expansion of trade between Colombia and Venezuela," Maduro said at the event, Reuters reported. The deal comes amid warmer relations between the two countries following Petro's inauguration last August as Colombia's first leftist president. The following month, the two countries began reopening the border to cargo trucks for the first time in seven years, the AP reported. "We have to fill these bridges with trade," Petro said Thursday. Luis Vicente León, president of

unfavorable result on the questions raised in the referendum. None of the eight questions obtained a positive vote. This could correspond to citizens' discomfort with the administration's management, as well as to the complexity of the questions coupled with a poor communications campaign.

“The government had anticipated that it would not obtain good results in the local elections, so it did not devote more effort to them.”

— Marcelo Espinel

The opposition took advantage of these vulnerabilities; in addition to campaigning for its local government candidates, it also campaigned for the referendum's 'no' option. In terms of the outlook for the future—which is perhaps not as uncertain as at the start of Lasso's presidency—the president has lost his final opportunity to achieve greater legitimacy in the face of his detractors, and with the current allegations of corruption surrounding his government, his stay in office is further complicated. However, Correísmo has managed to reorganize, and it

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Datanalisis in Caracas, told the Advisor in a [Q&A](#) published Oct. 7 that the border reopening has significant benefits for both countries. "For Venezuela, the commercial opening with Colombia represents access to competitive raw materials, inputs and finished products in terms of price and proximity, and it generates a logistical opportunity for importing goods from the rest of the world, with a reduction in freight and transportation costs," said León. "For Colombia, it represents an expansion of the country's natural market and an opportunity for complementarity in the areas of chemical and energy areas, which are very important for both countries," he added.

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has returned strongly to the electoral board in the country. One wonders whether this is due to a well-executed strategy, or whether it is merely a citizen response to an inefficient government that did not fulfill what it had offered.”

A **Hernán Reyes Aguinaga, professor of communications at Universidad Andina Simón Bolívar in Ecuador:** “The surprise election results of Feb. 5 resulted in a real tsunami for the already-fragile government of Guillermo Lasso. He lost every question he posed to reform the constitution, and most of the new authorities of the Council for Citizen Participation and Social Control (CPCCS), who will appoint state control authorities, are close to the largest opposition political parties. To top it off, the correista movement, Revolución Ciudadana, was, together with the political arm of the Indigenous movement (Pachakutik), triumphant in the local elections. For four years they will govern the country’s largest provinces and cities. Although prior to the elections the popularity and public approval of Lasso’s administration was below 20 percent, the new political map plunges its future into uncertainty. Lasso’s call for a great ‘national

agreement’ failed to have any effect, as the most important political and social organizations publicly warned that they would denounce it for lack of credibility. That extreme weakness to govern paints a bleak picture. As various sectors have already demanded, the options would be few and all radical or extremely adverse. Lasso could resign early,

“Lasso’s call for a great ‘national agreement’ failed to have any effect.”
— Hernán Reyes Aguinaga

applying the ‘muerte cruzada,’ that is to say, a resignation accompanied by the dissolution of the legislature in order to trigger new elections. Or we could see a prolonged agony of his government project in the more than two years remaining in his administration, with very serious repercussions for the economy and institutionality.”

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta.

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Advisor Video

Between Radicalization and Prospects for Change in Nicaragua

An Inter-American Dialogue discussion with Carlos Fernando Chamorro, Confidential Jennie K. Lincoln, The Carter Center and moderated by Manuel Orozco, Inter-American Dialogue

View a webcast of the Feb. 10 discussion.

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