



Photo by Charlie Perez.

TRENDS

Pro-autonomy marchers demonstrate in Guayaquil, January 2008.

Power to the Left, Autonomy for the Right?

by Kent Eaton

After several decades of neoliberal dominance, during which even left-leaning presidential candidates implemented or defended market reforms once in office, Latin America has entered a period of greater ideological conflict. In recent years, the scope of the debate between statist and market-oriented options has widened considerably, along with the introduction of more statist policies in such countries as Argentina, Bolivia, Ecuador and Venezuela. As during the 1930s and 1980s, this shift in national development models is producing important political struggles between ideological adversaries. Unlike these earlier periods, however, the contemporary shift toward statism at the national level appears to be generating considerable territorial conflict as well. In Bolivia and Ecuador, for example, leftist presidents Evo Morales and

Rafael Correa face their most significant opposition not at the national level but in the subnational regions of the east (Bolivia) and west (Ecuador). More so than in the past, understanding the nature of the resurgent conflict over economic policy requires that we examine the conflicts that are unfolding between national and subnational actors.

This article focuses on the conservative autonomy movements that have arisen over the last decade in Santa Cruz, Bolivia, and Guayas, Ecuador. Based on interviews with movement participants and leaders in each case, my research seeks to understand the similarities and differences that characterize these two movements.

The similarities begin with a quirk of geography: in both countries, political authority and economic dynamism are not concentrated in the same subnational region, a fact

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Province of Guayas, Ecuador

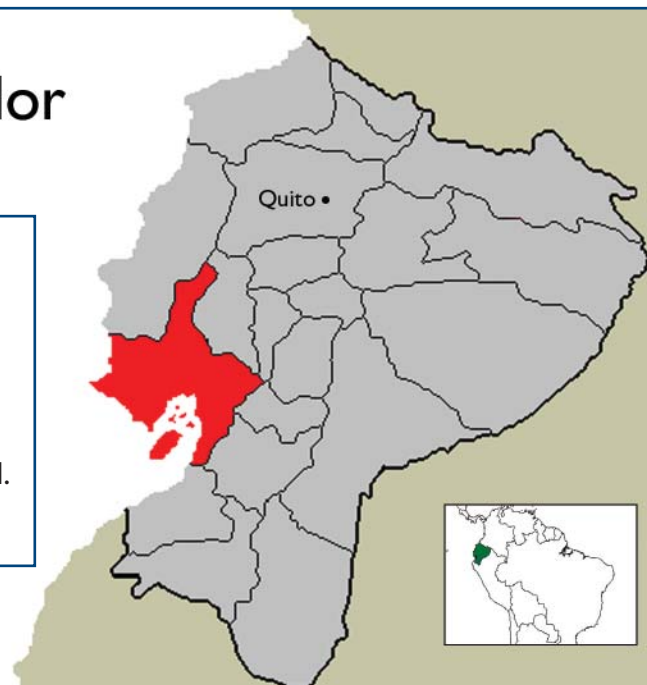
Within Ecuador, Guayas accounts for:

- 28% of population;
- 26% of GDP;
- 40.5% of tax revenue.

In addition:

- 70% of Ecuadorian exports are processed through the province's main port of Guayaquil.

Exports: bananas, fish, cacao, coffee, shrimp.



Data courtesy of Kent Eaton.

which helps explain why these movements have emerged in Bolivia and Ecuador and not elsewhere in Latin America. The movements themselves have articulated common demands and deployed comparable tactics. However, despite these similarities, the Santa Cruz autonomy movement has developed greater strength than its counterpart in Guayas, a difference that I attribute to a number of factors, including the location of natural resources, the scope of prior market reforms and the role of the military.

The greater strength of the Santa Cruz movement is reflected in the fact that, although both Presidents Morales and Correa presided over constitutional revision processes beginning in 2006 that essentially ignored the demands of the *autonomistas*, Correa's new constitution was approved on time (on September 29, 2008) and by an overwhelming majority of Ecuadorians (though it lost narrowly in Guayaquil). In contrast, Morales was forced to delay the constitutional referendum and, more importantly, to agree to changes in the draft constitution that had been demanded by the movement in Santa Cruz, including the creation of regional assemblies and the insertion of language protecting large landholdings from possible land reform.

At the conceptual level, I posit the use of "conservative autonomy movement" as an appropriate label for the phenomena that have unfolded in Santa Cruz and Guayas over the last decade. Although both movements have demanded greater political and fiscal authority (demands that could quite easily fit under the rubric of "decentralization"), they share a much deeper commitment to developmental autonomy, defined as the independence necessary to pursue an economic development model that differs from that of the national government. At the same time, movement

leaders in both cases reiterate that autonomy for them does not include sovereignty (though they warn that demands are likely to radicalize if national governments prove unresponsive). As a result, what we are seeing in each country is the articulation of a demand for a "one country, two systems" type of institutional arrangement. Given their commitment to free-market economic principles, the autonomy drives in Santa Cruz and Guayas could just as accurately be labeled "liberal" as "conservative." But conservative is a more useful term because it describes the right-of-center space that these movements occupy within each country's political system, including ties to the Social Christian Party (Partido Social Cristiano, PSC) in Ecuador and to the Revolutionary Nationalist Movement (Movimiento Nacionalista Revolucionario, MNR) and Social and Democratic Power (Poder Democrático y Social, Podemos) parties in Bolivia.

In pursuit of similar demands and against similarly hostile national governments, advocates of autonomy in Santa Cruz and Guayas have adopted the range of activities that theorists commonly associate with social movements. These include regionwide strikes, signature-gathering campaigns, media statements that laud the economic successes of each subnational region and some of the largest rallies and demonstrations ever held in either Bolivia or Ecuador. To give two of the most sensational examples: in June 2005, 350,000 *cruceños* demonstrated to demand a vote on autonomy, and in January 2008, 200,000 *guayaquileños* demonstrated for the inclusion of autonomy in the country's new constitution. While the participation of ordinary people in these activities certainly merits the "social movement" label, it is important to note that these



Photo courtesy of Presidencia de la República del Ecuador.

President Correa waves to the crowd during an October military parade in Cuenca.

movements have also been disproportionately influenced and financed by economic elites, wealthy firms and business associations. Likewise, considering the logistical and symbolic support offered by subnational officials at the municipal and provincial levels (e.g., Guayaquil Mayor Jaime Nebot, Santa Cruz Prefect Rubén Costas), these are social movements that clearly cross the traditional state–society divide.

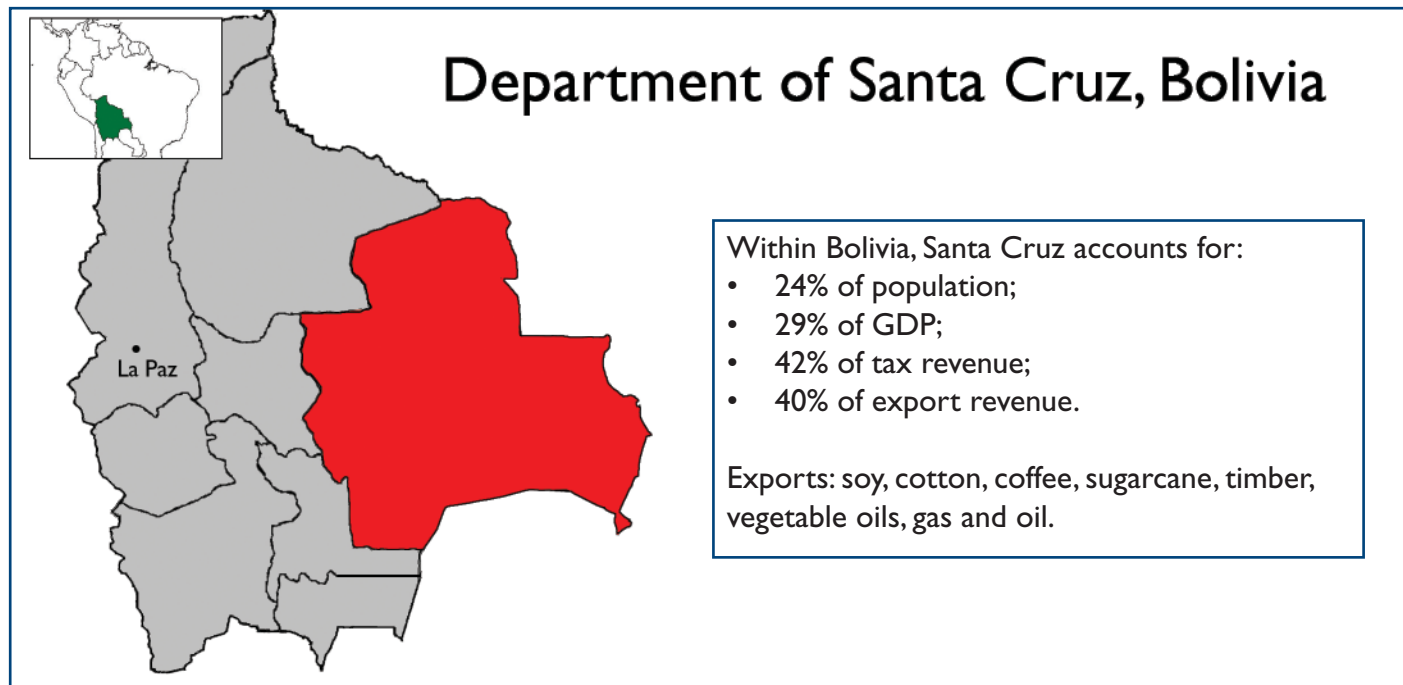
Moving beyond the important similarities that they share, why have these conservative autonomy movements emerged in Bolivia and Ecuador and not elsewhere, and why have they emerged now and not earlier? I argue, first, that the sharp spatial disjuncture between the location of political and economic power is a necessary (but not sufficient) condition for the emergence of these movements. In Bolivia and Ecuador, political power is concentrated in the national capitals, La Páz and Quito, while economic power is concentrated in Santa Cruz and Guayas, home to each country's most vibrant private sector. This stands in sharp contrast to the majority of Latin American countries, where the most dynamic economic region is also the seat of the national government (e.g., Argentina, Chile, Peru, Uruguay, Venezuela). Thus, in most countries in the region, private sector actors who are displeased with the statist

leanings of the national government simply do not have the autonomy option that exists in both Bolivia and Ecuador.

This structural disparity notwithstanding, for decades, economic and political elites in Santa Cruz and Guayas were able to exercise tremendous leverage in the executive, legislative and judicial branches of the national government. Beginning in 1985, Bolivia's three traditional parties adopted and implemented market-oriented reforms that favored agricultural exporters in Santa Cruz, and the Ministry of Agriculture was typically reserved for a cruceño. In Ecuador, candidates from Guayaquil and Quito essentially alternated in the presidency from the time of the democratic transition in 1979 until the onset of political instability in 1997. Even when a *quiteño* occupied Carondelet Palace, Leon Febres Cordero (president from 1984 to 1988 and mayor of Guayaquil from 1992 to 2000) managed to use the vast clientelistic network he constructed as president for Guayaquil's benefit.

So long as they could reasonably depend on their representation in national institutions, economic actors in Santa Cruz and Guayas accepted the concentration of political power in La Paz and Quito and the exceedingly limited authority that this arrangement left for their regions. However, a rapid chain of events in each country has

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threatened politics as usual and dramatically limited the national influence of these dynamic subnational regions. Critical in Bolivia has been the collapse of the traditional party system beginning in 2002 and the historic emergence of a powerful indigenous party, the Movement Toward Socialism (Movimiento al Socialismo, MAS). Whereas the failure of any presidential candidate to receive a majority in the years before 2005 threw the selection of the president to Congress, typically ensuring an important role for Santa Cruz, the outright victory of MAS candidate Evo Morales with 54 percent of the vote in 2005 signified a new and potentially threatening era for the department.

In Ecuador, the reliability of Guayas' input in the national government has also come into question over the course of the last decade. First, Ecuador has experienced even higher levels of political instability than Bolivia, with seven different presidents in office in the decade that began with the congressional removal of President Bucaram in 1997. In addition to Bucaram, Presidents Mahuad (1998-2000) and Gutiérrez (2003-05) also failed to finish their terms in office due to a combination of widespread protests in Quito and the removal of support on the part of the military. This intense political volatility at the national level contrasts sharply with the dominant position the PSC has enjoyed in Guayas. Since 1992, the PSC has steadily controlled the prefecture of Guayas, the mayoralty of Guayaquil and majorities on both the Guayas regional council and the Guayaquil municipal council. The second factor contributing to Guayas' declining influence has been the success of the anti-party and anti-Congress platform

articulated by Rafael Correa, who won the presidency in 2006 by opting not to run legislative candidates at all and by running against all of the traditional parties, including the previously powerful PSC.

Thus, conservative autonomy movements in Bolivia and Ecuador both emerged in response to threats to the influence that Santa Cruz and Guayas were traditionally able to leverage at the national level. Despite this similarity, these movements have developed in different environments, and different factors help explain the greater strength of the movement in Santa Cruz. There are three critical differences between the movements, the first and most obvious of which is structural: whereas Santa Cruz and the other eastern departments that are pushing for autonomy are the site of significant endowments of hydrocarbons, Ecuador's hydrocarbons are concentrated not in western, coastal Guayas but in the impoverished and underdeveloped provinces of the Amazon to the east of the Andes. The desire to control the department's oil and gas wealth has motivated participants in Santa Cruz' autonomy movement, while their counterparts in Guayas fear that autonomy might threaten their access to Ecuador's oil rents.

The second factor has to do with the much greater scope and depth of neoliberal reforms in Bolivia as compared to Ecuador. Bolivia experienced one of the most radical processes of economic stabilization and liberalization in the entire region, and nearly two decades of market reform (1985-2003) produced significant and tangible benefits for Santa Cruz. More specifically, the adoption of competitive

exchange rates generated new opportunities for producers of a range of agricultural and natural resource exports in the eastern lowlands (e.g., cotton, sugar, soy, timber, gas). Morales' attempts to roll back these reforms therefore serve as a significant motivating force for the department's autonomy movement. If Bolivia's market reforms were among the most aggressive in Latin America, Ecuador marks the other extreme. Despite President Correa's claim that traditional parties like the PSC imposed neoliberalism on Ecuador, opponents of market reforms were, in fact, able to sharply limit their scope. Due to the absence of significant neoliberal reforms in Ecuador, Correa's favored economic policies constitute a much less radical departure than do Morales' in Bolivia and hence provide less of an incentive for the autonomy movement in Guayaquil.

Finally, while the military has criticized autonomy movements in both cases, Ecuador's military is much more politically interventionist than its Bolivian counterpart, and its greater political influence has created far more important setbacks for the movement in Guayas. In 2001, the military succeeded in squashing the most promising window of opportunity that has yet to open for those who seek to advance the cause of provincial autonomy in

Ecuador. Because the military negotiated the ascension to the presidency of Guayaquil native Gustavo Noboa after the removal of Jamil Mahuad in 2000, the generals were subsequently in a position to veto Noboa's attempt to schedule a nationwide referendum on provincial autonomy. This veto by the military deflated the autonomy movement at its moment of greatest strength.

Given the highly fluid and tumultuous nature of politics in both countries in recent times, it is still too early to offer a definitive assessment of the success of these conservative autonomy movements. What does seem clear is that in Bolivia and Ecuador, and perhaps elsewhere in the region, a full understanding of the ideological clashes over development that have reemerged in Latin America will likely require serious attention to the territorial dimensions of these conflicts.

Kent Eaton is an associate professor in the Politics Department at UC Santa Cruz and a visiting professor at CLAS. He gave a talk for CLAS on November 24, 2008.

President Evo Morales holds a baby vicuña during a visit to the village of Ulla Ulla, Bolivia.



Photo from Associated Press.