

# The State of the Left in Latin America: Ecuador and Bolivia After the Pink Tide



*As right-wing governments take power in Argentina, Brazil, and elsewhere across the region, Ecuador's left-wing Alianza País (Country Alliance, AP) and Bolivia's Movimiento al Socialismo (Movement Towards Socialism, MAS) and Bolivia have managed to hold onto power.*

*Despite early gains in poverty reduction and social mobility, the left wing in both countries has faltered in recent years, since the end of the commodity boom and an economic downturn has led to a decrease in social spending and services among popular classes. Meanwhile, an ongoing reliance on extractive industries has driven wedges between social and indigenous movements and their governments who rely on transnational capital and megaprojects to finance their state vision – a vision that these movements see as increasingly disconnected from their own.*

*In Ecuador, President Lenín Moreno, once Rafael Correa's Vice President, scraped an electoral victory this Spring, as his party faces contradictions and clashes with social movements that Correa's government increasingly repressed. In Bolivia, the once-wildly popular Evo Morales, the country's first indigenous president, has also embraced extractivism, losing*

*the support of the social bases that brought him to power.*

*In this panel discussion, Thea Riofrancos, Professor of Political Science at Providence College and Linda Farthing, an independent researcher based in Bolivia, discuss the current state of the left in these two Andean countries.*

### **Thea Riofrancos on Ecuador:**

Although Lenin Moreno managed to win his election campaign, his Left party and the party of former president Rafael Correa, Alianza Pais (AP), no longer enjoys a legislative supermajority and has lost several important elections at the municipal and provincial levels.

As a result, the party's capacity to govern has been reduced. Of course, there are many reasons for this. But one very important reason is the economic recession, brought on by the precipitous decline in oil prices in 2014, and the resulting budget cuts. According to the finance minister himself, it's an "austere budget." So this has been a big change for public policy in Ecuador.

I will focus on three features of the Ecuadorian conjuncture: the tense relationship between social movements and the state; the persistent challenge of left party building and the double-edged sword of commodity dependency. Each of the features will help explain the Left's position, and, furthermore, why it has been unable to substantiate, or even move towards, the promise of "twenty-first century socialism."

The first notable feature is the very polarized relationship between social movements and the leftist government. Across the continent, with the Pink Tide and the Left in power, there is a wide variety of relationships between leftist elected governments, on the one hand, and social movements and popular organizations that have long struggled against neoliberalism and imperialism, on the other.

Once the Left was elected, the question of how to actually relate to those movements that brought the Left to power became pivotal. In Ecuador, this relationship has been incredibly polarized – I would argue it is probably most divisive in the region. Groups like the national indigenous federation (CONAIE), which for decades had resisted neoliberal policies and also struggled to decolonize and democratize the state, declared themselves very early on to be in opposition to Correa's government. And, along with other groups, they've been protesting Correa's policies ever since.

At issue for the indigenous federation, and allied campesino and environmental groups, is the extractive model of development, which they view the government as entrenching. It predates the Correa administration, but they see the Correa administration as reproducing it. This model of development, which relies on the rapacious extraction of natural resources, entails environmental destruction and the fragmentation of indigenous territory. These are the key points of contention between movements and the state.

In response, Correa and his ministers have rightfully pointed out that these increased oil and (soon) mining revenues have allowed the state to increase social spending and to reduce poverty. But the Correa administration has also unnecessarily polarized the conflict, arresting hundreds of indigenous and campesino activists for what have been, by all accounts, peaceful protests against oil and mining policies.

This came to a head in December through February, when the government declared a state of emergency in the province of Morona Santiago in the Amazon, where there has been a great deal of violent mining-related conflict, using military and police forces to forcefully displace and dispossess Shuar indigenous people whose territory overlaps with mining projects.

The conflict has been militant on the part of the activists,

and the state response has become more and more violent. Such actions have bred extreme distrust and polarization between movements and the state. Meanwhile, these indigenous, campesino, and environmental movements have been unable to mobilize a mass popular movement of the size, scale, or political capacity of the anti-neoliberal uprisings of the 1990s and 2000s.

So the conjuncture is this: on the one hand, the government lacks movement support. But on the other, movements have been unable to mount a viable left alternative to Alianza Pais.

The second factor is the challenge of left party building. The lack of a political party suited to the very challenging task of confronting oligarchic forces has undermined the Left's political power. Not just the existing oligarchy, but the inevitable deployment of oligarchic power that is always going to come about whenever you try to transition away from capitalism, or to socialism.

Ideally, such a party would function as a vehicle for popular mobilization and cadre and leadership formation. It would be democratically controlled by its members, with popular organizations afforded a decision-making role, and would develop programmatic unity through popular assemblies and conventions

Alianza Pais lacks all of these features. Instead, it was created as electoral vehicle during Correa's first presidential campaign to get him elected to office. It has no democratic mechanism for choosing candidates, is run by very small cadre of leadership, and has no accountability to popular organizations.

In addition, AP has made a number of questionable local alliances that have further diluted programmatic coherence. As a result, AP reproduces its own centralized leadership rather than serving as a political force to forge popular unity.

A mobilized, militant, and politically organized Left grounded in popular sector organizations is the only way to fight the conservative backlash. But intra-left disputes over resource extraction and indigenous rights have made this task impossible in Ecuador in the absence of a viable Left party. Despite Moreno's presidential victory, the weakness of the Left's institutional structure does not bode well for its electoral future – or, more fundamentally, for the possibility of a transition towards socialism.

Third is the issue of commodity dependency and how it has proved a double-edged sword for the Left in power, in Ecuador and elsewhere in Latin America.

Leftist governments – in South America, especially, more so than the region as a whole – have governed during a global commodity boom, which started in 2000 and lasted until about 2011. Leftist governments – in South America, especially, more so than the region as a whole – have governed during a global commodity boom, which started in 2000 and lasted until about 2011. While historically high prices of oil, minerals, soy, and other commodities have provided the Left in power with the fiscal room to maneuver and actually govern from the Left, in the longer term this primary export model of accumulation is an obstacle to achieving twenty-first-century socialism.

Leftist governments have channeled revenues from the extraction and export of primary commodities into social spending and infrastructure investment, leading to huge reductions in poverty, as well as reductions in income inequality and great strides in terms of health and education outcomes, access to clean water – all sorts of developmental outcomes that we care about.

In political terms, this is also very important. The Left, once elected, was actually able to follow through on campaign promises. It's one thing to be elected and say "we're going to pay off social debt," but then find yourself governing in a

time of austerity and be unable to do that. That was the fate of left governments that came to power in the 1980s and early 1990s – they had no room to maneuver fiscally.

It's quite another thing to actually have the resources at your disposal to make good on those promises. This has made a huge difference, and is one of the reasons why the Left has been able to win as many electoral victories as it has in multiple countries.

But the other side of this prosperity, the other edge of this sword, is that left governments' reliance on this model of accumulation – the very one that has prevailed since conquest and especially since the independence era, has re-entrenched ruling class power.

In Ecuador during the boom years, this model provided crucial revenues for social spending. But in the context of an economy like Ecuador's, which is still dominated by oligopolistic markets, these revenues, for the most part, were transformed into private sector profits.

They provided people with spending money, but they spent it in private sector controlled markets. It was the private sector that truly reaped the benefits of that increased social spending.

You don't have to take things away from wealthy people if you have money coming in from extractive activities. In addition, for the Left in power, it is the very availability of these resources to address social needs that obviates the need for deeper transformations in class relations. Revenues from oil and mining can fund social and welfare spending without any major redistribution of property. You don't have to take things away from wealthy people if you have money coming in from extractive activities.

This has resulted in what I call a "hydrocarbon-fueled social-democratic bargain." The income of the poor has increased

without expropriating the wealth of the rich. This is very much the case in Ecuador. I know things are a little different in other places, where there has been a little more expropriation, but in Ecuador the amount of redistribution of actual assets has been minimal to none.

What this means is that the income of the poor has increased with very little actual outright expropriation. There is still very persistent inequality in land ownership, for example. If you go to the countryside – and, aside from its oil resources, Ecuador is an agricultural economy in many ways – land tenure and peasants' access to water is terrible and land ownership remains very unequal.

In addition, because of the way oil revenues have circulated in the economy, you have the increasing concentration of capital in several sectors.

These three features – the tense relationship between social movements and the state, the challenge of left party building, and the ambivalent realities of commodity dependency – are intimately related. The transition away from the extractive model of accumulation and from capitalism itself, and their replacement with the popular and solidary economy that the government has promised, would require militant popular organizations allied with but autonomous from the state willing and able to confront oligarchy.

Thus, in Ecuador, the persistence of ruling class economic power is enabled by the weakness of popular sector political power.

### **Linda Farthing on Bolivia:**

In Bolivia, the tale is very similar to what's going on in Ecuador, but with two fundamental differences. One is that social movements actually put the Evo Morales government into power. It wasn't like there was a party that was created as a vehicle simply to move a social democratic or left president

into power. And the other, which I think really is fundamental to understanding Bolivia, is that Bolivia is a majority-indigenous country. So the dominant paradigm of struggle within the Bolivian context is the struggle for indigenous rights and indigenous people. Indigenous people have resisted colonization – fought against the light skinned elites that have run Bolivia – for over 500 years.

This [Bolivia] has been a mining country, completely dependent on export mining until recently when natural gas surpassed it in importance. Whether organized through indigenous peasant unions (or labor unions, since the 1950s) or the more recent coalition of indigenous, neighborhood, and labor organizations, the way that politics is done and has been done consistently in Bolivia, perhaps more than almost any other country in the world, is in the streets. This has created a political system in which there may be backroom deals between elites, but any kind of progressive process has almost always occurred when people in large numbers have taken over public spaces.

These are the movements that thrust Evo Morales into government. His party – Movement Toward Socialism (MAS) – did not consider itself a political party. It defined itself as the political instrument of social movements, which is a very different project than the formation of a left political party

The government quickly semi nationalized natural gas production and extended services and infrastructure, particularly for rural poor. It framed a lot of its discourse around concepts of decolonization and *buen vivir*, “living well,” a model also used in Ecuador. And it pushed forward a constituent assembly – which was a demand of the social movements – that came up with one of the most radical constitutions that the world has ever seen, which legislated parity for women and a broad extension of indigenous rights, including indigenous autonomy within the state. Unprecedented numbers of women, indigenous people, and working-class people



were appointed to high positions in government, including as ministers.

Eleven years later, Bolivia's middle class has grown by over a million people – which is 10% of the population of about 10 million – and both the government and the economy, thanks in large part to the commodity boom, have tripled in size. The government had big successes in reducing poverty in South America's poorest country with conditional cash transfers (CCTs), which have been used widely throughout Latin America mostly by the Left but also by the Right. Poverty has dropped by half and income equality, like in Ecuador, has declined by a fifth, an impressive rate in eleven years in any society.

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Nevertheless, the underlying economic structure remains largely untouched. While a new class of (often indigenous) traders and small miners has become wealthy, the traditional elites have not been displaced.

The MAS government has also paid very little attention to reforming government and politics, especially after it expanded into urban areas. This is interesting from a party-building perspective: it had been mostly a rural party, based in rural unions. Membership in the MAS was indirect; it came through whatever popular organization you were affiliated with. But when the MAS moved into urban areas it became more like a traditional political party, where you would sign up and become affiliated on an individual basis. And that, of course, attracts people who were party operatives – people who would climb on board any train leaving the station so long as

they felt they could do well by it.

This started reinforced the MAS increasingly doing politics the traditional way: very much based on clientelism and political patronage. So over time the number of women and indigenous people in government started to decline as light-skinned urban professionals, who were usually far better educated, replaced them. Meanwhile, power became more concentrated in a small entourage around the president and vice president.

“Now it’s our turn” was a commonly heard refrain, particularly in the early years. What this meant is that the union leaders and party militants felt they had the right to share in the spoils of political power, in a continuation of the way politics has always been conducted.

The focus on expanding extraction as the easiest way of increasing infrastructure and services, brought the government gradually, but steadily, closer to an alliance with the traditional elites. By 2017 the government had replaced its original discourse of societal transformation with one focused on the newfound economic stability it had delivered to the country, which has long been notoriously unstable. In the process, its political agenda became far more centrist; it moved away from its older commitment to communitarian socialism and towards policies that encourage capitalist growth that fuels government re-distribution.

The opposition is very divided, so it is likely that Evo Morales will win again in 2019 even in the face of declining commodity prices and voter fatigue after what will be 13 years of the MAS in power. The opposition is very divided, so it is likely that Evo Morales will win again in 2019 even in the face of declining commodity prices and voter fatigue after what will be 13 years of the MAS in power.

The MAS inherited a country that was impoverished and where

relentless resource extraction had left a legacy of environmental destruction. Bolivia now has the highest rate of deforestation in Latin America, although it should be noted that this reflects the slow exploitation of its forest resources in previous decades compared to its neighbors such as Brazil. The MAS government, like the Correa government, has been locked in an endless tug-of-war between providing more services – which responds to its political commitment but also ensures it will continue to be elected – and limiting the destructive extraction that is ravaging the country.

Economically speaking, Bolivia is still dependent, as it always has been. But it is no longer as dependent on European countries and the United States as it has been historically. Instead its economic dependency has shifted to Brazil and China.

Bolivia's social movements were once unrivaled in the region, and this handed the MAS government an opportunity and a challenge that was not found elsewhere, even in other Pink Tide countries.

With no viable right-wing opposition, I would argue the MAS has squandered the opportunity for more far-reaching social transformation, by coopting the social movements. By 2014, the social movements were a shadow of their former selves, with many leaders critical of the MAS demoralized and isolated.

The weakening of the social movements in a place like Bolivia, given its political culture of the streets, has been devastating. Social movements still aligned with the government have been coopted, in the process losing the ability to launch any sort of viable progressive challenge. Social movements and intellectuals opposed to the MAS have been targeted for harassment and spurious legal suits, limiting their ability to launch criticism. They find themselves at risk of being lured into alliances with the rightwing.

Today, the country is characterized by an overdependence on a charismatic leader controlling a weak party: the classic Latin American *caudillo*. In such circumstances, preserving the party and its leader becomes a central goal.

All in all, opportunity for progressive change the social movements in Bolivia once promised has been compromised. At the same time, though, material conditions for a large percentage of the impoverished population have improved substantially, and as progressives, this key goal is something we should never lose sight of.

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