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FEATURED Q&A

Is Ecuador's Ruling Party Likely to Hold the Presidency?



Ecuador's ruling party tapped former Vice President Lenín Moreno as its candidate in next year's presidential election. // File Photo: Ecuadorean Government.

Q Ecuador's ruling party, the Alianza Pais, selected former Vice President Lenín Moreno as its candidate for the upcoming presidential election in February. What are the similarities between President Rafael Correa and his party's chosen successor? If elected, how might Moreno address the myriad issues Ecuador faces today? Four months ahead of the election, how likely is it that voters will choose another Alianza Pais president, and who are the likeliest opposition figures to face him?

A Ramiro Crespo, president of Analytica Securities in Quito: "At their best, Rafael Correa and Lenín Moreno worked in tandem—a bad cop, good cop routine to get what both wanted for Ecuador: a perfect dictatorship with all the trappings of a democracy. At worst, Moreno was too weak to restrain Correa. Moreno speaks softly, but most likely carries the same big stick applied by the authoritarian Correa. Correa's current vice president, Jorge Glass, who is an unwise choice of running mate for Moreno, is on the Alianza Pais ticket as an impeachment threat, in case Moreno deviates from what Correa wants. Yet if, once in power, Moreno does not drastically change his government team, Ecuador will see the same tragic and incompetent management that has prevailed in recent years. Four months ahead of the election, voters do see that voting for Moreno is like voting for Correa, yet a first-round victory for Moreno is entirely possible, considering that the rules of the game will be skewed toward the current regime, which will no doubt use the entire government's propaganda machine, in flagrant violation of electoral law. As for the election itself, there is a risk of not having

Continued on page 3

TODAY'S NEWS

POLITICAL

Federal Judge Killed in Mexico

Vicente Antonio Bermúdez Zacarías was fatally shot in Mexico State, reportedly while exercising outdoors. President Enrique Peña Nieto ordered an investigation.

Page 2

ECONOMIC

Brazil Planning to Simplify Local-Content Rules

President Michel Temer's government is planning to simplify rules in order to make Brazil's oil industry more attractive to investors. The changes come ahead of an oil tender next year.

Page 2

POLITICAL

Venezuelan Supreme Court Imposes New Hurdle for Recall

The high court ruled that opponents of President Nicolás Maduro must collect 20 percent of the signatures of each state's electorate in order to proceed with a recall vote against him.

Page 2



Maduro // File Photo: Venezuelan Government.

POLITICAL NEWS

Venezuelan Supreme Court Imposes New Hurdle for Recall

Venezuela's Supreme Court on Monday raised the requirements needed for the opposition to hold a recall vote against President Nicolás Maduro, Agence France-Presse reported. The court ruled that Maduro's opponents must collect the signatures of 20 percent of the electorate in each of Venezuela's states, rather than 20 percent of the country's total electorate, in order to proceed with a recall vote. "The failure to collect that percentage in any of the states or the capital district would nullify the validity of a presidential recall referendum," the court said in the ruling. The opposition also must collect the signatures over a three day period, from Oct. 26 to Oct. 28. Maduro's popularity has plummeted as the country is mired in its third year of recession, with shortages of food, medicine and other basic goods and an inflation rate expected to surpass 700 percent. [Editor's note: See [Q&A](#) on Venezuela in the Oct. 13 issue of the Advisor.]

ECONOMIC NEWS

Brazil Planning to Simplify Local-Content Rules

The Brazilian government plans to simplify local-content rules for the oil industry this year in a bid to make the country's oil industry more attractive to investors ahead of an important oil tender next year, officials said Monday, The Wall Street Journal reported. Among the changes are that the percentage of Brazil-made inputs will no longer be one of the factors that authorities use when evaluating potential bids for oil blocks in Brazilian territory, according to a spokesman for the Ministry of Development, Industry and Trade. Regulators are also

planning to make local-content targets more general, in the hopes that the requirements will be easier for bidders to meet. The National Council for Energy Policy will also revise local-content rules for auctions set to take place next year. The changes to local-content rules are seen as a response to tepid interest from foreign companies at recent oil-and-gas sector auctions. Experts say the lack of interest on the part of investors was due in part to bidding rules that had local-content among the financial and technical factors considered when determining which investors would be awarded oil blocks, The Wall Street Journal reported. The Brazilian government has no plans to completely eliminate policies that foster local content in the oil industry, however. "The government's objective is to design a local-content policy that simultaneously attracts investments, develops our industry and allows technological advancement," Marcos Pereira, Brazil's minister of development, industry and trade, said in an email.

BUSINESS NEWS

Peru Investigating Fatal Clash at Las Bambas Copper Mine

One man was fatally shot and 20 police officers were injured during a clash between police and protesters demonstrating against MMG's Las Bambas copper mine in Peru on Friday, Bloomberg News reported Monday. Interior Minister Carlos Basombrio said Sunday that the police officers involved in the incident should be disciplined for not following procedures. The violence began when 150 police officers tried to disperse protesters who were blocking a road that the mine uses to transport copper to a port on the coast. The unrest began last month after local communities marched against the company's use of local roads for transporting copper for the mine. Glencore, which sold the mine to a group led by MMG in April 2014, had originally planned to build a duct to transport the material.

NEWS BRIEFS

Federal Judge Killed in Mexico

Mexican Federal Judge Vicente Antonio Bermúdez Zacarías was killed on Monday in the State of Mexico, the Associated Press reported. Following the news, President Enrique Peña Nieto said he has instructed the attorney general's office to lead the investigation into the circumstances surrounding Bermúdez's death. Various Mexican news outlets said he was shot in the head while exercising outdoors, but that there was no immediate word of a motive for killing him.

Ecuador Reportedly Shuts Off Assange's Internet Access

Ecuador has shut down Internet access for WikiLeaks founder Julian Assange, the organization said, BBC News reported today. Assange has received asylum in Ecuador's embassy in London since 2012 in order to avoid extradition over sexual assault allegations. Ecuadorean Foreign Minister Guillaume Long did not comment on WikiLeaks' claim, but said, "The circumstances that led to the granting of asylum remain." The anti-secrecy organization did not respond to requests for comment, though it said in a tweet regarding Assange's lack of Internet access that "We have activated the appropriate contingency plans."

Spain's Ingeteam to Supply Control System for Chile Solar Plant

Spanish engineering conglomerate Ingeteam will supply a control, protection and measurement system for the substation of Acciona Energía's El Romero solar plant in Chile, PV-Tech reported Monday. In addition to providing digital equipment, Ingeteam will perform substation commissioning and make the connection to various telecontrol desks. The plant will be among the region's largest upon completion.

FEATURED Q&A / Continued from page 1

independent observers like the OAS or European Union on hand. If there is a second round, conservative opposition candidate Guillermo Lasso will likely win, assuming that Ecuador's Social Christian Party is truly part of the opposition and calls on its voters to support Lasso."

A **Marc Becker, professor of history at Truman State University:** "Building on the successes and popularity of Rafael Correa's 10 years in office, Lenín Moreno and his running mate, Jorge Glas, will easily win the election in February. Alianza Pais has become an effective electoral machine, which assures their victory. The traditional, oligarchical right wing remains divided, and still holds to their discredited neoliberal economic policies that impoverished and underdeveloped Ecuador during its decades in power. Those policies are unlikely to regain much popular support. Much of the opposition to Correa focuses on his famously caustic personality, and in those terms Moreno will enjoy more popularity. Combined with social policies that favor provision of education, health care and other social services to the majority of the population, a new Alianza Pais administration promises to be a success. A more significant opposition to Alianza Pais than the conservatives is the social movement left that opposes economic development policies that are based on the extraction of natural resources. The popular former general and mayor of Quito, Paco Moncayo, is running with the Acuerdo Nacional por el Cambio (ANC). This alliance groups together the center-left Pachakutik and other leftist parties that have lost their ballot access and organizations that had become disaffected with Alianza Pais. In recent elections, a similarly eclectic coalition did not realize much electoral success in the face of the overwhelming organizational power of the Alianza Pais. This election is unlikely to

turn out any differently, even though these activists forward an important message of alternative and sustainable economic development models."

A **Daniela Chacón Arias, city councilor of Quito:** "Lenín Moreno has made efforts to show a different personality than President Rafael Correa to build bridges with different sectors that have been isolated by Correa's style and policies, and also to appeal to the still high percentage of undecided voters. Nonetheless, there are several signs that show continuity between administrations is most likely. Declarations by Correa about not betraying the 'project', the need of appealing to Alianza Pais' core base and the presence of current Vice President Jorge Glas on the ticket as Moreno's running mate, all play against Moreno's efforts. If elected, Moreno will face an economic and social crisis that will require the abandonment of several of Correa's policies and to deal with a strong demand to democratize the decision-making process. It is still soon to tell what will happen in Ecuador's elections, given that the percentage of undecided voters is around 60 percent. The likeliest opposition figures are former banker Guillermo Lasso (right wing), Congresswoman Cynthia Viteri (right wing) and war hero and former Quito Mayor Paco Moncayo (left wing), who are campaigning to the undecided electorate, though they haven't yet given a clear view of what their proposed programs and policies would be. In the next month when they finish selecting their running mates and closing political alliances, they will give Ecuadoreans a much clearer outlook."

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta at gkuleta@thedialogue.org.

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