

## Ecuador - The Fight Against Moreno and the IMF Is Far from Over

By [Peter Koenig](#)

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*In Ecuador, the fight against IMF austerity measures is far from over. Just a few hours after my article was published on Sunday, 13 October, [Ecuador - and the IMF's Killing Spree](#) - President Lenin Moreno declared the infamous Decree 883 was canceled, i.e. the astronomical price increases for fuel were reversed, the (police) state of emergency and curfew were called off. He wanted to put an end to the 11 days of protests with police and military induced violence.*

The police, supported by the army carried out repression during the protests, like they have not been seen in Ecuador's recent history, claiming at least 7 death, about 1,340 injured and more than 1,100 arrested. The streets of Quito were an absolute chaos; destruction, fire, tear gas, smoke.

Austerity measures, other than an exorbitant hike in fuel prices, included shrinking government spending, laying off 23,000 state employees, privatization of social services and infrastructure - and more - all linked to the IMF loan of US\$ 4.2 billion. These measures were apparently also "canceled". At least, so it looked and sounded at the outset.

This seeming victory was achieved largely thanks to the indigenous movement, the *Conaie* (*Confederation of Indigenous Nationalities of Ecuador*) - an umbrella organization of indigenous groups across Ecuador. They have relentlessly fought for their rights and against the ferocious abrogation of all the social benefits they acquired - finally - during the ten years of Rafael Correa's socialist government - which served, and still serves, as an example for much of Latin America.



Not the indigenous groups, or anybody else of the Ecuadorian people - were consulted about the IMF loan. The basic IMF deal was already brokered in January 2019, when Lenin Moreno met Madame Lagarde, at that time still head of the IMF, at the World Economic

Forum (WEF) in Davos. There were just some “minor issues” that Moreno had to resolve before he could sign this horrendous debt onto Ecuador’s books.

One of the “issues” was a request by the US via its extended arm, the IMF – to expel Julian Assange from the Ecuadorian Embassy in London, to bring him closer to extradition to the US, where he may face the death penalty, or Guantanamo, for having said and published the truth about the atrocious war crimes committed by the United States. And neo-Nazi, Moreno, complied. Julian Assange is now slowly degenerating by torture and disease in a UK maximum security prison. And the world says nothing. Not even our “Peace Loving’ UN system. All is quiet. Not to molest the Chief-in-Tyrant, sitting on his cardboard throne in Washington.

Just a few days after British police dragged Julian Assange out of the Ecuadorian Embassy in London, the 4.2-billion-dollar loan / debt deal was signed. No coincidence. Assange was holed-up by self-imposed asylum in the Ecuadorian Embassy in London, for almost seven years, for justified fear of being “renditioned” to the US or another torturing US ally.

Now, when all the austerity measures were to be cancelled, by nullifying Decree 883, why did Moreno assemble a team of advisers to work out a new decree? Who are these advisers? People from the IMF, from the US Treasury – or simply “Fifth Columnists”, trained and funded by NED (National Endowment for Democracy)? – Why isn’t the decree and with it all IMF-imposed austerity simply canceled? Full stop?

In any case, Sunday night, *Conaie* reported that a “commission” was set up to “*draft the decree that replaces it 883 – that this does not end until the agreement is fully implemented*”.

Who is part of this commission and what exactly is the commission drafting? Will the commission prepare a new decree with new conditions? None of this is clear at this point. Is Conaie prepared to make conditions that in the long-rung could be disastrous? Does Conaie know that the empire never gives up, i.e. the IMF – as long as they have their dirty fingers in Ecuador with 4.2 billion dollars? No compromise, please, *Conaie*!

If anything, the new “decree” should include a clause requesting full cancellation of the IMF loan. Otherwise, the IMF will not let go, will come back in one form or another to grab Ecuador’s resources. That is the US doctrine, never depart from a goal – and it is extended through the IMF, the World Bank and through other financial institutions over which the US Treasury has control. This is modern warfare through a financial handle on a country, stealing accumulated social capital and natural resources by strictly enforced austerity programs – causing famine, disease, desperation, and death. See recent examples, Greece, Ukraine, Argentina.

Of course, it takes two to tango, and without a corrupt government on the other side, the IMF can do nothing.

What will happen to the protest leaders? Is this being covered by the new decree? The front men and women of a revolution that shook the country for eleven days? Many of the leaders, and others, are incarcerated as political prisoners and should be freed.

A new decree to replace the old one, Decree 883, smells like a rat; like a new deception is being prepared and the apparent “victory” is just a make-believe for the moment – to

reinstate order in Quito and the country. Instead of crushing Ecuadorians with a bulldozer, i.e. the Decree 883 that attempted to shove all the IMF austerity measures down the throat of the Ecuadorians at once, it may come piecemeal, little by little, so the immediate impact will be less noticeable and eventually the sour bites are sliding better down the throat of Ecuadorians – so Moreno may expect. This would not be the first time that a Government weasels its way out of protests: Stop the “killer measures” for now, and reintroduce them later, slowly in a different format.

*Conaie*’s leaders are concerned about this. They have said so. They would like to know what the new decree contains, and want to have a say in its drafting, before they definitely call off their protests. What they really want, is the resignation of Lenin Moreno. That’s what they should aim for, because this man has already proven several times in only two years of presidency that he is a liar, cannot be trusted, and sells the people and their natural resources for the benefit of a small Ecuadorian elite and their foreign partners, mostly US oil corporations. Even if he were to cave in now, Moreno will come back, if allowed to stay in power, to neoliberalize the country. That’s his compact. That’s the premise under which he has been made president.

And, what nobody talked about, nor are there any reports in either mainstream or progressive news – is, what will happen with the US\$ 4.2 billion IMF loan? – Why is it not cancelled? Is the cancellation of this loan going to be part of the new decree? Ecuador doesn’t need the loan. With a debt – GDP ratio of 40%, there is definitely no need whatsoever to call for IMF’s “help”. As proportion of GDP, Ecuador’s debt is only two-thirds of that of Germany.

Instead of foreign loans, Ecuador’s Government could call in the outstanding debt of about US\$ 4.5 billion from fines, unpaid interests and other overdue fees from corporations and Ecuadorian oligarchs – so the government could recapitalize her treasury with own, interest free money. But instead, Moreno “forgave” the debt of the oligarchs, when contracting the IMF loan. That in itself is telling a lot. President Moreno used to be Correa’s Vice President, running on the same Platform, the center-left PAIS Alliance, turned tables less than a year into his presidency, destroyed the PAIS Alliance and betrayed his compatriots miserably.

Canceling an IMF loan is relatively easy. There is no law that would prevent Ecuador from withdrawing from the IMF deal, at no penalty. This has happened many times before. All that’s needed are politicians with a people-oriented mentality – a people’s friendly attitude – and the country would be rid of this debt and rid of the dictate of the IMF.

*Conaie* may consider insisting on two objectives before calling off the protests and moving back to their lands: One, canceling the IMF loan of US\$ 4.2 billion, and two, suspending the Parliament and President Moreno of his functions; calling-in a caretaker government and planning new elections within 3 months; elections, in which Rafael Correa might again run for President.

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