

Corruption in latin america the case of ecuador politics essay



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As part of an activity in the area of studies in Latin America, the purpose of this essay is to analyze Corruption as one of today's most marked problematic in politics, but more specific the paper will focus in discuss the reasons and consequences of corruption and its manifestation in Ecuador.

The background of the regions domestic politics, neighboring countries like Bolivia and Venezuela and its influence over national politics, and the actual events which have determined the situation Ecuador is facing nowadays; during the development of the essay some of these variants will be explained.

In this essay, effects of legality and legitimacy will be addressed towards corruption, and how the failure of one of them, lead to larger possibilities of corruption. It will be also explained the reason corruption causes poverty and creates barriers to overcome this problem and the explanation of how corruption affects more to the poor people due to their fewer options to deal with its consequences. It has also shown the negative impact on programs for the eradication of poverty, making them ineffective.

Another trend of corruption addressed in this paper is the tendency to the misallocation of resources and the resulting stagnation of economic development.

Some of the key factors related to corruption participation, questioning the authority and the observation of law citizens have towards their governments, have being reflected it variables like the income per capita, percentage of poverty, lack of opportunities for education and health care, all of them negative correlated with Corruption.

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Corruption not only violates the economic and social rights but also violates civil and political rights, distorting or invalidating the political processes and institutions, weakening the role of the judiciary and law enforcement officials.

Latin America, a continent full of contrast, determined by a wide variety of climates and natural resources, it also occupies the status as having some of the most corrupted countries in the world. The main issues drawn into this problematic derived from the dilemma of Legality and Legitimacy; the first one is defined as situations accepted by the establish law, while legitimacy consists in the credibility of this law. For many decades Latin American presidents have faced coups and judicial proceedings for corruption cases, Pinochet and Fujimori are clear examples. These violations to democracy and citizen rights have resulted in the lack of credibility in the governors and government institutions by the population.

Corruption has had greater impact in the macroeconomic variables, reducing the opportunities to be part of an important international trade and scaring away any forms of foreign investment.

Latin America's institutions are viewed as obsoletes, and due to the high corruption public officials are involved into, the inexistence of governmental institutions provide more chances for all types of corruption, among others, cronyism and embezzlement.

Another important factor inducing to corruption in the Latin states is the lack of vertical accountability, which is the standards citizen must have for their

political leaders and the punishment they should received, if doing something wrong.

Despite many Latin nations counts with a system of elected representatives, the empowerment giving for decision makings to individuals and institutions exert a disproportionate influence in national politics, state and local levels through corruption;

This creates loss of public confidence in the institutions of democracy, losing their legitimacy among their citizens. Some of the most common examples of corruption are related to taxation, distribution of public resources and trade regulations.

It is important to mention not all the countries posses the same grade of corruption, for instance Panama and Peru have shown a rapid growth (except in 2008-2009), Brazil, Mexico Colombia and Chile have grown into political maturity and a certain economic prosperity; But countries like Honduras, Venezuela, Paraguay and Ecuador have gone backwards, sustaining political instability, the rising of poverty and new opposition parties.

In general terms corruption is a phenomenon which many democratic nations face around the globe, it's best defined as " political corruption involves the abuse of public power for some private benefit" (Canache et al, 2005). In the case chosen for this paper, Ecuador, a country in Latin America with a population of 14 million of people is consider according to the Corruption Perception Index (CPI) 2009 as the fourth most corrupt country in Latin America after Haiti, Venezuela and Paraguay respectively. To

understand Ecuador today's situation, it is crucial to stress some key facts in <https://assignbuster.com/corruption-in-latin-america-the-case-of-ecuador-politics-essay/>

the country's political system. Since the 90s was marked by The Confederation of Ecuadorian Indigenous Nationalities (CONAIE) consider as of Latin America's most active indigenous movement, who despite the efforts was unable to reach a vigorous participation in the political system. During the years to come (1997-2005) Ecuador counted with five different presidents, Abdala Bucaram, Fabian Alarcon, Jamil Mahuad, Gustavo Nova and Lucio Gutierrez, three of them elected by popular vote and then forced to leave office by " coup d'état"; Some of the causes were the severe Ecuadorian Financial crisis in 1999 by the falling of international oil and the latest one caused by popular revolts known as " rebelión de los forajidos" leader by Rafael Correa.

Ecuador actual formal president Correa ran for presidency in 2006 with MPAIS as his electoral movement, competing against the PRIAN and PSP two of the most powerful parties in the country. His strategic formula to win the spot was defined by anti neoliberals' formulas, promising a political reform, redesigned the governmental institutions and placed the state as the main actor in regulating the national economy.

Correa, characterized by left turn ideology, played his first card by calling to a plebiscite to support his idea of a new constituent agenda annexed to the creation of a new constitution, winning by 82% yes vote; the triumph was indubitable in double sense, not only he placed 80 of the 130 seats with his viewers (MPAIS) in the constituent assembly, but he appeal for the public opinion as a democrat, taking people's voice into account and increasing public content on his government.

Due to the new constitution elections were call again in 2009, this time Correa won in the first round with an overwhelming 51, 69% of approval. Despite his triumph during the last year his popularity has dropped from an initial 73% to 52%; Correa Falling in the polls was due, among other things, the scandal sparked by millionaires public contracts awarded to Fabricio Correa, brother of the president.

This Abuse of public power for private gain is consider as one of the most popular form of corruption, which results into a mistrust of the population in the government and its institut ions. According to Huguette Labelle, Chair of Transparency International “ when basic institutions are weak and nonexistent, corruption spirals out of control and the increased looting of public resources, enhance the insecurity and impunity”.

1999

2000

2001

2002

2003

2004

2005

2006

2007

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2008

2009

Country Rank

82

74

79

89

113

112

117

138

150

151

146

CPI Score

2, 4

2, 6

2, 3

2, 2

2, 2

2, 4

2, 5

2, 3

2, 1

2, 0

2, 2

The above graphic shows the Corruption Perception Index during the past 10 years in Ecuador, the score maintains a similar range, but more surprising regardless of the many different presidents Ecuador has counted with, and the different policies applied, they seem to be trapped in the same problem: Corruption

When Correa took office he argued to be part of today's new wave of leftist president, with domestic and foreign policies to be implemented according to the " 21st century socialism". Although he increased social expenditure by rising salary wages and conceding credits to small businesses, they were likely to be short term concessions, per suiting a permanent campaign and keeping opposite parties under control. Part of Correa's government initial

trend was retuning the exploitation of natural resources done by foreign multinationals to the Ecuadorians, instead in practice, he signed contracts with outsider companies for the exploitation of strategic mining and energy resources, the real question here is what was under this rare contradiction, or perhaps is a form of clientelism?

In this process, Indian communities living and working the lands signed to the mineral multinational complained, but Correa dismissed the movements, replacing and rejecting claims; in other words, his new "socialism" proved to have a lack any social structural changes, but more into what he opposed or not. Some other initiatives took by Correa and his government, relying in the country's development strategy, was granting telecommunication monopolies to private firms, an opposition to land reforms by attacking the agro-commercial class (located mainly in Guayaquil) and a subsidy with clear support to the capitalist class.

Some responses by the people have resulted in protests, and a consider drop in the polls.

One cannot assume the surplus of money for private benefits in Correa's government, but the lack of transparency in the actions made with the public budgets; prove the non existence control by Ecuador legislature, an ineffective judiciary, as well as non independent oversight body's institutions and a weak implementation of the law.

In the International Arena, the situation of Ecuador has followed two paths; the most visible influence by other states in Ecuador's government

orientation is the clear support from other leftist presidents, as it is the Case <https://assignbuster.com/corruption-in-latin-america-the-case-of-ecuador-politics-essay/>

of Venezuela with Hugo Chavez, and Bolivia with Evo Morales. The alignment for new plans of cooperation within the nations and the ideas of imperialism by remain in power, adds more reasons to believe the impunity of corruption Ecuador posses.

The idea of refusing to pay the external debt by Correa, stressing an “illegitimate foreign debt,” contracted by past corrupt governments was conceive by the World Bank as a way to mislead public budgets into actions leaded for private gains, and although Correa did not take the risk, the hinders for development and the investment in the country has maintain a low range due to the apparent instability of Ecuador

The opposition by renewing the U. S. military base in Manta expired in 2009, the resistance of signing a FTA with U. S., and the diplomatic crisis handle with Colombia in 2008, have been some of the events which placed the country resistant against globalization, and rumors of ties with the terrorist group FARC with president Correa have damage the state’s image considerably.

Some other scandals have included the spenditure of more than US\$ 4 billion in subsidizing sectors which do not require, like petroleum products and the electrical sector, consuming over 80% of total subsidies; the benefits seem to be directed to the elite classes, leaving behind the thousands of people living in poverty conditions.

When corruption is spread in a country variedly segments are involved, but the most affected

Part of the population is the poor due to their incapability to absorb the costs, and this is exactly the consequences of corruption in Ecuador, where the percentages of poverty have raised dramatically over the past years. Corruption has undermined the people in many ways, traducing in inequality, remote access to health and education, and therefore the illiteracy of the population. One of the main consequences is a conversion to a society very tolerant with corruption, perpetuating a vicious cycle ending again in more corruption.

Nowadays Ecuador's domestic politics is " highly oppressed" by Correa's government, leaving narrow participation for the opposition parties PRIAN and PSP, and almost no room for the rising of new parties. Also in encounters coercion to Indigenous movements, dismissing any kind of ideas nonaligned with Correa's conceptions.

President Rafael Correa admitted this year that there is " widespread corruption" in the society of his country and announced his government is preparing a national campaign to fight against corruption. Correa stated " corruption has not yet reached the levels of the upper government, it has taken not only the public sector but the private sector as well". Actually there is a campaign which evolves the entire population, acknowledging the population they must denunciate anyone who enriches with public money, and avoid paying taxes is a form of stealing to the state, and therefore is a form of corruption. Among other strategies the campaign promulgates to claim any information regarding to politicians visiting them with special offers. Corruption is negative related to the country's performance in terms of GDP, international trade, foreign investment, economic diversity and <https://assignbuster.com/corruption-in-latin-america-the-case-of-ecuador-politics-essay/>

wealth (Volkema, 2001) meaning corruption will have to be taken seriously by the government, the strategies implement must focus on addressing the real causes of corruption in order to balance Ecuador to a more prosperous and equal country.

PERSONAL OPINION AND FINAL RECOMMENDATIONS

As stated in the preamble to the United Nations Convention against corruption," the scourge poses a serious threat to stability and security of societies, undermining the institutions and values of democracy, ethics and justice and jeopardizing sustainable development and the rule of law" in my opinion this phase can be linked to Ecuador actual situation, where no real institutions exist for defending populations rights, and the coercion of opinion from other movements and a constituent assembly who obeys to Correa's mandates encloses the country with clear and pure examples of corruption.

Ecuador is a country with its majority are indigenous living to merely filling some of their needs, leaving aside the idea of attending to schools and very weak health system, consequently they do not "bother" to really claim for a more transparency government. Although is it true many protests are done in Ecuadorian lands, they seem not be effecting with lowering corruption, in my opinion the country must concentrate in creating proper institutions in order to audit this process, but society itself must engage into one voice, proclaiming their rights and cease the toleration of corruption.

It is wicked to say elections should be call again and chose another

candidate from a more capitalist party, and one of the main reasons is that <https://assignbuster.com/corruption-in-latin-america-the-case-of-ecuador-politics-essay/>

history have shown despite the wing a president comes, corruption still persists, so even mayor changes should be done. One of my recommendations is the creation of programs that develop the economy of the poorest ones, and based in hypothesis made Davis and Ruhe (pag 6) countries with a high per capita income and upper foreign investment are perceived as less corrupted. At the same time this part of the population will have more opportunities for education, and the generations to come will be more aware of how deep corruption hurts a country.

I do not criticize the new leftist in their in basis or proclamations, but I contentedly oppose the way the ideas from the “ 21st century socialism” it’s being applied, contemplating a more equal distribution, but in reality the only beneficiaries are the ones who receive mayor contracts for being brother of the high commanders, or the elite people who keeps the subsidies supposed to be for helping the real needs of one economy, and neither the suppression of voice, which is why after studying the different variables in Ecuador’s corruption I finish this paper by pointing Mahadma Ghandi’s quote “ Corruption and hypocrisy ought not to be inevitable products of democracy, as they undoubtedly are today”.