

Latin America's Protests Are Likely to Fail | Foreign Policy

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The popular uprisings in Bolivia, Chile, Ecuador, and Haiti have many different causes and one thing in common: If history is any indicator, the outlook for genuine, lasting change is grim.

Chile's government had big plans for the last two months of 2019. The Southern Cone country has long been a member of international trade agreements and exclusive multilateral organizations and was the first Latin American country to join the OECD in 2010. The country was set to host the Asia-Pacific Economic Cooperation (APEC) forum in November and the United Nations' COP25 climate summit in December. International observers saw this as the moment for Latin America's most stable democracy and market economy to take a greater role in global affairs.

Then, demonstrations broke out on Oct. 18 over a planned subway fare hike, growing quickly into a massive wave of popular protests that continue today. The huge demonstrations, punctuated by incidents of violence, led President Sebastián Piñera to declare a state of emergency and call the armed forces to the streets in a show of force that has been eerily reminiscent of Augusto Pinochet's dictatorship.

The Chilean government has now called off both the APEC and COP25 meetings, and Piñera continues to scramble to propose changes that protesters will find meaningful. Despite the different causes driving a wave of popular protests across the region, the common interpretation is that the upheavals in Chile, along with protests in Bolivia, Haiti, and Ecuador, were long-overdue popular eruptions over economic and political discontent.

The common interpretation is that the upheavals in Chile—along with protests in Bolivia, Haiti, and Ecuador—were long-overdue popular eruptions over economic and political discontent. It's more complicated.

While that may be partly true, it also obscures important differences across these cases. While protests in Haiti have stemmed from inflation and popular disgust over government corruption,

the Ecuadoran protests have seen the Confederation of Indigenous Nationalities of Ecuador, or CONAIE, emphasize claims of marginalization and discrimination. Alleged election fraud in Bolivia has led to calls to strengthen democratic institutions, and protests in Chile continue to stem from anger over an unaccountable political class and socioeconomic immobility.

First there is the case of Haiti. Six months ago, inflation and government plans to increase fuel taxes sparked protests, which quickly morphed into broader allegations that government leaders—including the president—embezzled an estimated \$2.3 billion from the Venezuelan oil program Petrocaribe. While the oil patronage agreement indicated the revenue from the resale of Venezuelan oil was intended to fund desperately needed infrastructure and social programs in the poorest country in the hemisphere, the majority of the proceeds have not been accounted for.

The result has been a near-half year of protest, resulting in at least 20 Haitians dead, broad and continuing calls for the resignation of President Jovenel Moïse, and food shortages. This environment further exacerbates the ongoing impoverishment of the country. More than 6 million Haitians live below the poverty line, and of those 2.5 million fall below the extreme poverty line, relying on only \$1.23 per day. Per capita income in Haiti is significantly lower than the Latin American average, as is life expectancy.

In Ecuador, protests began this fall when President Lenín Moreno touched the third rail of Ecuadoran politics: lifting state fuel subsidies. In Ecuador, protests began this fall when President Lenín Moreno touched the third rail of Ecuadoran politics: lifting state fuel subsidies. Demonstrations erupted, as they have in the past when governments have attempted to withdraw subsidies, briefly leading Moreno to declare a state of emergency and move the capital from Quito to Guayaquil. For now, an official peace has been negotiated after seven people died and over 1,000 were injured, and the protests hurt the economy by preventing 360,000 barrels a day of oil exports.

As the street protests have settled down, the indigenous group CONAIE has continued its campaign, using the occasion to call attention to its longstanding complaints over economic disparities between cities and rural areas and exclusion and prejudice against indigenous communities. The indigenous movement's leaders have offered to meet with the government,

and it remains a potent force, employing popular mobilization to demand government action to address unmet social and political demands.

In the case of Bolivia, a contested, constitutionally questionable effort at reelection by President Evo Morales has led to nationwide protests and predictable charges of electoral theft. After losing a public referendum to overturn a constitutional ban on a fourth term, Morales turned to his packed constitutional court to allow him to run again, which claimed that both the constitutional ban on reelection and a popular plebiscite rejecting his candidacy constituted a violation of his human right to political participation.

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The Organization of American States is conducting an external audit of the votes, which should be released in the upcoming weeks, but Bolivia's opposition has already announced that it will not accept the audit and has called—unsuccessfully—for Morales's resignation. But as with the other protests across the region, the demonstrations have also brought up other longstanding concerns, in this case over Morales's consolidation of power, the illegal burning of national forests, slowing economic growth, and declining social mobility.

Most experts, including the authors of a recent Foreign Affairs article, "Why Latin America Was Primed to Explode," trace the recent spate of protests to inequality, anger over corruption, unaccountable political systems and political elites, and the collapse of rising popular expectations after the end of the commodities boom of the early 2000s. All of these have contributed to popular discontent. But these explanations fail to account for the timing of these protests and fail to examine the different pathways out of these upheavals.

Latin America experienced a boom in economic growth starting in the early 2000s. Between 2003 and 2011, the region's GDP grew at an average of more than 4 percent. This was a substantial jump from previous decades, as average growth from 1980 to 2002 fell under 2.5 percent. While reaching a peak in 2011, economic growth continued at a stable rate, averaging around 2.3 percent in 2013. Growth, however, was not distributed equally across the region or within countries.

Haiti saw only 0.4 percent GDP growth in 2003, lower than other Latin American states and even more so given their per capita income is less than one-tenth of the Latin American average. Chile and Ecuador, by contrast, experienced an increase of 4.1 percent and 2.7 percent that year, respectively. Between 2004 and 2017, Bolivia recorded an average GDP growth rate of 4.8 percent.

Across the board, countries in the region faced an economic slowdown after a drop in commodity prices in 2014. As a result, the Bolivian government implemented fiscal measures that, while increasing its public debt, maintained stable economic growth. Other countries have not been as successful. Projected growth rates for 2019 have placed Bolivia at 3.9 percent, Chile at 2.5 percent, and Haiti at just 0.1 percent, and estimates show Ecuador's economy shrinking by 0.5 percent.

With the boom years came an unprecedented but fragile growth of the middle class. From the early 2000s to about 2012, the middle class in Latin America grew by over 1 percent year to year. The shift from 2013 to 2014, however, was a mere 0.2 percent of Latin Americans joining the middle class—a gut punch to upward mobility. The problem with using this growth in the middle class as an assurance of stability, though, was twofold.