

Rafael Correa actively supports the ongoing work of Ecuador's debt audit commission

Saturday 15 March 2008, by [TOUSSAINT Éric](#) (Date first published: 12 February 2008).

The CAIC - Comisión para la Auditoria Integral de la Deuda Pública - held an intensive two-week work session from the 10th to 23rd February 2008. 10 Ecuadorian members [1] and the 6 foreign members [2] of the CAIC worked hard to advance the ongoing audit of the debt. The programme for these two weeks went as follows: three days of meetings for each of the 5 sub-committees (bilateral debts, multilateral debts, external commercial debts, internal commercial debts, legal aspects), three days of plenary meetings, two days of field visits, one whole day's meeting with Ricardo Patino (the Minister of Policy Coordination and CAIC Chairman), one half-day presentation of the commission's provisional results to President Rafael Correa in the presence of three Ministers (Ricardo Patino, Fausto Ortiz - Minister of Finance, Washington Pesantes - Minister of Justice), one busy day with the Constituent Assembly and finally, one last day's plenary to determine the work to be carried out through to July 2008.

Seven or eight of the Ecuadorian members of the commission have been working full-time or part-time on the audit for several months and, since December 2007, they have been backed-up by some ten financial experts and a number of civil servants. Several foreign members of the commission have also done a considerable amount of work in the last weeks, either in Ecuador or in their respective countries. Thousands of pages of documents concerning loan contracts have been closely analysed from various points of view, i.e. legal, economic, social, environmental and political. A large number of people have been interviewed. Much diplomacy and tenacity was needed to gain access to the full archives concerning debts in some of the State institutions. Resistance was sometimes encountered due to the fact that some of those originally responsible for the debts being taken on were trying to hinder the work of the commission. Obviously there are still permanent civil servants, throughout the Public Service, who were already in place when the illegitimate debts were negotiated and who do not wish their transgressions to be disclosed. Fortunately, key positions in the administration are held by people who want to uncover the truth. And of course, the determining factor is that it is the President himself who wants the work of the commission to succeed. In fact, the determination of the President and the Minister-Chairman of the commission, combined with the acumen of the members of the commission, is leading to extremely encouraging results.

Working meeting with Rafael Correa

On Wednesday 20th February Rafael Correa and the CAIC had a long meeting in the presidential palace in Quito. This meeting was extremely positive, even though the context was most unfavourable. Torrential rain had been pouring over most of Ecuador for 15 days. The day before our meeting, the natural disaster took a turn for the worse. On the 20th February at 6 a.m. Rafael Correa had had a meeting with the various Ministers and the Head of the Army. He decreed that the army were to help the population, especially in the large banana plantations where owners had built walls which were acting as dams. Because of this emergency, our meeting with Rafael Correa started two hours later than planned but in spite of the situation, Rafael Correa expressed great interest in the work of the CAIC. The meeting lasted three hours, and was divided into two sessions. For the second part Rafael Correa decided on the spot to call in the Minister of Justice and the presidential legal advisor. Rafael Correa made it clear that he wished to take legal measures against those who were

responsible for taking on the illegitimate debt, especially at the time of the Brady bonds in 1995. He also said once again that he was prepared to stop the repayment of certain World Bank loans. The Minister of Justice expressed his support in this matter. Three days later, during his weekly talk on the radio, Rafael Correa was clear about his position on this. A decision could be taken when the CAIC reports on its work, after July 2008.

Ecuador's Constituent Assembly heard the CAIC on the 21st February 2008

The national debt group presented Alberto Acosta [3], the president of the Constituent Assembly [4], with a proposal concerning the debt problem to be taken into account in the drafting of the new Constitution. The new Constitution is being drafted at the moment, and the final draft should be voted by the Constituent Assembly on 24th May 2008 (it may take a further two months for the final version to be ready). The New Constitution is to be put to universal suffrage within three months of being voted by the Constituent Assembly – which has full authority, including that of suspending the authority of the President. One of its first acts, in October 2007, was to suspend Congress, an assembly composed mainly of unpopular members of the former regime. In his introduction, Alberto Acosta reminded everyone that Montecristi, the small town where the Constituent Assembly sits, was chosen because it was the birthplace of Eloy Alfaro who was elected President of the Republic in 1895 and who launched a series of revolutionary transformations. In 1896, Eloy Alfaro suspended debt repayments. The upper classes and the large landowners, backed by the catholic hierarchy, organised his assassination in 1912.

Who exactly participated in the meeting, which was qualified as “historic” by Alberto Acosta? Seven delegates of the national debt group, including delegates from Jubileo 2000 Red Guayaquil [5], Marie Isabelle Altamirano, member of CADTM Ecuador [6], and 10 delegates of the Commission for the Integral Audit of Ecuador's public debt.

The representative of CDES (the Centre for Economic and Social Rights) presented a project drawn up by the National debt group over the last few days (I participated in the writing up of this proposal during the last two weeks). Oscar Ugarteche (a Peruvian economist now teaching in Mexico) [7] read the progress report of the CAIC.

The meeting with Alberto Acosta was followed at the end of the afternoon by another meeting. The commission No 7, called “Principles which Govern Development” and which is drafting a section of the new Constitution, met with the CAIC. Each commission of the Constituent Assembly consists of around ten of the Constituent's elected members. The meeting with Commission No 7 lasted three hours and was very animated, since Pablo Lucio Paredes, one of the elected members, was highly critical of the presentation of CAIC's work. It should be remembered that he is right-wing and was in power in the 1990s [8]. Thus Pablo Lucio Paredes played an active role in applying the neoliberal policies which have done so much harm to the country. It was clear that this member of the Constituent does not in the slightest wish to see the President of the Republic question the repayment of Ecuador's debt. However the rest of the elected members of the Constituent Assembly on Commission No 7 expressed their support of CAIC's work.

Alongside the CAIC work

As well as participating in the work of the CAIC in February 2008, I also had several meetings with Pedro Paez, the Minister for Economic Policy Coordination. These especially concerned the Bank of the South, the CIRDI-ICSID (the International Centre for Settlement of Investment Disputes), priorities of the government's economic policies, etc. I also had two meetings with CADTM Ecuador, who also organised a public meeting on 20th February in Quito where three members of CAIC addressed the meeting. I gave an interview on Radio National Argentina about debt auditing, and a written interview about the Bank of the South for the Argentinean internet site Terra. Finally I also

took advantage of my stay in Ecuador to prepare the publication in Ecuador with the publisher Abya Yala of two CADTM books: the one on the Bank of the South and the one about the audit of the Ecuadorian debt.

Schedule and important dates for the CAIC

Up to the end of June 2008, the CAIC will continue its meticulous analysis and audit of the debt. On the 3rd and 4th July, an important international symposium will take place in Quito on debt and international law. Then the CAIC will reconvene from the 7th to the 11th July to adopt the final report and recommendations, which will be presented during the following days to the President of the Republic. There will be a meeting, starting on 16th July, concerning the strategy of international debt campaigns with some 50 delegates from every continent. The coming months are going to be decisive for Ecuador.

P.S.

* Translated by Elizabeth Anne in collaboration with Judith Harris.

Footnotes

[1] Maria Rosa Anchundia, Hugo Arias, Angel Bonilla, Franklin Canelos, Aurora Donoso, Piedad Mancero, Cesar Sacotto, Karina Saenz, Ricardo Ulcuango and the coordinator of the commission, Patricia Davila.

[2] Maria-Lucia Fattorelli (Jubilee South , Brazil), Gail Hurley (Eurodad), Jurgen Kaiser (Jubilee Germany), Alejandro Olmos (jurist, Argentina), Eric Toussaint (CADTM, Belgium) and Oscar Ugarteche (Latindadd, Peru).

[3] Alberto Acosta was very active, both in Ecuador and internationally, in the fight for cancellation of the debt. In 2003 he gave a lecture in a workshop organised by the CADTM in Brussels . In 2002, he wrote the preface of the Ecuadorian edition of the book "Your Money or Your Life".

[4] See the official site of the Constituent Assembly: <http://www.asambleaecuador.org/>

[5] See <http://www.jubileo2000.ec/actividades/reunion-de-jubileo-2000-el-grupo-nacional-de-la-deuda-y-la-caic-con-el-presidente-de-la-asamblea.html>

[6] Marie Isabelle Altamirano participated in October 2007 in the workshop on the audit of the debt organised by the CADTM in the Belgian Senate (see the journal "Les Autres Voix de la Planète" n° 37, 2008).

[7] Oscar Ugarteche participated in 1999 in the conference which the CADTM organised in Brussels as part of the Jubilee 2000 campaign. With Alberto Acosta he drew up a proposal for an international tribunal for debt arbitration.

[8] See his CV on his site: http://pablolucioparedes.com/cv_pablo_lucio.html