

Ecuador Strategy Flash

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A recent poll conveys all eight referendum questions are headed for approval, as the key political test for Mr. Lasso nears. The poll, carried out by Ipsos, indicates that all of the intended questions enjoy approval rates hovering between 65% and 85% (for an in depth description of each question, [click here](#)). This in turn conveys that the popular consultation should go in Mr. Lasso's favor, with all questions poised to be approved comfortably. In addition, 60% of the polled indicate they believe the popular consultation to be beneficial for the country, figure which hiked by 13% relative to December, when the number stood at 47%. The questions that generated the most consensus were related to environmental issues, enjoying an average 84% approval rating. The best perceived modification has to do with the incorporation of hydric protection areas to the National System of Protected Areas (85%), followed by creating mechanisms to compensate citizens or organizations that contribute to the generation of sustainable services (83%). Then, another item that enjoyed substantial popularity was the reduction in Assembly members, which instead of going from 137 to 152, would be reduced to close to 100. This measure counts with the approval of 82% of the polled. On the other side of the spectrum, the questions which proved more divisive were taking away the CPCCS attribute of naming nearly 77 high-ranking authorities, placing that power on the Assembly (65%) and the extradition of Ecuadorans to other countries to be judged for transnational crimes, including drug-trafficking (69%). In the middle range stand the three remaining questions, including the change in the mechanism for the election of CPCCS members (74%), the creation of a Fiscal Council, to guarantee the independence of prosecutors (73%) and a change in the political party system, which now would require each party to at least have members totaling 1.5% of their jurisdiction's electoral register.

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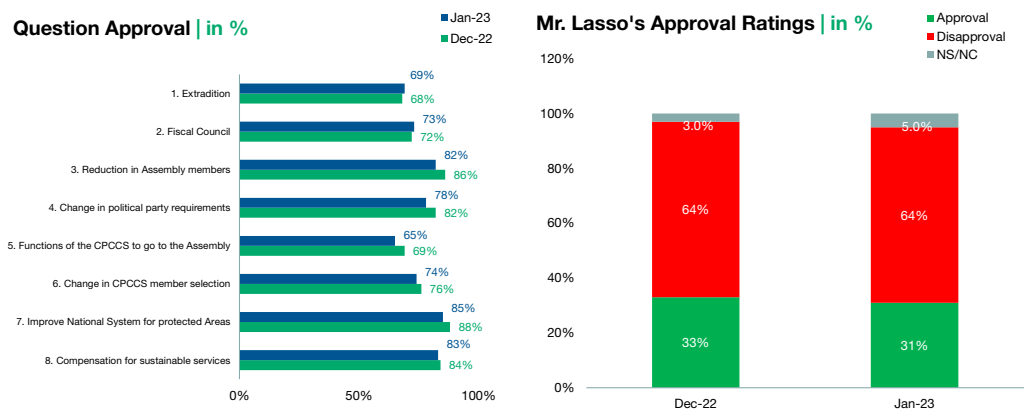
Comparing the figures to December's poll, most have suffered slight reductions in their approval ratings. However, the average change stands at -2%, as several variations are not significant. The changes in the approval of the questions related to the Extradition of Ecuadorans (68% in Dec-22 vs 69% in Jan-23) the creation of a Fiscal Council (72% vs 73%), the change in CPCCS member selection methods (76% vs 74%) and the compensation for sustainable services (84% vs 83%) are not significant, as they are of a smaller magnitude than the poll's margin error of 2%. The significant changes then are reductions in: the approval for trimming Assembly member numbers (86% vs 82%), the change in political party requirements (82% vs 78%), the transfer of functions from the CPCCS to the Assembly (69% vs 65%) and the improvement in the National System for Protected Areas (88% vs 85%). Still, with less than two weeks to go, most of the questions are headed towards approval.

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A solid referendum result should reinvigorate the Lasso administration, presenting it with a key instrument to make some gains in the political space. Poll figures seem to ratify the government's choice to initiate a popular consultation as the right one. Currently, all questions seem to be comfortably headed for approval, even as in both polls, Mr Lasso's approval rating stood at 33% and 31% respectively, with disapproval figures standing steady at 64% in both cases. The opposition's strategy of trying to turn the referendum into a popularity contest seems not to be very effective, rebuked by the eight clearly stated questions, which appeal to broad themes of popular concern, without putting Mr Lasso in the crosshair. Even as the polls present an extremely solid scenario for the administration, it is likely the margin of approval will fall in the referendum, as the opposition maximizes its territorial control and political platform in the election day to overturn the results against Mr. Lasso. However, in this context the administration is headed

to win one of the most important political battles of its tenure, which could propel some extra reforms before the next presidential elections. This the referendum it the most recent attempt on part of the administration to sidestep the Assembly, while simultaneously addressing some of the reforms the government wanted to include in its tenure. While a strong popular rebuke for the proposed policies, would leave the administration completely cut off in the political arena, polls convey that scenario seems unlikely, given current approval ratings of each question. Instead, a win could make some headway to present additional reforms to popular consultation, or at least use it as a bargaining chip to soften the Assembly.

Figure 1: Poll results convey the referendum should tilt in Mr. Lasso’s favor



Source: TPCG Research based on Ipsos

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Following up on the dispute between CPCCS members and the Assembly, finally the Constitutional Court impeached the former, ending the conflict. After the two institutions sniped at each other for nearly three months, the Constitutional Court of Ecuador sided with the Assembly, dismissing the current seven members of the CPCCS, which had already been ousted by the Assembly, to then be reinstated by a judicial ruling. The Court’s motive for the dismissal comes on the form of the refusal of the CPCCS members to institute a president for the Judiciary Council, finally giving the round to the Assembly. Therefore, the CPCCS has now no members, and can perform none of its assigned functions. And now, how its members are elected will depend on the result of the referendum, as if the question to modify the selection method of CPCCS members is approved, then instead of being chosen in an election, they will be voted in by the Assembly, directly. So now the current Assembly is biding its time, to see if it must appoint the substitute CPCCS members chosen in the last election, or if it can pick them discretionally. This marks another marginal defeat for Mr. Lasso in the political space, as he lost control of another administrative organ. However, the CPCCS should become much less relevant given the referendum goes in Mr. Lasso’s favor, as its key functions, of designating 77 control officials, would pass to the Assembly. So, even if he managed to remain in control of the CPCCS, the referendum would have put its valuable functions in the hands of the Assembly either way. All in all, Mr. Lasso will probably end up losing a toothless institution to the opposition, after handing most of its firepower away to the organ that has harassed his administration since the beginning.

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