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Strategy Flash – Ecuador

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# Ecuador Strategy Flash

**The impeachment process against Mr. Lasso could be delayed by a week, as opposition lawmakers filed the request citing an obsolete Penal Code.**

**The impeachment process against Mr. Lasso could be delayed by a week, as opposition lawmakers filed the request citing an obsolete Penal Code.** On Monday, the CAL, ruling organ of the Assembly, approved the petition to impeach Mr. Lasso filed by the opposition. The council approved the motion with five votes in favor. The members supporting the initiative belonged to Correism, the PSC, and Pachakutik, now allies to oust Mr. Lasso from his seat. This would put the ball in the Constitutional Court's park, and the latter would now have to present its ruling regarding the issue. However, on Tuesday local lawmakers detected a new error in the document, as the articles cited by the petition belonged to the previous utterance of the Penal Code. The latter had been reformed by the Assembly in 2021, and the versions present in the document belonged to the 2014 penal code. With this in mind, the Constitutional Court could refuse the petition on the grounds of it including outdated legislation. In this context, the CAL reconsidered its decision to send the document to the Constitutional Court, allowing the opposition to correct the aforementioned mistakes. This maneuver would delay the impeachment attempt by one week, buying the administration some extra time.

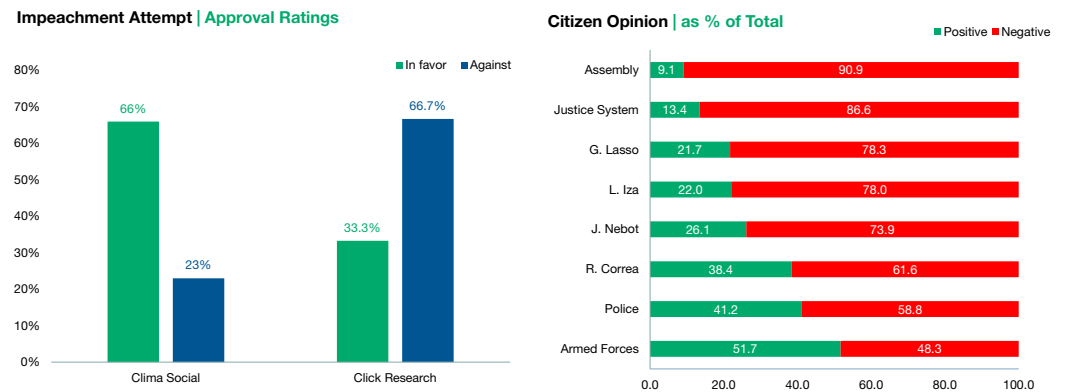
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**Whatever the possible delay, the impeachment attempt will be headed toward the Constitutional Court sooner rather than later.** There, one of its nine members, elected via random draw, will be tasked with producing a report on the case. In three days, the selected judge will present the case before the complete Court, and all members will vote on whether there are grounds to impeach Mr. Lasso, or not. The verdict requires two-thirds of the members to agree. On paper, the Court only has to check (i) if the request has been proposed following the Constitution. (ii) If the request singles out the crime that is imputed to the President and if it falls within the type of offenses provided for in article 129 of the Constitution. The opposition is fairly confident that the motion will pass. Said confidence is based on the argument that the Court only has to check the petition complies with the administrative pre-requisites, rather than performing an exhaustive analysis of the nature of the case. On the other hand, the administration expects the Court to block the attempt, accusing the opposition of trying to destabilize the administration and force its exit.

**Recent polls present a very unclear situation regarding public opinion on the impeachment attempt, which will probably be inconsequential as organized movements will mobilize to amp up the pressure on the Court**

**Recent polls present a very unclear situation regarding public opinion on the impeachment attempt, which will probably be inconsequential as organized movements will mobilize to amp up the pressure on the Court.** A very recent poll carried out by Click Research conveys that 38.7% of the polled believe the best course of action for Ecuador is for Mr. Lasso to end his tenure without an early removal. 28.3% instead support the President's prerogative to call the Muerte Cruzada. Only 33.3% believe Mr. Lasso should end his term prematurely (18.5% believe the Assembly should impeach the president, with another 14.5% pushing for his resignation). This contrasts with another recent poll presented by Clima Social, which conveys approval ratings for the impeachment stand near the 66% mark. This conveys there is a lot of uncertainty surrounding the citizen's opinion on the impeachment. In our view, even if the impeachment does not have the support of the general public, the mobilization capabilities of the indigenous movements and correism could exert some pressure on both the Constitutional Court and the administration. Both Mr. Iza, president of the CONAIE, and other correist spokespersons declared that an adverse ruling from the Constitutional Court could be met by street protests. In this context, correism seems to be determined to obtain the victory that it was denied in 2022's impeachment attempt.

**Figure 1: Recent polls present divisive views over the impeachment's support**

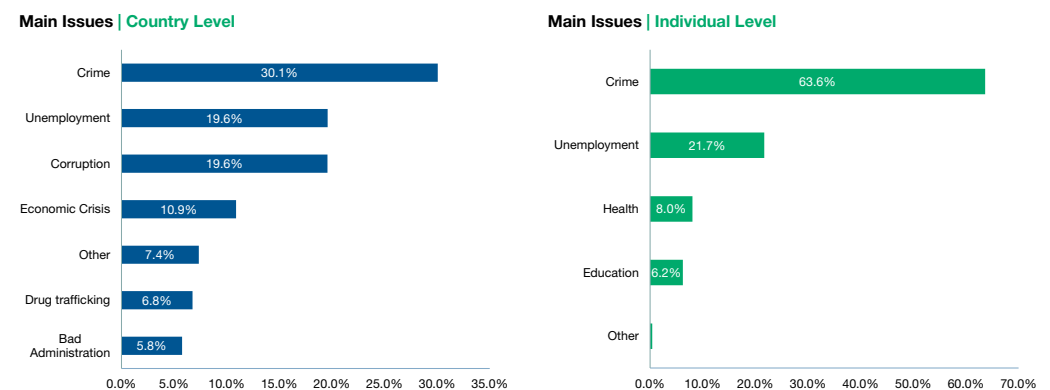


Source: TPCG Research based on Clima Social & Click Research

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However, most polls concur in the fact that Mr. Lasso's approval ratings hover around the high teens - low twenties level (21.7% for Click research and 15.2% for Clima Social). In this context, other political figures, such as ex-president Rafael Correa or Mr. Iza poll at 38.4% and 22% respectively, while the Assembly continues to be the worst perceived institution in Ecuador, with a 9% positive image. Still, with his image near all-time lows, a Muerte Cruzada, or anticipated election would probably see Mr. Lasso be replaced, making clear (even as it already was), that he does not seem to be a competitive candidate. On some positive news, it seems that none of the traditional political parties enjoys significant traction. Mr. Correa enjoys a 38.4% positive image, but it is unlikely other correist candidates could muster similar levels of popularity. In addition, a correist candidate is bound to galvanize all the anti-correist opposition against his candidacy, making him less competitive in a second round. Mr. Nebot polls near Mr. Lasso (26%), showcasing that the PSC is not a favorite for any upcoming elections, with this thesis reinforced by its weak performance in the sectional elections. Mr. Iza, representing the most radical wing of the Pachakutik movement, polls at 22%, rendering him as competitive as Mr. Lasso, even as if a more moderate candidate would probably traction additional votes. All in all, the scenarios for a possible election are heavily muddled and are setting the stage for the emergence of a new political force.

**Figure 2: Security issues lead the ratings as the main problem in Ecuador.**



Source: TPCG Research based on Click Research

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In this context, security leads the rankings as the issue that most worries the voter base, followed closely by unemployment. The Click Research poll showcases that, even with most Ecuadorians believing that the country is experiencing a bad situation (82%), when asked about their personal situation, 55% answered it is Good. When asked which is the main problem faced by the country, most answered it comes in the form of insecurity and crime (30%), followed by unemployment (20%) and Corruption (20%). The economic crisis and drug trafficking follow, at

11% and 7%. Security complaints increase when asked at a personal level, as 63% of the citizens point out their main problem comes in the form of insecurity and crime. This presents a minor silver lining for Mr. Lasso. If the president can focus on improving security and employment substantially, his ratings could improve significantly. However, being continuously blocked by the Assembly, the implementation of policies to improve citizen safety and employment look complicated. In the event of a Muerte Cruzada, his administration could focus on tackling the mentioned issues, given the Assembly is dissolved, giving him a short period of time with free reign to align his policies towards improving his image.

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