The Political Determinants of Presidential Stability: Comparative Analysis of Ecuadoran President Velasco Ibarra

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Throughout the history of Ecuador, there has been a large number of sitting presidents who have not finished their full presidential terms. While some presidents succeed in completing their presidencies, many do not. This study focuses on Ecuadoran President Jose Maria Velasco Ibarra. Velasco held presidential office on five separate occasions, only one of which, he held for a full term of four consecutive years. By examining the multiple presidential terms of Velasco, this paper explores potential factors which contribute to presidential instability within Ecuador by attempting to answer the question: what factors inhibit President Velasco from finishing a full presidential term? This paper seeks to explain Velasco's high presidential fallout rate by comparing the five separate times he held the presidency in Ecuador.

Each of his terms throughout the twentieth century is examined in this paper: 1934-1935, 1944-1947, 1952-1956, 1960-1961 and 1968-1972. Only during his third term did Velasco hold office for a full four year presidency. Velasco's third term is compared to the four others, in which he was removed from office before a full presidential term. Four different variables are examined: the economic state of Ecuador, the involvement of the president in a personal scandal or corruption within government, and the presence of street protests. It is hypothesized that the presence of a protest determines whether Velasco is removed from the presidency. Research suggests that the poor results of Velasco's economic performance lead citizens to riot against the executive. A poor economic state will only anger Ecuadorans and leave them feeling betrayed and abandoned by their government. This dissatisfaction is what encourages people to challenge the sitting president. Whether or not the citizens actively take to the street and protest the executive, will be the determining factor in whether or not Velasco is removed from office.

Literature Review

This research is based off of Kathryn Hochstetler's journal article, *Rethinking Presidentialism*: Challenges and Presidential Falls in South America. Hochstetler's research accounts for the instability of South American presidential governments. Through the 1970's and 80's, nearly 23 percent of South American Presidents have been removed from office before their terms have officially ended (Hochstetler, 2006). This is a testament to the quality, or lack thereof, of these democratic regimes. Many of these countries are attempting to work towards democratic nations (Maier, 1971). However, something is falling short.

Ecuador represents a prime example of presidential instability within South America. In his article *Presidential Succession in Ecuador*, Georg Maier examines each sitting president throughout Ecuador's history (1971). However, he notes that there continue to be many discrepancies as to exactly which previous presidents should carry the title of head of state due to the fact that some leaders were only in office for a matter of days. The ambiguity of presidents throughout Ecuadoran history is a testament to the lack of governmental stability. Maier believes that many of these discrepancies are the result of the first three decades of Ecuador's history, during which the country attempted to make strides toward creating a national identity. Throughout these first three decades, many local caudillos mandated governmental power, each claiming the role as head of state. The lack of stability within Ecuador's new republic set the foundation for future governmental institutions, only perpetuating Ecuador's pattern of presidential fallout throughout history. Therefore, it is suggested that a governmental regime that has stemmed from instability,

will only bring about further instability in the future, with democracies lacking legitimacy and continuity in leadership.

The Ecuadoran government is a proportional representative system, which Arend Lijphart argues, is the least stable democratic construction. In his Constitutional Choices for New Democracies, Lijphart claims PR systems inhibit economic growth and increase inflation and unemployment within a state (Lijphart, 2013). However, the case of Ecuador suggests that even states with the same institutional design of presidentialism and PR experience variations in presidential stability.

There are many factors that affect the stability of a democracy: the state of the economy, corruption within government, and the presence of riots. If one of these variables occurs, it is highly unlikely that the government falls. But if multiple factors occur, the democracy increases its chances of falling. Therefore, according to Abraham Diskin, Hanna Diskin and Reuven Hazan (2005), a democracy is "neither fragile nor feeble, but rather, a highly resilient regime type. A single debilitating factor is highly unlikely to bring about its collapse". When considering five variables of democratic stability: malfunctioning economy, proportionality, constitutional weakness, cleavages within parties, and foreign involvement, they found that from 1922-1994, Ecuador had a 99.8 chance of governmental collapse (Diskin, Diskin and Hazan, 2005). This could mean that the president has little control over his own fate. Therefore, it may be the governmental institution itself, and not the implications of presidential policy, that prevent a president from completing a full executive term.

However, some argue that presidential falls do stem from the leader, himself. In *The Ecuador Reader: History, Culture, Politics,* Carlos de la Torre and Steve Striffler take note that Velasco's interpretation of what the role of the president was, had changed over time. In 1941, it was Velasco who condemned the current President of Ecuador, Carlos Arroyo del Rio, for not properly fulfilling the duties of the head of state. Velasco himself, admitted that the job of a President is one to be taken seriously; claiming that "the President of the Republic of Ecuador is a magistrate, Chief of the Executive branch of the government, and elected by direct suffrage by a sovereign people" (de la Torre and Striffler, 2008). He wrote to Arroyo del Rio, saying "you were not appointed by a free suffrage. In certain regions, as in Quito, the inscription of electors was hindered by unworthy and despicable means. In other regions, as in Guayaquil, where I spent the second day of the elections, the police kept the air ringing with their shooting; killed, wounded, and made everybody run. You did not arrive to the government through frauds usual in some Spanish American countries. You are a dictator," Velasco had said (de la Torre, Steffler, 2008). It is ironic that Velasco commits these same wrongs throughout many of his presidential terms, subjugating the working class and taking advantage of presidential powers.

Velasco was one of the first politicians to campaign all across Ecuador, and not only in the capital. He would travel to different regions and energized Ecuadorans to support him. He had the ability to speak publically, and made the people feel as though only he, himself, could solve the problems of Ecuador (Linke, 1962). This helps to explain why Velasco continued to be voted into office, despite his previous failed presidencies. Many Ecuadorans were hopeful of this new and flourishing democracy. However, many of them did not realize how brief democracy would last. Over time, people started to wonder whether his words were only that-words and not action (de la Torre, 1997). He spent long periods of time abroad, working in other countries. Before 1960, Velasco had only been in Ecuador for eight out of the previous 26 years, the other 18 years in political exile. This, some believe, was the key to Velasco's success. He earned the nickname as the Great Absent One (L.L., 1953). Being away helped his appeal by taking on the position of coming to "save" Ecuador. However, in reality, he was too unfamiliar with the country's economic situation to be an effective leader. His distance from the realities of Ecuador ultimately led to his political demise.

By 1947, Velasco had been removed from office on two separate occasions. Both times this was due to his "anti-constitutional procedures" which he defended by claiming that the constitution lacked the ability to serve the people effectively and efficiently (L.L., 1953). There was some truth to this considering the Ecuadoran Constitution had been rewritten 17 different times throughout 86 different governments, over a time span of 159 years (Mongabay, 2013). Between 1924-1947, Ecuador had twenty seven different heads of state, 6 different constitutions and many different mini-revolutions, making political instability a common characteristic of the Ecuadoran government (L.L., 1953). Ecuador has experienced eighty-four presidential turnovers throughout a period of 140 years, on average, about one president every one and half years (Maier, 1971). Table 2.0 displays how relevant presidential instability is within Ecuador. Among the 85 sitting presidents throughout Ecuador's history, 50 of them had been removed from office before completing a full presidential term (Maier, 1971). The lack of presidential stability within the country seems to only perpetuate further presidential falls in the future. If a country lacks the foundation of a stable democracy, there seems to be little hope in gaining legitimacy within the government unless a new democracy is created from the beginning. However, the very process of developing a new government and a new constitution, only further delegitimizes the government. The high fallout of presidents seems to only perpetuate governmental instability within a country. This could be the reason many developing nations are unable to improve the legitimacy and quality of their government, and find themselves stuck in a never-ending cycle of corrupted regimes, scandalous politicians and unsatisfied citizens. This paper examines the highly unstable democratic government in order to find the potential causes which influence presidential instability in over time.

Presidential instability is a topic that is many times ignored. However, it is very relevant when speaking about South American politics and governmental stability, or lack thereof (Hakim, 1999). It is clear that many of these countries are working towards a democratic government of checks and balances. Yet, a democracy is only as strong as the citizens believe it to be. A democratic system is dependent upon the faith and participation of the citizens. As division grew between the Ecuadoran elites and the suppressed working class, the foundation of governmental institutions faltered. Becker explains:

Instability is not an inherent component of Ecuadorian culture but an artificially created characteristic of a small elite determined to run the country according to its own interests to the exclusion of the rest of the populace. Although constitutional reforms after the 1944 revolution and the 1979 return to civilian rule slightly opened up the political process, electoral politics continued to remain overwhelmingly a minority and elitist affair. The masses could only make their political presence known by engaging in extra-constitutional actions. This pressure for fundamental structural reforms became much more apparent and urgent during times of economic crisis. Instability was a function of society's inability to provide for all of its inhabitants (Becker, 2003).

The success of democracy seems to be dependent upon the greater good of its citizens. Due to the lack of studies dedicated to this particular topic, this research will not only spark further interest in the democratic instability in Ecuador, but throughout South America, as well.

From 1934-1972, Velasco had held office the most number of times in Ecuador's history (Maier, 1971), on five separate occasions, only one of which he finished a complete presidential term (de la Torre, Striffler, 2008). These five cases are compared in order to determine what the main cause is as to why Velasco could not finish a full presidential term during most of his times in office. On most occasions, the independent variables are similar: economic performance, governmental corruption and the presence of protests. However, the outcome differs during his third presidency.

Theory

This paper analyzes the hypothesis that it will be the presence of protests and riots that ultimately determine whether Velasco is removed from the presidency. Each of his five presidential terms have commonalities and usually cause Velasco to leave office early. His five terms are displayed in Table 1.0 which suggests that a poor economy usually leads to riots. However, Velasco's involvement in governmental corruption does not seem to have much influence over whether Velasco is removed or not. While the poor state of the economy and Velasco's involvement in corruption reflected similarly throughout four of his five terms, the distinct difference was a prospering economy and the absence of a protest, which distinguished Velasco's third term from the others. These protests tend to occur due to the poor economic performance of the Velasco administration. Therefore, this paper predicts that it is a poor economy and the presence of a protest which actually remove Velasco from the presidency.

Table 1.0: Velasco Ibarra Falls From Presidency in Ecuador

Term	Economy	Corruption	Protest	Presidential Fall
1934-1935	Poor	No	No	Yes
1944-1947	Poor	Yes	Yes	Yes
1952-1956	Good	Yes	No	No
1960-1961	Poor	Yes	Yes	Yes
1968-1972	Poor	Yes	Yes	Yes

Methodology

This research is conducted by using the Most Similar Comparative research design. All five of Velasco's presidential terms are analyzed: 1934-1935, 1944-1947, 1952-1956, 1960-1961 and 1968-1971. Velasco exited the presidency early in all of his terms, expect the third. From 1952-1956, Velasco entered and exited the presidency, in accordance to the Ecuadoran Constitution, for a full presidential term. These four years in office are compared to his other four presidential terms. By comparing five separate, but similar, time periods that Velasco held office, this paper aims to better clarify why Velasco had not been able to serve a full term for four out of his five presidencies.

This research seeks to answer the question: what factors inhibit President Velasco from finishing a full presidential term? This study attempts to answer the question by analyzing three independent variables: 1.) the economic situation, 2.) if Velasco was involved in governmental corruption or scandal, and 3.) whether or not a street protest occurred in response to disapproval of the president. I predict that it will ultimately be the presence of protests, which could reflect extremely low public approval ratings, that are responsible for removing Velasco from office, where as the absence of a riot enabled Velasco to remain president from 1952-1956.

This paper focuses only on the governance of President Velasco in Ecuador. In this study, the head of state is considered to be president if he: 1.) is from a popular election, 2.) has not been discharged by a parliamentary vote, and 3.) directs the government that he appoints (Hochstetler, 2006). In the case of Ecuador, one full presidential term is four consecutive years. A president who wishes to run for reelection must wait at least one term to run for office again (Maier, 1971). Anything less than four years is not a full term. I define "presidential fall" or "removal from office" as any sitting president who is terminated from his presidency by means of impeachment, assassination, governmental overthrow, or military coup d'etats (Marsteintredet, 2008). In this study, presidential fall does not include a removal of office due to illness or natural death of the president. Removal of the president must also occur before his full term is completed (before four years).

The independent variables of this study include: the economy, governmental corruption while in office and finally, if a street protest occurred. I define the economy based on the GDP growth rate and GDP per capita growth rate. Due to a lack of documented GDP rates in Ecuador before 1960, this study measures economy over a ten year time period throughout Velasco's first three terms. The last two presidential terms (both after 1960) are based off of the specific time Velasco was in office. I deem the economy to be prospering, if the GDP growth rate is 5.5 percent or higher within a ten year time span, and if the GDP per capita growth rate is 2.5 percent or higher (Avakov 2010). The value of the Sucre will also be a component as well. However, this is only noted in Velasco's fourth term. Governmental corruption is defined as any action that is not granted to Velasco within the current Constitution of Ecuador. This study focuses on: the removal of any government officials who were currently employed when Velasco took office, the occurrence of any kind of smear campaign that was directed at another person or political rival and any kind of bribe or reward in the form of money, job security or threats, which would encourage his faithful Velasquista followers to physically or verbally threaten opposition, the misuse of public funds, and the imprisonment of any citizen without a fair trial are also unconstitutional. These are all examples of corruption within this study. And finally, a protest is defined as any group gathering of a minimum of 20 Ecuadorans or more that publically oppose the Velasco administration in a riot or protest, regardless of whether the outcome was peaceful or violent.

1934-1935

The 1934 election was the first time Velasco was elected president. At age 41, he was voted in by the popular majority, until he was forced to resign one year later (Maier, 1971). Velasco's presidential campaign created a whole new wave of excitement among citizens. People all over the country, voters and non-voters, alike, wanted to be a part of the political process. For the first time, a political candidate traveled around the country, visiting small, rural communities. Velasco's charismatic personality and ability to speak in front of large crowds sparked a new kind of political movement that made the average citizen feel as though he finally had a voice. His election brought a dramatic growth of popular involvement, political activity and cultural expression during the 30's and 40's.

State of Economy

The lack of resources available for Velasco's first presidential term created a challenge when measuring the three independent variables. The economy during the 1934-1935 presidential term was not prosperous. From 1929-1938, Ecuador had a GDP of 3.82 percent (less than 5.5 percent) and a GDP per capita growth rate of 1.54 percent (less than 2.5 percent) (Avako, 2010). In the 1930's the height of the cacao industry had dropped due to the onset of the Great Depression, disease and loss of foreign markets; the decreased bargaining power for the working class had had devastating effects on the economy. It was the working class that felt the effects the most. Indigenous people were controlled and marginalized by the elite few. As the working class began to grow restless, civil society started to radically change. A "relatively modern, if imperfect and highly undemocratic, political system was emerging in which the country's traditional elite could no longer rule by fiat. Working middle classes were making their voices heard, and elites were forced to listen" (de la Torre and Striffler, 2008). The voice of the middle class grew louder and louder. By 1939, there were 70 unions throughout Ecuador, compared to only 4 unions before 1929 (de la Torre, Striffler, 2008). From 1935-1939, Ecuador's "banana boom" was just beginning, with an average output of 1,920,000, making Ecuador the 9th largest banana exporter in Central America (Parsons, 1957). As civil unrest grew, the middle class, artisans and a small proletariat began rallying behind Populist President Velasco (de la Torre, Striffler, 2008).

Involvement in Corruption/Scandal

Although no specific examples of governmental corruption were found within this time period, there is very little doubt that Velasco was accused of corruptive acts during his time in office. According to Lilo Linke, Velasco was removed from his first presidential term due to "anticonstitutional procedures" (Linke, 1953).

Protest

From 1934-1935, there is no documented occurrence of a protest or riot of more than twenty people. However, throughout the 1930's, a group of people did emerge that would eventually lead the opposition against Velasco in the near future. Ecuador experienced a wave of artistic expression throughout the country. Literacy rates increased, paintings were appreciated and literature in fiction became much more popular. Within these artistic sects: racism, indigenous suppression and social realism were large factors in the art. By acknowledging the exploitation of indigenous peoples and the working class, it helped to delegitimize hierarchical racist and semifeudal social relations. This era of artistic expression and modernization, was in large part, made possible by the Liberal Revolution. Throughout this period of time, a middle class of intellectuals began to emerge. Many of these same intellectuals would become key political figures who would stick up for the repressed indigenous people and oppose the social order of Velasco in the future (de la Torre and Striffler, 2008).

1944-1947

In 1944, at age 52, Velasco was once again elected president and exhibited dictatorial powers over Ecuador (Maier, 1971). Velasco's second presidency was the result of the beginning of the Glorious May Revolution of 1944-1947. Ecuadorans in the city of Guayaquil began to revolt against the government of President Carlos Arroyo del Rio's. At 10 PM on May 28th, thousands of students, workers, peasants and intellectuals had gathered to rebel against the "the hateful tyranny of traitors whom we can no longer tolerate" (Becker, 2003). Many of the peasants and Indians were restricted from voting in political elections and were not recognized as citizens of Ecuador. They experienced much repression from rich elites, and a high cost of living. The military supported those who revolted and aimed to return the power back in the hands of the people.

Therefore, many different political parties joined together to form the Alianza Democratica Ecuatoriana (ADE) in 1943. The overwhelming participation of average citizens represents a mass political movement in the 1940's (Maier, 1971). Their goal was to elect the independent, populist candidate Velasco into presidency. Arroyo del Rio refused to allow Velasco to run for president. In response, hundreds of people throughout Guayaquil, Quito, Cuenca and Riobamba protested in support of Velasco, causing Arroyo del Rio to resign on May 31st (Becker, 2003). The ADE established a provisional ruling, claiming Velasco to be the executive leader of Ecuador in August of 1944 and to begin work on the 15th constitution which took 7 months to finalize (Maier, 1971). When Velasco entered the presidency, he had wide and diverse support of the people. He pledged to fight for social justice and transform the national economy. However, his popularity, and second presidential term, was short-lived.

Velasco turned his back against his supporters once he criticized the newly finalized 1945 Constitution, which acknowledged peasants and Indians as citizens. He criticized the national documents, saying it was too "barbaric, absurd, utopian, and impossible, a typical example of the idiotic criollo Communism that congratulates itself for filing theaters and lecture halls with illiterate Indians" (Becker, 2003). Velasco even claimed that the Constitution threatened the freedom of Ecuadorans because it restricted his own executive powers. The "accomplishments" of the 1944 May Revolution were short lived. The uprising did not grant citizenship to Indians, peasants, or

many women, once again restricting political participation to only 10 percent of the population (Becker, 2003).

Economy

The economy started to falter as well. From 1938-1950, the GDP growth rate was 4.66 percent (lower than 5.5) and the DGP per capita growth rate was 1.54 percent (lower than 2.5) (Avakov, 2010). From 1943-1947, the cost of living doubled. Marc Becker says, "rather than solving the country's problems, the new government [of Velasco] only proved to exacerbate a worsening situation" (Becker, 2003). The underlying problems of the economy were not being addressed, which only perpetuated the declining economy. "Meanwhile, Velasco got too comfortable with public support and "turned his back on his previous supporters, repressed labor movements, began to persecute "Bolsheviks" and "terrorists," and for the first time in its history forced the Communist Party underground" (Becker, 2003). He also exiled many of his political rivals to a prison that he constructed on Isla Isabela in the Galapagos.

Involvement in Corruption/Scandal

On March 30, 1946, Velasco declared himself dictator of Ecuador and disposed of the 1945 Constitution (which had only been in effect for a little over one year). He replaced it with the 1906 Constitution while he ordered Conservatives to write a new document that catered to his personal interests and neglected the rights of indigenous peoples and peasants. It was put into effect on December 31, 1946. By this time, Velasco had effectively alienated both left and rightist political parties. On August 23, 1947, he was arrested by the military and charged with mismanagement of the economy. He was forced to resign and exiled from the country (Becker, 2003). President Carlos Julio Arosemena Tola took Velasco's place as an interim president, setting the precedent for 12 years of unusual political stability and economic growth in Ecuador.

Protest

Regardless of his rhetoric, Velasco quickly alienated himself from any supporters at all. In January of 1945, Velasquista forces and leftist groups grew violent within the streets of Quito and Guayaquil. The government suppressed the indigenous rising with 2 army units, thirteen tanks and 2 planes (Becker, 2003). Instability had resurfaced in Ecuador.

In 1948, President Galo Plaza (1948-1952) was elected president, vowing to step down from office in the next four years. He was the first of three presidents who successfully completed their terms and peacefully transferred their executive powers. This was the first time in more than 25 years that a president who had been constitutionally elected had finished a full term and then freely handed the position over to the next president (L.L., 1953). President Galo Plaza "wanted to show that the Ecuadoran people were capable of living under a peaceful democratic Government in an atmosphere of respect for the laws and the Constitution" (L.L., 1953). From 1948-1960, Ecuador experienced 12 years of peaceful presidential transitions (L.L., 1953). People began to gain hope that their democracy finally contained the stability and legitimacy it lacked for so long.

<u> 1952</u>

In 1952, at age 59, Velasco began his third presidency, which ultimately ended up being his only full term that ended four years later in 1956 (Maier, 1971). It was this presidential term that proved to be the most unique out of Velasco's five times in office.

State of Economy

From 1952-1956, Ecuador experienced a prospering economy and a relatively satisfied society. From 1950-1960, the GDP growth rate was 5.59 percent 9 (higher than 5.5) and the GDP per capita growth rate was 2.77 percent (higher than 2.5) (Avakov, 2010). The overwhelming exportation of bananas in the 1950's became known as the "Banana Boom". Output increased to 18.7 million by 1952, making Ecuador one of the leading banana exporters (Parsons, 1957). High fruit prices, cheap agriculture credit and road-building programs created a conducive environment in which to profit. Banana exports averaged at 3 million from 1945-1949 (Larrea, North, 1997). In 1955, exports of 26 million bananas were just about twice the amount of rival Costa Rica. (Parsons, 1953). The high rate of exportation helped to diversify economic wealth throughout Ecuador. Economic diversification and the national market formation flourished throughout the mid twentieth century. The Banana Boom required new infrastructure and labor from rural areas (Kofas, 2001). This caused people to migrate to these coastal regions, creating a large wage-labor force on the coast and an increase in interregional trade. Furthermore, urbanization and living standards increased in banana producing regions. In addition to banana laborers, more workers were needed for construction and maintenance of infrastructure like roads and port facilities. Transportation, communication and commercialization systems also increased. Most of the production and profit was generated by the working class, which helped to diversify internal finances within Ecuador (Larrea, North, 1997).

The great economic stimulus eased social and political tensions that had gripped the country in a state of anarchy for the past 30 years. Political stability during the 50s was, in large part, due to the economic stability of this time. However, the apparent political stability that Ecuador was experiencing was just as fleeting as its brief economic success. The government did very little to ensure that this economic boom would continue to last in the future (Diskin, 2005). Instead, Congress focused its attention on increasing export production and limiting conflict with elites and dominant economic groups. However, this resulted in securing power for the few, rich elites, and would only prevent future political and economic growth once the export boom was over (Pyne, 1975).

From 1956 on, the boom stagnated. Per capita GNP dropped from an average growth rate of 5.2 percent (1944-49) to 0.9 percent (1955-68) (Pyne, 1975). This was because prices of cacao and coffee dropped and Ecuador now competed with other South American fruit producers who had recently overcome their setbacks. During the 50's, banana expansion grew, which led to overproduction. Banana prices fell and the Ecuadoran export markets could no longer keep up. From 1950-55, the GNP was 2.2, which fell to 0.8 from 1955-60 (Pyne, 1975).

Involvement in Corruption/Scandal

Immediately after being elected into office in 1952, Velasco took steps to ensure his position as head of state and removed any possible opposition or threats to his power. He began by removing more than 70 armed forces officials, who were "temporarily" retired (Linke, 1962). The Army considered preventing Velasco from taking office because of his unstable personality and possible threat to the progress of the Republic. However, Velasco flattered the military with financial bribes and took the time to compliment them in his inaugural speech. The Army did not intervene. As Velasco attempted to remedy the economic policies of President Gala Plaza, many became skeptical, in part because of Velasco's time in Argentina. People feared that he would harm Ecuador's relationship with the United States. Velasco denied these claims and defended his Liberal faith and promised to abide by the Constitution. However, the Opposition kept a close watch on him (L.L., 1953).

One particular example is that of Carlos Guevara Moreno, a "ruthless, quick-witted, boastful and eternally conspiring demagogue" who constantly had his eye on the presidency (L.L., 1953).

Not long after Velasco had been elected in 1952, he arrested Guevara Moreno for an attempted coup d'etat and misuse of public funds. Guevara Moreno and his family were immediately exiled to Columbia. This action created a loud public response of people who were relieved their president was able to take action and also avoid violence. However, there were many others who were angered that Velasco did so by blatantly not abiding by the Constitution, which prohibits any kind of exile as a means of punishment. By exiling Guevara Moreno, Velasco prevented a fair and impartial trial from occurring, and had undermined the government's own legitimacy and capabilities by simply passing a problem off to another country (L.L., 1953).

Protest

Throughout Velasco's third presidential term (1952-1956), there were no reported protests and riots in attempt to remove the president from office. In contrast to his fourth presidency, there was notably less opposition to Velasco's political position. In comparison to his four other terms, people were generally satisfied with Velasco, as long as they had a paycheck to put food on the table for their families.

1960

In 1960, Velasco was elected through a popular vote at age 67, until he was overthrown one year later (Maier, 1971). The brief economic boom of the 1950's had underlying problems which were simply dormant, hiding under the surface, only giving rise to further economic and political troubles in the future. Throughout 1960's, the economy still consisted of mainly agricultural production, and due to the limited domestic market, the high production cost and an undeveloped human, physical and financial infrastructure were not conducive in expanding the economy (Martino, 1988). By Velasco's fourth presidential campaign, he still had a small, but dedicated group of followers within the working class (Linke, 1962). After much economic decline and social unrest, Velasco was removed from office on November 7, 1961 by a coup d'etat, which shattered the so called "political stability" in Ecuador since 1947 (Pyne, 1975).

However, throughout his presidency, most of Congress came to oppose Velasco, regardless of what side of the aisle they were on. Legislators attempted to show their discontent with the president by refusing to pass certain legislation. Velasco had said, "the majority of the National Congress since 10 August have done everything possible to prepare sedition and destroy the executive power" (Pyne, 1975). In 1960 and 1961, Congress didn't give Velasco the budget he desired. Instead, Congress put the money towards public work projects. These work projects did very little to bring in revenue (Crisp, 2011). Therefore, Velasco had to raise taxes to cover deficits, only furthering the peoples' hatred for their president (Pyne, 1975).

State of Economy

By the 1960's, Ecuador's economic boom of the 50's was long gone. From 1960-1961, with a population of 4,504,680, Ecuador had a GDP growth rate of 2.0 percent (less than 5.5) (World Bank). From 1960-1970, Ecuador had a GDP per capita growth rate of 2.92 percent (just barely above 2.5). In 1960, GDP was \$15,963 million dollars (Avakov, 2010). Unemployment was growing, exports declined and prices were rising. Millions of dollars were invested abroad, reducing Ecuador's financial reserves. International reserves dropped and the decline in international trade crippled government revenues. Previously, Ecuador had relied on bananas, coffee and cacao, which consisted of nine tenths of Ecuador's total exports. Bananas alone equaling 60 % of the export profits (Pyne, 1975). The Velasco administration, which had previously earned almost half of its income from these export taxes, would now have to rely on itself. Had he invested in internal sources of income, such as property or income taxes, the

economy could have been much more successful, rather than depending on foreigners for funding (Pyne, 1975).

Ecuador, a country of just 100,000 square miles, is the smallest South American country besides Uruguay. Drastic demographic growth in the 50's, made a population of 4.5 million people in 1962 (Pyne, 1975). In 1960, agriculture provided only 36 % to gross national product, with industry adding just 15.7 %, a small decline from 1950 (Linke, 1962). 60 % of the lower class was working in rural agriculture, while 14% of the working class was in manufacture jobs and, 2% in factories (Pyne, 1975). Furthermore, the feudal system of land ownership did not help to distribute wealth in Ecuador. Three fourths of the farming population owned 7 % of the land in use, while only 2% owned 65% of land in use. By 1961, three fourths of population had a per capita annual income of less than \$112 (Pyne, 1975).

In attempt to remedy the economic situation, Velasco targeted his efforts towards the Sucre, the national currency of Ecuador. He based his efforts off of two different groups of elites. He could either cater to the exporting class (on the coast) who wanted to devalue the Sucre, or he could serve the importing class, which opposed devaluation because it would eventually increase their costs (Pyne, 1975). Not wanting to upset either group, Velasco delayed his decision making. Eventually, he decided to decrease the value of the Sucre by 20% in July of 1961. This decision proved to be disastrous for the future economy of Ecuador. Prices across the board increased, angering the public, landowners and importing class. Ecuador's economy went downhill from here (Pyne, 1975). The standard of living, which had remained constant in the 50's, dropped in 1960 due to Perez Chiriboga's expulsion from office. Throughout the 1950's, Chiriboga defended the Sucre. However, once Velasco removed him, the value of the Sucre dropped. The free market rate increased from 17.50 in the 50's, to 21.50 in 1960. This change intentionally benefitted a small group of elites which, coincidentally, supported Velasco (Linke, 1962). By August of 1961, governmental support declined and a clear Opposition began to form. (Pyne, 1975).

Since 1950, per capita income had slowly increased at an annual average of only 1.7 percent, creating an extremely unequal distribution of income (Linke, 1962). In 1960, per capita income was \$166, which was below the Latin American average. Economic expansion was growing at a painfully slow rate. GNP from 1959-1960 was 6%, while the population increase was just above 3% (one of the highest population increases in the world) (Linke, 1962). The Manager of the Central Bank explains that the "structural faults from which the national economy is suffering- that is to say, the anachronistic land tenure system and labour relations in agriculture, the clumsiness of administrative mechanisms, the rigidity and other deficiencies of the tax system, together with the unfavourable trade relationship with industrialized countries, are factors which, among others, exercise considerable influence to prevent a more accelerated process of capital formation and economic development" (Linke, 1962).

As the economic situation continued to deteriorate, people began to grow uneasy and civil unrest grew. The president refused to intervene in Castro's Cuban conflict, which turned away Right supporters, the military, and loans from the United States. Over time, foreign loans were needed so badly, that Velasco ended up changing his foreign policy, which inevitably angered many Leftist groups as well. He alienated the working class because his promises of taxing the rich were only rhetoric (Linke, 1962). Velasco's opposition forces were increasing and it was only a matter of time before people quit tolerating his policies. According to Peter Pyne, "the long term result of Velasco's foreign and economic policies proved disastrous. They produced a kind of psychological panic, leading to a flight of capital, loss of confidence on the part of investors both foreign and native, a decline in investment and savings, and a virtual halt in industrial and agricultural growth" (1975). It was clear that Velasco's poor economy would lead to many harmful ramifications for his successor, President Arosemena, who would face: a high illiteracy rate, unemployment, little infrastructure and a high tax rate (Linke, 1962).

<u>Involvement in Corruption/Scandal</u>

Velasco committed many different methods of corruption during his 1960 presidency. During this time, only 22 percent of the population was registered to vote, only 17 percent of which, actually voted. Meanwhile, the lower class, or the majority of Ecuadorans, were restricted from voting due to high illiteracy rates and living in rural areas, far away from voting polls in the capital (Pyne, 1975).

Shortly before taking office, Velasco harshly criticized the previous administration of President Ponce. So much so that six hours before the transition of power was meant to take place, President Ponce actually resigned from office. Before his 4th term even began, Velasco threatened the "stability" of Ecuador's democracy since 1948, by verbally threatening the current executive (Pyne, 1975). People who spoke out about this instance, among others throughout his administration, were jailed, killed, or pursued by Velasco's violent gang (Linke, 1962). Once elected, thousands of government employees were fired and replaced with Velasquistas. He quickly removed 48 officials from the armed forces and then went on to repeal a law which allowed citizens to pursue a career in the military (Linke, 1962).

In August of 1961, Ecuador was scheduled to host the Inter-American Conference. Congress quickly directed funds towards the renovation and decorating of the building that now houses the Ecuadoran Congress. The elegance of this building was meant to bring prestige and legitimacy to the government. However, with parts of the building open to the public, people became disgusted with the amount of money dedicated to its construction, when so many others were struggling to even feed their families. The public jeered and mocked Congress to the extent that even some of Velasco's supporters were questioning the President (Linke, 1962). From here, they formed the "deliberating" division of congress and many Velasquistas moved their support to the Opposition.

While violence began to erupt, Congress could no longer simply sit back. Vice President (also President of Congress) Carlos Julio Arosemena claimed that Velasco had defied the Constitution by taking over control of Congress. He publically stated that if Velasco did not drastically change his policies, they would remove him from the presidency (Linke, 1962). Many wanted to call for his resignation then and there. However, Conservatives threatened to walk out if that occurred. On November 6, 1961, Velasco had Vice President Arosemena and eight other legislators arrested (Pyne, 1975). For his statements, Arosemena was put in prison. As violence and societal tensions grew between pro and anti government supporters, civil war became a likely option for Ecuadorans. Velasco was removed from executive power and fled Ecuador for the Mexican Embassy (Link, 1962). The army then appointed Supreme Court President Dr. Camilo Gallegos Toledo to be interim President for 90 days (Pyne, 1975). Once Vice President Arosemena was released from prison, he remained loyal to the Constitution by taking Velasco's place as President of Ecuador. In the span of twenty four hours, Ecuador had three different presidents. This particular example is a testament to the lack of presidential stability within Ecuador in 1960.

Protest

Protests were not only present during Velasco's fourth term, they became the norm. These public riots played a great role in terminating Velasco's presidency. On October 4, 1961, the Worker's Confederation (CTE) participated in a one day strike, rioting until the emergency decrees and the devaluation of the Sucre ended (Linke, 1962). From this point on, Velasco began to lose his grip on the people of Ecuador. Velasco called upon the military to break it up. However, this is what ultimately made the protest a success for the workers. Protesters felt abandoned by the government during a time of economic stagnation. The presence of armed forces without martial law angered people further. In attempt to calm citizens, Velasco toured the country, delivering speeches. However, he did so with weapons and military forces by his side, inciting fear and violence among people. Velasco continued to respond to Ecuadorans with violence and threats. As

tensions continued to rise, Congress officially charged the executive with violating the Constitution. (Pyne, 1975).

By October 16, 1961 a second riot took place in the Legislative Palace as a large mob attacked multiple congressmen. Vice President Arosemena threatened to charge rioters with attempted murder after shots were fired (Pyne, 1975). Throughout October and November, riots, demonstrations, strikes and altercations with police were a daily occurrence. Over 100 people were killed due to the tensions. Velasco could no longer appease citizens with his rhetoric. People were angry and had had enough of Velasco's ineffective policies and corrupted political practices (Pyne, 1975). In 1961, Velasco was removed from office and was replaced by a military junta until 1966. After a few months of provisional government, a Constituent Assembly came together in attempt to write the 17th constitution.

1968-1972

In 1968, Velasco defeated Camilo Ponce and was popularly elected to the presidency at age 75, to his fifth and final term (Agee, 1975). His victory was largely dependent upon the support he had from the well liked Carlos Julio Arosemena (Maier, 1971).

State of Economy

Throughout Velasco's fifth presidency, the economy was not seen as successful. With an average population of 5,976,627, Ecuador had a GDP growth rate of 5.2 percent (lower than 5.5) (World Bank). In 1970, the average GDP was \$28,642 million dollars (Avakov, 2010). The economy dropped so badly, that Velasco was removed from office just months before his term would be officially completed.

Involvement in Corruption/Scandal

Once Velasco took office, he conducted his usual firing of government employees and replaced them with supporters of his own. He assumed dictatorial powers when he closed down Congress in 1970 (Agee, 1975). The 17th Constitution of Ecuador was short lived. Although Velasco promised he would hand over presidential powers to the next elected president in 1972, he did all he could to deteriorate the leading presidential candidate, Asaad Bucaram. Bucaram had a solid reputation and was well liked by the people. He endured countless smear campaigns conducted by Velasco, including one to keep Bucaram out of the country and remain in exile, and another in which he tried to deny Ecuador as Bucaram's birthplace. However, both campaigns backfired, and only helped Bucaram in the polls.

Protest

As Velasco resisted the end of his presidency, chaos began to erupt and military intervention took place once again. In February of 1972, only months before the end of Velasco's fifth term, the government was taken over by the military and Velasco was forced to step down for the fourth time (Agee, 1975). He was deposed in a bloodless coup, which brought General Guillermo Rodríguez to power (Maier, 1971). Velasco was exiled to Argentina, while Ecuador continued to experience a succession of dictatorial regimes. It was not until 1979, that Ecuador instituted its 18th Constitution and democratically elected a new president.

Conclusion

This study aims to shed light on democratic instability within Ecuador by comparing the five terms in which President Velasco's held office. Each of these five time periods are relatively similar in regards to: the state of the economy, corruption within office and the presence of a protest or riot. During most of Velasco's time as president, the Ecuadoran economy had been poor or

declining, there were corruptive actions within the government and street protests did occur. Only one term, 1952-1956, proved to be a unique case. During this period of time, Ecuador experienced a rare, but booming economy and an improvement of the standard of living for the majority of Ecuadorans. Although there was corruptive action within the executive, no protest occurred in attempt to remove Velasco from office. Therefore, this paper concludes that the state of the economy will determine whether or not people revolt against Velasco. As the economy deteriorates, the working class is the first to feel the effects. These effects include, but are not limited, to lower wages and less employment for the working class. They also include social restrictions as well. When the economy is poor, not only do powerful elites reduce profits made by the lower class, they suppress basic rights, which further marginalize peasants. A poor economy encourages people to publically protest. It is the presence of street protests and riots which ultimately removes Velasco from the presidency, while governmental corruption can occur without terminating a presidency. The more the independent variables occur, the more likely a president will be removed from office before a full term has been completed.

Ecuador is a country that has a history of governmental instability and a quick presidential turnover rate. There are only three periods of time (1912-1924, 1948-1960, and 1979-1996) that Ecuador experienced peaceful and consecutive presidential transitions (Becker, 2003). The brief economic boom and apparent stable democratic system of the 1950's, created a unique case for those who thought that Ecuador was finally on track to becoming a stable and mature democracy. However, by the 1960's military rule had returned and it was clear that Ecuador would not be able to sustain its brief economic prosperity and democratic security. According to Marc Becker, a successful economy is enough to calm citizens into not revolting against their government (Becker, 2003). In other words, if the people are financially secure, they are generally satisfied. However, if they are not, the government will be the first to blame. The success of the economy of the 1950's relaxed the power of the elites over the working class and Ecuador, in general. This created only the appearance of a stable democracy. Once the economy began to decline by the 1960's, dissatisfaction grew because the working class was once again marginalized by the powerful elites. Political instability returned to Ecuador.

Due to a lack of published information over particular time periods within Ecuador, this study is limited in regards to concrete evidence throughout certain Velasco administrations. There is a particular absence of sources available on Velasco's first and final presidencies. Future studies could expand on this topic by analyzing all sitting presidents throughout Ecuadoran history. Potential research could also examine not just economic policies, governmental corruption and protests, but the personal and professional lives of Ecuadoran presidents, as well. This could help to explain further reasons as to why certain presidents complete their full terms and others do not. This research study has the potential to shed light on democratic instability, not only within Ecuador, but throughout South America as well. Perhaps we can use this information to better structure democratic regimes to last for generations to come. With a stable democracy comes greater economic independence, social freedoms and ultimately, a better position within the international community. However, a stable democracy is dependent upon a stable president and the legitimacy of the government as a whole. This is apparent, not just in Ecuador, but throughout all of South America.

Faith in government is diminishing. In 1997 and 98, more than 60 percent of people polled in a study by Peter Hakim, were not satisfied with their democracy. One third of those polled supported, or is indifferent, to authoritarian rule. The greatest discontent of democracy was found in: Peru, Ecuador, Columbia, Paraguay and Brazil, where economies were stalled. It appears that many people are willing to give up some parts of democracy if it means their personal and economic situation will improve (Hakim, 1999). According to Hakim, "this apparent inability to govern effectively seems more a reflection of Ecuador's political culture than of the personalities

of the nation's presidents" (Maier, 1971). In order to bring about more stable political regimes within South America, we must restructure the basis of these governments. Otherwise, the repetitive cycle of presidents who continually disregard the Constitution will cause citizens to not only lose respect for the government, but lose faith in it, as well; a democracy is only as legitimate as the citizens believe it to be.

Appendix

Presidential Falls in Ecuador				
Year	President	Fall	No Fall	
1830-1834	Juan Jose Flores		x	
1834-1839	Vicente Rocafuerte		x	
1839-1843	Juan Jose Flores		x	
1843-1845	Juan Jose Flores	x		
1845-1845	Jose Joaquin de Olmedo	x		
1845-1849	Vicente Ramon Roca		x	
1849-1850	Manuel de Ascasubi	x		
1850-1851	Diego Noboa	x		
1851-1856	Jose Maria Urvina		x	
1856-1859	Francisco Robles	x		
1859-1860	Governmental Crisis	x		
1861-1865	Gabriel Garcia Moreno		x	
1865-1867	Jeronimo Carrion	x		
1867-1868	Pedro Jose de Arteta	x		
1868-1869	Javier Espinosa	x		
1869-1869	Gabriel Garcia Moreno	x		
1869-1869	Manuel de Ascasubi	x		
1869-18 <i>75</i>	Gabriel Garcia Moreno		x	
18 <i>75</i> -18 <i>75</i>	Francisco Xavier Leon	x		
1875-1875	Jose Javier Eguiguren	x		
1975-1876	Anotonio Borrero	x		
1876-1883	Ignacio de Veintemilla		x	
1883-1883	Government in Restoration	x		
1883-1888	Jose Placido Caamano		x	
1888-1888	Pedro Jose Cevallos	x		
1888-1892	Antonio Flores Jijon		x	
1892-1895	Luis Cordero Crespo		x	
1895-1895	Vicente Lucio Salazar	x		
1895-1901	Eloy Alfaro		x	
1901-1905	Leonidas Plaza		x	
1905-1906	Lizardo Garcia	x		
1906-1911	Eloy Alfaro		x	
1911-1911	Carlose Freile Zaldumbide	x		
1911-1911	Emilio Estrada	x		
1911-1912	Carlos Freile Zaldumbide	x		

1912-1912	Francisco Andrade Marin	X	
1912-1916	Leonidas Plaza		x
1916-1920	Alfredo Baquerizo		X
1920-1924	Jose Luis Tamayo		X
1924-1925	Gonzalo Cordova	X	
1925-1926	First Provisional Government	X	
1926-1926	Second Provisional Government	X	
1926-1926	Isidro Ayora	•	x
1926-1931	Luis Larrea Alba	X	
1931-1931	Alfredo Baquerizo	X	
1931-1932	Carlos Freile Larrea	X	
1932-1932	Alberto Guerrero Martinez	X	
1932-1933	Juan de Dios Martinez	X	
1933-1934	Abelardo Montalvo	X	
1934-1935	Jose Maria Velasco Ibarra	X	
1935-1935	Antonio Pons	X	
1935-1937	Federico Paez	x	
1937-1938	Alberto Enriquez Gallo	x	
1938-1938	Manuel Maria Borrero	x	
1938-1939	Aurelio Mosquera	x	
1939-1939	Carlos Alberto Arroyo del Rio	x	
1939-1940	Andres Cordova	x	
1940-1940	Julio enrique Moreno	x	
1940-1944	Carlos Alberto Arroyo del Rio		x
1944-1947	Jose Maria Velasco Ibarra	x	
1947-1947	Carlos Mancheno Cajas	x	
1947-1948	Mariano Suarez Veintimilla	x	
1947-1948	C.J. Arosemena Tola	x	
1948-1952	Galo Plaza		x
1952-1956	Jose Maria Velasco Ibarra		x
1956-1960	Camilo Ponce Enriquez		x
1960-1961	Jose Maria Velasco Ibarra	x	
1961-1963	C.J. Arosemena Monroy	x	
1963-1966	Military Junta		x
1966-1966	clemente Yerovi	x	
1966-1968	Otto Arosemena	x	
1968-1972	Jose Maria Velasco Ibarra		x
1972-1976	Guillermo Rodriguez Lara		x
1976-1979	Supreme Government Council	x	
1979-1981	Jaime Roldos Aguilera	x	
1981-1984	Osvaldo Hurtado	x	
1984-1988	Leon Febres Cordero		x
1988-1992	Rodrigo Borja Cevallos		x
1992-1996	Sixto Duran Ballen		x
1996-1997	Abdala Bucaram	x	
1997-1997	Rosalia Arteaga	X	

1997-1998	Fabian Alarcon	x	
1998-2000	Jamil Mahuad	X	
2000-2003	Gustavo Noboa	X	
2003-2005	Lucio Gutierrez	X	
2005-2007	Alfredo Palacio	x	

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