

## Ecuador riots after conditional IMF loan

October 2019

The government's removal of fuel subsidies last week plunged Ecuador into upheaval, triggering protests, looting, vandalism, clashes with security forces, the blocking of highways and the suspension of parts of its vital oil industry.

President Lenin Moreno is cutting subsidies in an attempt to reduce **Ecuador's big debt**. The cuts in fuel subsidies were among measures announced as part of a \$4.2 billion funding plan with the International Monetary Fund.

According to Michel Chossudovsky, the \$4.2 billion is tagged for the reimbursement of Ecuador's external debt. New loans to pay back old debts, a fake loan. He says the conditions underlying this loan are intended to impoverish the entire country. The IMF policy conditionalities are very specific. Massive layoffs in the public sector, dramatic hikes in fuel prices, reduction in real wages, the privatization of pension funds. The diesel fuel price more than doubled overnight. Gasoline prices increased by 29%.

Reportedly, the IMF agreed to the loan on the condition Ecuador gave up Julian Assange, the whistle blower who had been sheltering in the Ecuadorian embassy in London.

<https://www.smh.com.au/world/south-america/protesters-parade-kidnapped-police-as-ecuadorian-government-leaves-capital-20191011-p52zq4.html>

<https://www.globalresearch.ca/imf-hands-4-2-billion-loans-ecuador-julian-assange/5675232>