

Ecuador: Correa Accuses Gov't of US Pact After Chevron Ruling

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Lenin Moreno's government said the state is obliged to reverse a Constitutional Court ruling stating Chevron should pay for environmental damages.

Ecuador's former president Rafael Correa has accused the government of past ally Lenin Moreno of "doing homework ordered by (the United States Vice President Mike) Pence" after Ecuador's Solicitor General, Iñigo Salvador, said the country would have to pay economic reparations to oil giant Chevron, a company local courts ruled should pay US\$9.5 billion for social and environmental damages.

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"How well are they doing homework ordered by Pence! Julian Assange, International Monetary Fund austerity, a boycott of the Union of South American Nations (Unasur), exit form ALBA (Bolivarian Alliance for the Peoples of Our America), a 'security' office with spy planes and Chevron. And it will continue. They want to be outstanding students," Correa tweeted Friday.



<u>Pablo Fajardo</u>, a lawyer for the communities affected by Chevron's actions, has also asked the Moreno government to answer similar accusations.

In 2006, Chevron sued Ecuador for violating a bilateral investment treaty with the U.S., which was signed in 1997, to avoid liability for environmental damage caused in an area where Texaco operated for three decades. However, the bilateral investment treaty was signed years after Texaco, bought by Chevron in 2001, finished its extractive operations in the country.

Ecuador's former defense team argued the investment treaty couldn't be applied retroactively and spent years defending itself and supporting the people affected by Chevron-Texaco. Correa government also led an international campaign known as the "Dirty Hand of Chevron" that aimed to raise public awareness of the environmental disaster Texaco left behind and mount pressure for a cleanup.

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The ruling by the Permanent Arbitration Court in the Hague, Netherlands, announced by Salvador was not unusual. As Pablo Fajardo explained: "the system of international arbitration is designed to protect corporations."

What stirred controversy was the Ecuadorean government's response to the court's ruling. Salvador not only said the country will have to pay Chevron without announcing any actions against the ruling but also announced the state had the responsibility to nullify the US\$9.5 billion ruling against Chevron and in favor of the affected communities, ratified earlier this year by the Constitutional Court, Ecuador highest court, which was <u>suspended a week prior</u> to the Chevron announcement.

The Ecuadorean government has also accepted an ordered to nullify a Constitutional Court ruling when there is no Constitutional Court to challenge the executive's power.

Criticism of the government's "passive" reaction was not limited to opposition groups and Correa supporters. Several ministers within Moreno's cabinet and state institutions have issued statements in support of the Constitutional Court ruling and urging the state to continue defending the "national interest."

Moreno's education minister Fander Falconi said via Twitter: "Chevron's grave harm against our people and ecosystem are obvious... We must condemn the ruling and those responsible, its contents threaten the right of the people of the Amazon."



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Moreno's former minister of the environment Tarsicio Granizo said: "I think a campaign by the state against the ruling of The Hague is necessary to show the world the harm Chevron caused to the Amazon and its people."

The Defensoria del Pueblo, or Office of the Ombudsman, urged the "national government to seek a solution that prioritizes the right of communities in the Amazon to integral reparations and restoration of nature."