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Abstract

Mobility is a multifaceted concept with social, economic and political implications. Spatial mobility, inequality and precarity intertwine. This article reflects on the role of mobility and precarity and the emergence of protests in both Ecuador and Chile in 2019. We argue that the announced increases in transport and fuel costs in Chile and Ecuador unveiled the obstacles to mobility and the degree of existing inequalities. Whereas protests emerged as a response to the announcement of a reduction in fuel subsidies and the possible increases in the costs of transport, they reflect something deeper related to the vulnerability of the livelihoods of segments of the population; this in spite that both Chile and Ecuador observe improvements in poverty and inequality indicators. Undertaking a more disaggregated analysis of the effects of reduction in fuel subsidies or increases in metro tickets we find that mobility correlates with a pattern of structural marginalisation that perpetuates inequality, which is not necessarily visible to aggregate economic indicators.

Keywords : Mobility, protests, Ecuador, Chile, Latin America, inequality, poverty

Policy implications

- Mobilisations and protests are usually described as adversarial to statehood. In fact they can be central in providing feedback for governments and states while reinscribing elements of social justice in policymaking, demanding accountability, protection and the guarantee of rights and entitlements.
- In countries observing high levels of social stratification, understanding the multifaceted nature of spatial segregation and inequality can better illustrate the wellbeing and welfare of citizens.
- The decline in social and economic rights, increasingly perceived as individual claims instead of entitlements deriving from citizenship conducts to fragmented experiences of precarity, which are less likely to provide political or social mobilisation.
- The stratification of access to energy and transport relates to the unequal distribution of income-generating opportunities and other economic rights across location and age.
- The main focus of targeted social protection programmes in Ecuador and Chile has been on poverty reduction and income support and as such, these programmes have failed to address the multifaceted sources of precarity and impoverishment that affect vulnerable populations.
- Universalism as a policy is a crucial foundation for social equity and cohesion. Narrowly targeted policies and programmes, on the other hand, are socially divisive and obscure processes of precarity affecting different segments of the population.

1. Introduction

Political geographers and historians agree on the importance of space, geography and mobility in determining socio-economic processes. Such an understanding is informed by social structures and economic processes, and has a bearing in economic policies, as inequality is seen as having a territorial dimension, as resources, populations, services and markets are unevenly distributed. Location determines the access people have to opportunities. It also determines the rewards of their work and investments. Territorial divides can thus perpetuate or deepen inequalities in terms of access to mobility, infrastructure, schooling, secure employment or health services.

The protests that emerged in both Chile and Ecuador in 2019 after the announcement of a series of economic reforms that would increase transport costs illustrate this. In the case of Ecuador, nationwide protests were organised in response to a cut in fossil fuel subsidies—which had a direct impact on transport costs and costs of living. In Chile, protests emerged after the announcement of an increase in the price of metro tickets for inhabitants of Santiago (the capital). Whereas over the last decades, investments have been made to improve the capacity and quality of transport networks in both countries, spatial segregation and the stratified access to such networks prevail.

While people mobilised against the announced increase in transport costs, protests unveiled a more profound problem: relegation and precarity. In order to understand the relation between mobility and inequality, aspects of relegation and spatial marginalisation need to be considered. Relegation and marginalisation capture the process whereby an individual, population or category is assigned ‘an obscure or inferior position, condition or location’ (Wacquant, 2015, p. 247). Such categorisation is a manifestation of persistent inequalities and precarity. Both Chile and Ecuador are examples of deep-rooted inequalities.

Inequality and the relegation of segments of the population in Latin America is a byproduct of the high levels of heterogeneity of production activities that have characterised the development model followed in Latin America (Ocampo, Bastian, & Reis, 2018). This heterogeneity of production activities has resulted in the coexistence of a restricted number of high-productivity sectors concentrated in urban enclaves and infrastructure nodes linked to the extraction and export of natural resource with limited employment generation capacity, next to vast pools of geographically disperse precarious employment, often located in the outskirts of the cities or rural areas.

Such clustering of opportunities for jobs and production increases the demand for land and housing in the areas close to the limited production nodes. As a result, prices increase driving periurban low-income populations to relocate to places where housing and public services are accessible and affordable. This also results in higher transport costs, longer commuting times, greater spatial marginalisation and thus, less disposable income and time. For periurban and rural populations living in remote areas but who are nevertheless connected and dependent on urban markets, the territorial connectedness within each country remains insufficient, increasing their living expenses.

These processes of relegation were exacerbated during the phase of state-led industrialisation in Latin America). Salz (Salz, 1955) flags the tensions that accompanied a process of industrialisation unable to fully integrate rural populations into urban centres during the process of reorganisation of production and territories, which reproduced socio-economic hierarchies. In the absence of much-needed land reform, an urban bias during the phase of industrialisation led to the emergence of a sizeable segment of the population in precarity, that struggle to access stable employment and whose vulnerability is linked to the processes that generate economic growth. Following regional patterns, in Chile and Ecuador, there has been a bias towards infrastructure that favours urban sectors and

extractive activities, reproducing unequal geographies that relegate segments of the population and fails to connect them equitably to production networks and public goods and services.

Such an enclave model of development, evinces how the social and economic order creates and reproduces spatial inequalities, and how such inequities relate to mobility and location. The organisation of space is thus not incidental. Space is another field in which inequalities are manifested. As Soja argues “[w]e must be insistently aware of how space can be made to hide consequences from us, how relations of power and discipline are inscribed into the apparently innocent spatiality of social life.” (Soja, 1989, p. 6).

Unequal access to public goods and services, in particular, infrastructure services and transport, also reveal the limitations and challenges for public policies in Latin America that aim to tackle the structural sources of inequality. Inequality manifests itself in different arrays of social, political and economic dimensions. The multifaceted nature of inequality also means that inequality is not perceived similarly by everyone. Not only inequality can be perceived differently by diverse actors, but also this perception changes across time adjusting to the changes in the expectations of the population, the functioning of markets, the promises of governments, and the perceived capacity of the state to provide public services and goods—that is, the tolerance to the collective order may vary (Hirschman, 1973). Such relational aspect of inequality has been termed in economic literature as the ‘relative income hypothesis’, and in sociology as ‘relative deprivation’, suggesting that grievances also relate to perceived inequalities (Gurr, 2015; Therborn, 2009).

The Chilean and Ecuadorean cases illustrate this dynamic and relational aspect of inequality. In a context of poverty reductionⁱ and positive economic growthⁱⁱ, particularly between 2002 and 2014, there was an expectation of higher economic gains available for all. Though both Chile and Ecuador have seen improvements in terms of poverty reduction (according to the monetary metric measured by the World Bank using a benchmark of \$USD 1.9 /day), and economic growth, Chile has experienced an average yearly increase of 1,95 per cent of GDP per capita between 2008 and 2018, while Ecuador GDP per capita has increased in average 1,55 per cent every year in the same period (according to World Bank estimates). Nonetheless, inequalities have deepened from 2015 onwards and poverty reduction has reversed. Thus, failing to analyse how wealth and welfare are distributed, even in a context of positive economic growth and poverty reduction, can fail to account for the increases in different aspects of inequality. As Hirschman notes, “[...] the upward mobile who may have risen along one of the dimensions of social status, such as wealth, find that several obstacles, rigidities, and discriminatory practices still block their continued ascent, particularly among other dimensions, as well as their all-round acceptance by the traditional elites, and consequently, they feel that despite all their efforts and achievements they are not really “making it” (1973, p. 32). As the Chilean and Ecuadorian cases illustrate, an overly simplistic understanding of the interactions between economic growth and inequality obscures the channels through which inequalities prevail or increase. Protests in both countries contest the belief that citizens will eventually ‘experience a natural progression from county to city, from farm to factory, and from low to high productivity work’ (referred as the transition narrative) (Li, 2017, p. 1249). Protests illustrate shared indignation with a system that has not fulfilled its promises of upward mobility via self-improvement, in which the higher costs of transportation and energy evidenced the levels of inequality that limit access to public services due to location, age, generation and income.

Inequalities become part of the collective order via differentiated standards of living and access to infrastructure and services, and other asymmetries for the inhabitants of the same locality. In the case of Ecuador and Chile, the promise of upward mobility, or ‘hope factor’ (Hirschman, 1973), slowly vanished to give way to frustration and indignation with the uneven distribution of access to opportunities and rewards, as exemplified by the increased costs of transport and the costs of fuel.

The reproduction of inequalities is regulated by social structures and institutions and takes place through processes that are not always evident or explicit and cannot be easily captured under one metric. Non-economic factors, e.g. gender, ethnicity, race, religion, location, establish a hierarchy that is operationalised in the allocation of opportunities and rewards within society. Nevertheless, inequality is not a 'natural' outcome. State policies can help to close structural gaps and address the structures that perpetuate inequalities. By providing equality of opportunities and equality of means (Atkinson, 2015), (i.e. fairer distribution of income, more accessible and affordable networks of transport), states can tackle the multifaceted aspects of mobility. This paper thus conceptualises mobility as the movement of individuals across space but situates the discussion in a broader understanding mobility as being part of a dynamic process that reproduces social structures of poverty, marginalisation and exclusion.

In light of the recent protests in Chile and Ecuador, this article discusses the stratified obstacles to spatial mobility in Ecuador and Chile, and how such mobility (or lack thereof) illustrates existing and prevailing inequalities. The paper is organised as follows. After presenting the case studies and some methodological considerations, the second section introduces the Ecuadorean case, discussing the intersection of grievances related to fossil fuel and transport prices with aspects of horizontal inequality. The third section discusses the Chilean case, and how the increase in transport costs evinced the persistent generational inequalities and new forms of precarity that had emerged in the Chilean society. The fourth section brings together the Chilean and Ecuadorean experiences to examine the various determinants that led to nationwide mobilisations across these countries.

Case studies and methodological considerations

Ecuador and Chile are examined using a most-different case study design (Gerring, 2006). Both countries share some similarities, but are different across several dimensions such as the nature of their political systems and structures, as well as their demographic compositions. They also differ in several variables such as the GDP per capita, poverty levels, external financial vulnerability, but observe similar levels of income inequality with a Gini coefficient of 0.454 for both countries as of 2018 (Economic Commission for Latin America and the Caribbean (ECLAC), 2019)

Given the different nature of both cases, the coincidence of an exact level of income inequality (measured by the Gini index) and the emergence of protests, foregrounds the reflection about how particular socio-economic structures informed the emergence of protests in both contexts in response to existing inequalities. Also, given that in both countries, protests were informed by the increase in the costs of energy or transport, this condition becomes centre stage for our analysis.

Whereas it would have been ideal including a more extensive set of capital cities or other Latin American countries due to the emergence of protests around the same dates in other countries such as Bolivia, Peru, Venezuela and Colombia; paying attention to these two particular cases help us to understand how relegation and mobility intersect and operate in specific settings. The analytical focus is on the understanding of the dynamics of these specific contexts to understand how protests relate to other societal grievances speak of mobility beyond the understanding it as the mobilisation of individuals within a space across time.

This allows us to illustrate the intersection and the compounding of several inequalities and how they manifest themselves in relegating specific sectors of the population via different layered mechanisms. The recognition of a variety of mechanisms and layers means that a particular measure, e.g. an increase in fuel or transportation costs affects citizens in precarious conditions in a compounded way. Thus, the challenge to mobilise or afford fuel has a direct effect on several dimensions such as the access to work, health and other public services.

Both cases are also comparable to a few regional counterparts. For instance, during the early twentieth century, Chile exhibited a similar pattern of a more urbanised labour force development, and a commodity-export-led approach to development based on temperate zone agriculture and mining, such as Argentina and Uruguay (Bértola & Ocampo, 2012). Ecuador, on the other hand, experienced external constraints similar to other Andean countries where the hacienda regime was predominant such as the cases of Colombia, Peru and Bolivia, in which extractive activities such as oil and mining were central (Bértola & Ocampo, 2012), resulting in higher levels of gender and racial segregation in the economy.

Our inductive approach consists of examining the macro trends of the respective levels of economic growth, inequality and poverty of both countries in recent years to identify how precariousness and inequality relate to the emergence of protests that sprung up both countries in 2019. The changes in both countries also relate to the process of urbanisation, having that the Chilean population has concentrated in urban centres, going from 67% of the population living in urban areas in 1960 to having 87% of the population living in urban areas as of 2018 (a higher value than the average of OECDⁱⁱⁱ members). Ecuador has also seen a significant change, going from 33 per cent of the population living in urban areas in 1960, to 63 per cent of the total population living in urban areas by 2018^{iv}.

There are significant achievements in bringing down urban and rural poverty in both countries between 2000 and 2018; however, poverty levels remain in the double digits in both countries (see Table 1).

Table 1. Percentage of the population living below the extreme poverty and poverty lines, by geographical area

Year	Chile		Ecuador	
	Urban	Rural	Urban	Rural
2000	41.0	54.2	...	...
2001	...	...	48	63.7
2002	...	...	...	...
2003	38.7	48.4	41.7	62.1
2004	...	...	...	...
2005	...	...	33.1	54.6
2006	35.1	41.4	28.2	50.2
2007	...	...	26.5	52.2
2008	...	...	26.1	51.5
2009	28.9	29.7	28.7	49.2
2010	...	...	26.4	45.2
2011	25.3	24.6	21.9	43.6
2012	...	...	19.2	41.3
2013	16.2	16.3	22.1	35.5
2014	...	...	20.2	30.2
2015	13.9	12.7	19.6	33
2016	...	...	20.3	32.7
2017	10.9	9.4	18.6	34.6
2018	...	...	19.7	33.8

Source: Elaborated by the authors. Based on ECLAC (Economic Commission for Latin America and the Caribbean) (estimates based on national sources).

Still, both countries show similar levels of income inequality at a national level (see Table 2). In both countries, inequality is higher in urban areas, probably due to the monetisation of livelihoods in the city. Urban populations have to navigate markets to secure housing, health, education or else, often incurring in debt to finance fundamental necessities—an example of increased levels of precarity.

Table 2. Income distribution (Gini coefficient: values between 0 and 1)

Years	Chile			Ecuador		
	National	Urban	Rural	National	Urban	Rural
2000	0.514	0.507	0.451	...	...	...
2001	...	...	...	0.538	0.534	0.474
2002	...	...	...	...	...	...
2003	0.507	0.502	0.458	0.601	0.604	0.464
2004	...	...	...	...	...	...
2005	...	...	...	0.522	0.504	0.455
2006	0.483	0.477	0.448	0.520	0.498	0.474
2007	...	...	...	0.534	0.511	0.471
2008	...	...	...	0.496	0.470	0.450
2009	0.478	0.478	0.410	0.485	0.469	0.426
2010	...	...	...	0.490	0.478	0.414
2011	0.469	0.468	0.413	0.458	0.430	0.435
2012	...	...	...	0.468	0.442	0.432
2013	0.466	0.465	0.405	0.470	0.460	0.420
2014	...	...	...	0.449	0.442	0.422
2015	0.453	0.452	0.394	0.462	0.445	0.454
2016	...	...	...	0.450	0.438	0.431
2017	0.454	0.451	0.430	0.444	0.425	0.438
2018	...	...	...	0.454	0.442	0.419

Source: ECLAC (Economic Commission for Latin America and the Caribbean) (estimates based on national sources) Elaborated by the authors.

2. Fossil fuel, poverty and mobilisation in Quito: the protests in Ecuador

The Ecuadorian case illustrates a situation of declining poverty and persistent inequality. Measured by the Gini coefficient, income inequality in Ecuador decreased from 0.55 to 0.45 between 2006 and 2018 (See Table 2), in line with the general trends observed in the region (Gachet, Grijalva, Ponce, & Rodríguez, 2017). However, even if income inequality levels have declined in general terms, some have argued this decline of inequality was not sustainable.

Because of this, it has been argued that the Ecuadorean economy has only marginally benefited from higher oil prices and increased revenues from commodities during previous years (Uribe-Teran & Vega-Garcia, 2017). Despite this inflow of cash, poverty rates remain strikingly segregated. Whereas poverty is about 20% in urban areas and 33% in rural areas, 64.8% of indigenous people in rural areas

live in poverty in 2014 (See table 2). Considering that the indigenous population of Ecuador is 14 per cent.

Due to the appreciation of the dollar and the fall in oil revenues, the government started facing significant budgetary restrictions as of 2012. In March 2019, the IMF approved a \$4.2 billion loan, as part of a plan to reduce public debt and restore investors' confidence in a context of decreasing commodity prices. In exchange, the IMF had requested fiscal consolidation, elimination of capital controls, cuts in subsidies (including energy subsidies), cuts in wages; as well as the reduction of 'labour market rigidities (International Monetary Fund (IMF), 2019). Nonetheless, scholars had argued that the IMF was underestimating the effects of these austerity policies. For example, The Center for Economic and Policy Research (Weisbrot & Arauz, 2019), indicated that these measures would result in a -1.1 per cent contraction of the Ecuadorean economy in 2019 and continued recession through 2021.

Central to the recommendations, the IMF suggested an energy reform, part of a global trend towards decarbonisation^v, which was presented by local actors as a way of preventing smuggling^{vi} and abolishing what was considered a regressive subsidy scheme. In the 2019^{vii} budget, fossil fuel subsidies amounted to 1.74 billions \$USD, an amount slightly below the budget allocated to subsidise social security and pensions (1.9 billion \$USD), and considerably higher than what is allocated to subsidise various social assistance programmes (769 million \$USD) targeted at poor populations.

The protests that followed the announcement of such reforms brought the capital of Quito to a standstill, forced President Lenín Moreno to relocate the seat of government to another city, and saw the declaration of a state of emergency and a curfew. The 12 days of protests illustrated how structural (and historical) inequalities could trigger intense episodes of upheaval and even violence.

The emergence of protests did not operate in a vacuum as Ecuador has a long history of contestation. Social movements have been vital in extending political, economic and civic rights to the population, as in other parts of the region (Becker, 2010). Whereas mobilisations have been a historical repertoire observed in Ecuador, strategic coalitions across groups and locations -needed to broaden the welfare base including access to social transfers and subsidies, have been historically less likely to occur (Gideon & Molyneux. , 2012). Furthermore, as precarious urban wage-earners are inherently atomised and stratified, their capacity for collective mobilisation is limited. However, the protests taking place were involving a wider range of actors, yet still atomized.

Although protests were triggered by the prospect of the changes in fuel subsidies and transport costs, the protests that took place in Ecuador in October 2019 illustrate the deeply seated horizontal inequalities, the fractures in the economic development, and the role of international financial institutions such as the International Monetary Fund (IMF) in influencing policymaking. In a moment of significant financial need, given the levels of public debt, increased volatility of oil prices and tighter global lending conditions, austerity policies recommended by the IMF were met with resistance. The clashes that concentrated in Quito uncovered the social tensions arising from the marginalisation and impoverishment of relegated populations in Ecuador.

Though low-income and marginalised groups in Ecuador mobilised against the announced cut in fuel subsidies, some analysts argued these reforms were not necessarily regressive and could have had a lesser impact on poverty—thus, some argued the reforms were not all bad. The reforms proposed in Ecuador entailed the elimination of universal fuel subsidies, an increase in the prices of retail, domestic and industrial gasoline, the price of diesel for fishing activities, removal of the subsidies in industrial gas, and an increase in the price of electricity. As a result, some argue the most affected groups would have been middle-and high-income families that make use of private vehicles.

In the main cities of Ecuador, Quito and Guayaquil, 70 per cent and 61 per cent of the population use public transport, respectively. The rest of the population use private vehicles, or alternative means (Zárate, 2018). That is why it is argued that fuel subsidies benefit middle-upper classes (Jara, Chun Lee, Montesdeoca, & Varela, 2018). As diesel for public transport would have remained subsidised, the impact on lower-income families would have been more moderate.

Other analysts flagged that the removal of fuel subsidies and consequent rise in fuel prices (120 per cent for diesel and 30 per cent for gas) would have led to higher inflation in Ecuador--about 5 to 6 per cent according to CELAG (Oliva, 2019) given that the fuel subsidy is an essential component of households incomes in Ecuador (Jara, Chun Lee, Montesdeoca, & Varela, 2018, p. 2). Under that scenario, poverty levels would have increased between 1.7 and 2 per cent (about 300 thousand people falling into poverty).

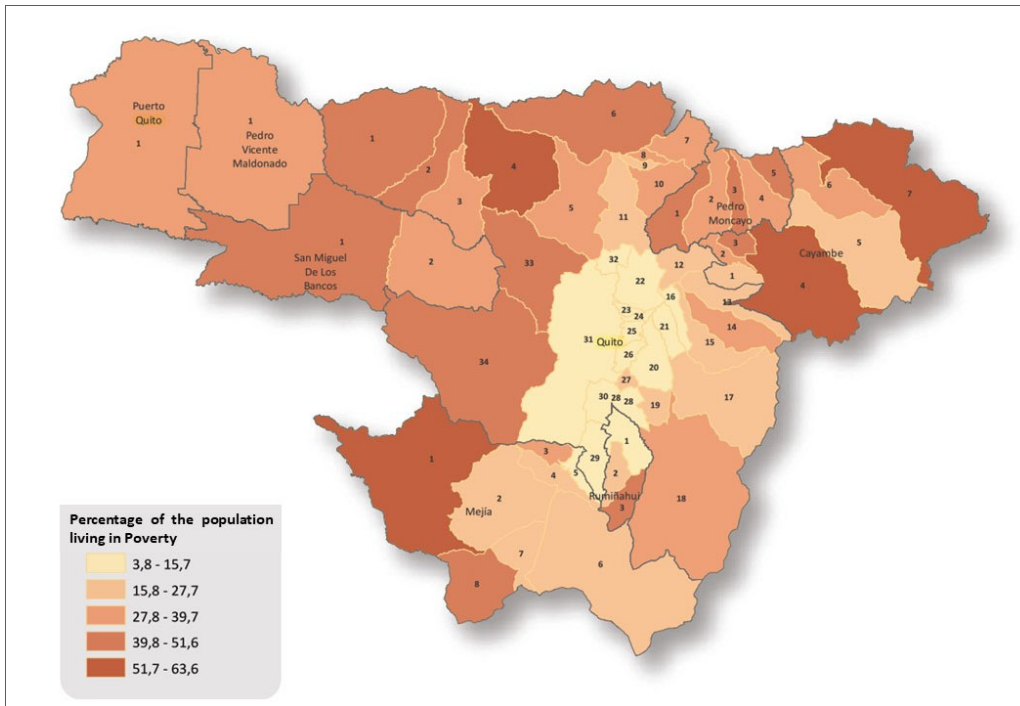
After the protests took place, the IMF proposed a gradual removal of fuel subsidies. To facilitate this transition, Ecuador's agreement with the IMF considered a minimal allocation of 0.4 per cent of GDP (\$USD 0.4 billion) to social spending via 'enhanced targeting', or narrow targeting, to compensate for the fiscal adjustment. A new 'social registry', was put in place by the government to target the bottom 20 per cent of the income distribution. In this context, the suggestion to provide income support targeted at the poorest, and even recommending narrower targeting schemes, might be suboptimal as many of the people affected by these measures are not necessarily the poorest according to official metrics and thus, would not benefit from such income support.

The debate about fossil fuel subsidies in Ecuador illustrates the complexities of determining social spending priorities, and how reforms might impact inequality. On the one hand, between 2007 and 2017, \$USD 45 billion were spent on fuel subsidies, while during the same period \$USD 18 billion were spent in health and \$USD 29 billion in education. The budget allocated to social protection (including support and promotion of agricultural activities) is also insignificant compared to energy subsidies. However, subsidised gas remains central to low-income households, and thus eliminating fuel subsidies for domiciliary gas can increase poverty and deepen inequality (Jara, Chun Lee, Montesdeoca, & Varela, 2018).

In light of these debates, how are territorial disparities affected by a cut in fuel subsidies? There is an element of energy poverty that mostly affects populations in peri-urban and rural areas. According to Herrero Olarte (2019), Quito is characterised by deep territorial inequalities. For example, the parishes that have the lowest mobility indexes are the ones that have the highest multi-dimensional poverty indexes, thus exemplifying a direct relationship between place of residence, mobility, access to services and poverty (Herrero Olarte, 2019, p. 54).

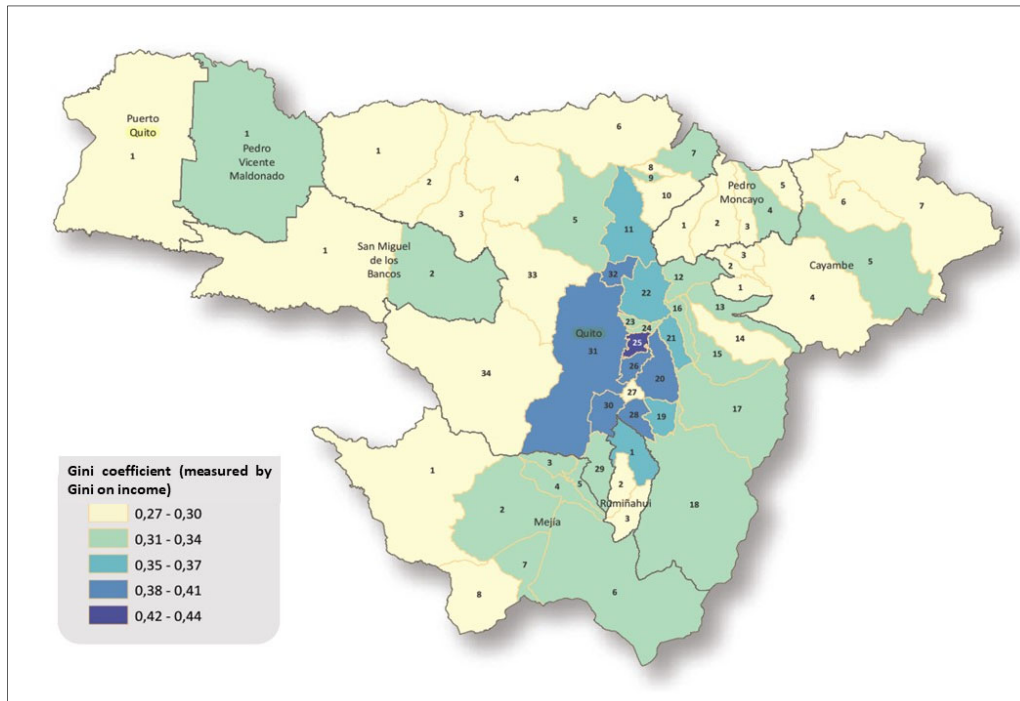
The indicator of mobility to employment is also an essential factor explaining poverty and social exclusion and prevailing inequalities. As socio-spatial exclusion results in reduced mobility to employment, this leads to the deepening and reinforcement of social exclusion and poverty (Herrero Olarte, 2019, p. 58).

Figure 1. Poverty in Pichincha province^{viii}



Source: (Molina, Cabrera, Moreno, Sharman, & Cuevas, 2015)

Figure 2. Inequality in Pichincha province



Source: (Molina, Cabrera, Moreno, Sharman, & Cuevas, 2015)

As shown in Figure one and Figure two, peripheral areas have a concentration of precarity, lowest levels of living conditions, education and jobs, while services are often absent or in decline. These peripheral areas also suffer from the low offer of public transport (Jaramillo Guzman, Philips, & Lucas, 2019, p. 225). As a result, residents of marginalised areas rely heavily on public transport to access employment opportunities in the city centre (Jaramillo Guzman, Philips, & Lucas, 2019, pp. 220-221). Despite the various transport networks available and the flat rate of transport fares, availability does not necessarily translate into affordability (Jaramillo Guzman, Philips, & Lucas, 2019, p. 225). This point is often overlooked, as most studies on inequality do not include mobility in the metrics that relate availability to public services (Chunzhu, Cabrera-Barona, & Blaschke, 2016). Thus, it should be no surprise that distance, the density of public transportation, education, ethnicity and healthcare explain 88.1% of the poverty in the parishes in Quito (Herrero Olarte, 2019, p. 62). The different layers in which inequality is manifested intersect in limiting social mobility, yet they are experienced differently.

While fossil fuel subsidies benefit various groups in society, as fuel subsidies are not targeted as of yet (though IMF has recommended the Ecuadorian government to introduce a targeting scheme), they are more likely to foster strategic alliances across differently situated actors: indigenous groups, students, farmers, and public transport unions, seemed to oppose their reduction albeit for different reasons in the 2019 protests. It is then worth asking, why are fuel subsidies were more cohesive for mobilising citizens across society than other subsidies and social transfers?

A case in point is the reduction of social transfers in previous years. The number of beneficiaries has been reduced significantly from 2014 onwards, but there was no contestation or mass mobilisation (Palacio Ludeña, forthcoming). For example, the cash transfer programme, *Bono de Desarrollo Humano*^{ix} (or BDH), underwent a substantial reduction: the number of recipient households was reduced from 1.2 million households in 2012 to 430 thousand households in 2016. Poor populations ceased to receive benefits not because there had been a change in their condition of poverty but simply because the programme had changed its design responding to budgetary constraints and a different prioritisation scheme for vulnerable populations attended by social protection programmes. After such a reduction in the number of recipient households, one could have expected a mobilisation by a significant sector of the population. However, there was no mobilisation against the decision of downscaling this programme.

For many scholars and activists, it remains hard to explain why in a country that overthrew three governments in less than a decade, no mobilisation followed the massive reduction in the number of BDH beneficiaries. However, the moment in which austerity measures targeted fossil fuel subsidies in 2019, various groups organised and turned onto the streets—though the mobilisation was not massive as many urban middle-class populations remained acquiescent. This could be explained by looking at the specificities of urban poverty, and how the monetisation and commodification of livelihoods result in higher responsiveness to changes in input prices, e.g. fuel. Having some extra cash to compensate for such an increase (via cash transfers) targeted at the poor would not be enough to compensate for the general increase in prices resulting from the removal of the fuel subsidy. ¹

Although most groups in society would have been affected by the removal of energy subsidies, the cut of diesel and LPG (Liquefied petroleum gas) subsidies would have had a regressive effect (Schaffitzel, Jakob, Soria, Vogt-Schilb, & Ward, 2020), those at the lower tier of the income distribution would have been the most affected by the changes in prices of diesel and LPG as proposed by the IMF, as bottom deciles depend on these types of fuel and find it harder adapt to an increase in transport costs given their meager market income (Jara, Chun Lee, Montesdeoca, & Varela, 2018).

As evinced in the analysis of the Ecuadorian case, lower-income deciles have a higher risk of real market income reduction from energy reform, that is increases in fuel prices than other income

groups. Thus, observing only changes in labour income distribution or other standard metrics alone fails to capture the impacts of such reforms. The protests that followed the announcement of energy reform in Ecuador provide a strong argument that mobilisation is more responsive to the provision of essential goods (including fuel) rather than targeted income support, that is cash transfers to vulnerable populations. In a scenario of rising prices resulting from such a proposed reform, as basic goods would have become unaffordable for those at the bottom of the income distribution—which correlates to their condition of marginality explains the emergence of protests across the country. Furthermore, given the high volatility of national revenues and (possible) rise in general consumption prices, the real value of such transfers could have been insufficient to cover the direct and indirect increases of prices. This could help explain why many groups mobilised for the provision of subsidised fuel instead of targeted support to the poor.

3. Metro fare hikes and precarity: the case of Santiago, and Chile

The ongoing protests in Chile since October 2019 have brought attention to aspects of precarity and indebtedness often overlooked in the middle- and high-income countries. As middle income and high-income countries often have lower levels of income poverty, there is a tendency to turn a blind eye to other dimensions of precariousness that pervade in these contexts.

Chile's GDP per capita is 1.7 times the average of the Latin American region (World Bank, 2019). Having the 44th highest human development index in the world would place the Chilean economy closer to the standards of living found in high-income economies such as those of Europe and North America. Not only does the average income of Chileans seem to be higher than that of several Latin American countries, but their wealth seems to surpass countries like Mexico, Brazil or Argentina.

Whereas Chile is regarded an exemplary case of economic management in the region, the emergence of mass mobilisations that followed the announcement of an increase in the price of the metro ticket for the capital, Santiago, illustrates that discontent and precariousness run deeper than what single indicators capture. Chile's 'economic miracle' has not been for all, while it has reproduced inequalities and led to the precarity of a significant segment of the population, something that is not reflected entirely by the high Gini index of Chile. In Chile, and according to the World Bank poverty estimates (measured as the percentage of the population living below the national poverty lines) declined from a 36% poverty rate in 2000 to an 8.6 % poverty rate in 2017. Similarly, it seems as if the inequality of incomes (measured by the Gini index) has been declining in Chile as well, going from a Gini index of 0.572 in 1990 to 0.46 in 2017^x.

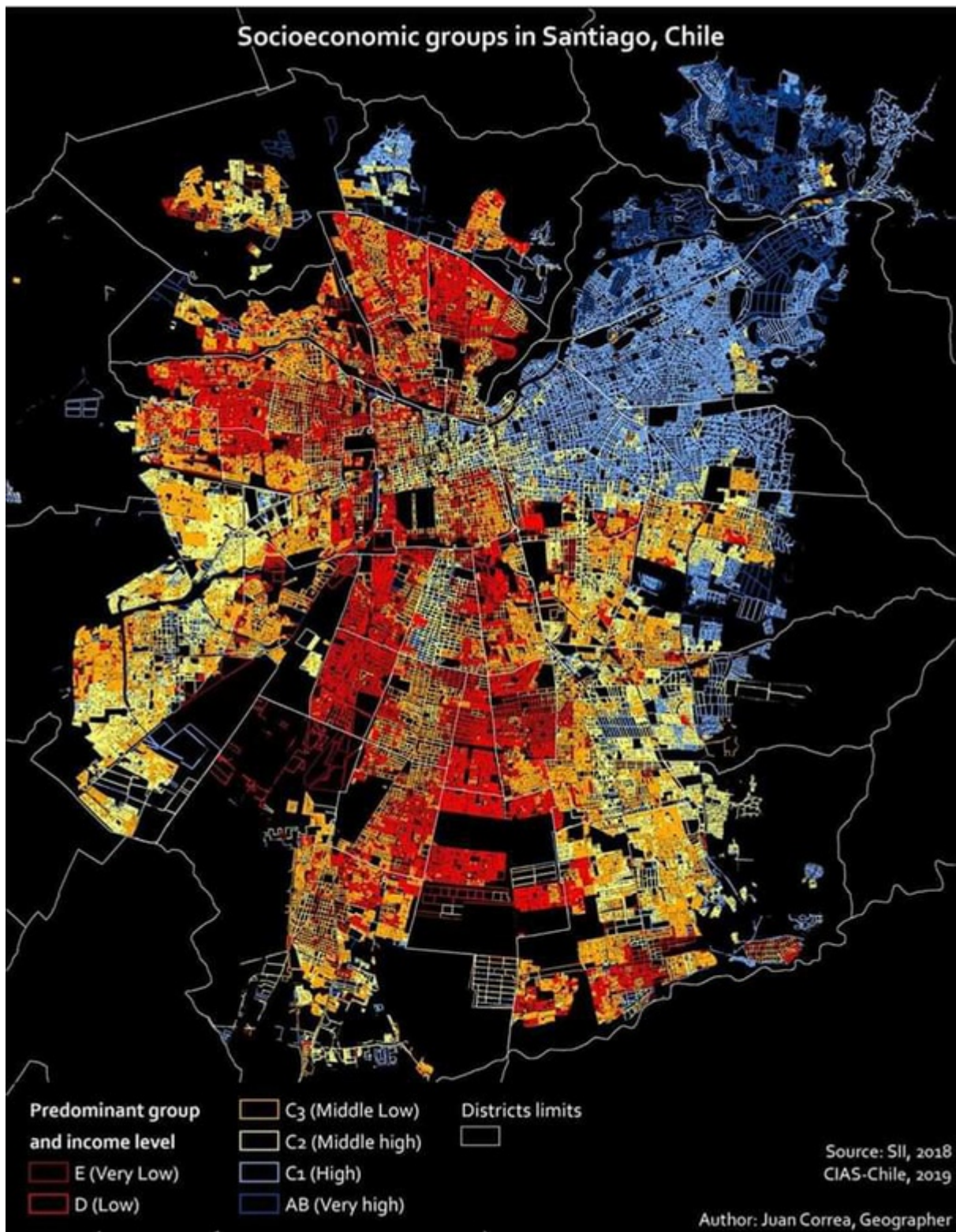
However, analysing the distribution of the assets in households present a different picture of inequality in Chile. In Chile, as of 2017, 5 per cent of the households own 47.1 per cent of the assets and wealth, having a Gini index on wealth of 0.72 (in comparison to a Gini of 0.73 in 2007) (Economic Commission for Latin America and the Caribbean (ECLAC), 2019, pp. 58-59). There are significantly high inequalities of income and wealth between Chileans.

Whereas protesters in Chile might not be regarded as destitute by global standards, but seem to be those who fear falling back (or have fallen already) to a past of dispossession, being left out of the bright future that open and unregulated economic growth promises and not accounted by some macroeconomic indicators. Mobilisations having the scale, reach and duration that has been observed in Chile evince the highly differentiated gains and losses of the "Chilean model" and how this model has created new forms of precarity.

Chile is one of the most unequal countries in Latin America, the most inequitable region in the world (Oxfam, 2015; Economic Commission for Latin America and the Caribbean (ECLAC), 2019). Chile also has one of the highest inequality indexes in the OECD. Whereas income levels seem to be useful in comparison to other high- and middle- income countries, one must also consider the costs and affordability of services and goods. As the salaries of a significant share of the population are not enough to cover their expenses, the increase in transport fares and the protests that followed in 2019, exposed deeper structural factors that relate to less visible forms of precarity.

New forms of precarity can be found in the city of Santiago as illustrated by the unequal geography of access to public goods and job opportunities, which are expressed spatially through significant differences between zones in terms of income, access to high-quality education health care and green spaces, as well as access to work-see for example Figure three (Fuentes, Mac-Clure, Moya, & Olivos, 2017, p. 100).

Figure 3. Socio Economic groups in Santiago by income level^{xi}.



Source: (Correa, 2019)

Given the levels of spatial segregation, being able to move across the city and from peri-urban/rural areas becomes central way in which a better livelihood can be secured. However, access to transport is highly stratified. The top quintile was beneficiary of 2.5 times more investment in transport and services than lower quintiles (Iglesias, Giraldez, Tiznado-Aitken, & Muñoz, 2019, p. 59). Whereas for the richest quintile of the population living in Santiago, 10 per cent of their income is used for transport, for the lowest quintile of inhabitants of Santiago, this corresponds to 45 per cent of their income. Correspondingly, changes in the prices of metro, as announced in late 2019, transferred external price shocks to the most vulnerable segments of the population in Santiago. Not surprisingly, protest erupted after this announcement.

The reaction of citizens illustrate the social cost of a highly marketised development model, which precedes the current government which has brought stratified gains to its citizens under the belief that markets are efficient and eventually, equitable. Though there have been significant improvements in life expectancy, reduction of child mortality, improved access to health and enrolment to tertiary education, as well as a significant reduction in poverty, such gains are highly uneven, and do not speak of whether public services are accessible and affordable or if they are of high quality, e.g. education.

There is evidence that residential segregation is a determinant of educational segregation, as parents tend to choose schools that are in the vicinity (Carrasco & San Martin, 2012). Similarly, having access to schooling does not necessarily mean that people can afford school as services are still commodified. And even in the case of entering school, this is not a guaranteed as marginalised families sending their children to schools are also those among which higher dropout rates and lower academic achievement levels (Valenzuela & Bellei, 2012). Such segregation is also observed in other dimensions, such as labour income inequality, as citizens also struggle to access and secure formal jobs, and even when they do so, they still struggle to afford basic services, such as health and education. Chile is in fact an example why a higher income per capita does not translate into lower precarity.

The Chilean case also exposes different layers of precarity. While targeted social assistance programmes benefiting the extreme poor and have been used for decades to contain discontent, populations above the poverty line remain in a situation of vulnerability, in which they struggle to secure a livelihood. Vulnerable populations have to navigate a highly segregated context of social provisioning (including health and education), where a low-tier of low quality and over-crowded services coexist with highly elitist and privatised services. Even though in Chile, where the inequality index (of income) decreased in relative terms over the last decade (Economic Commission for Latin America and the Caribbean (ECLAC), 2019), an important segment of the population struggle to finance the access to simple items such as food, transport, education or health. Because of this, the level of indebtedness of a significant segment of the population signals processes of precarity beyond what can be captured by labour income figures. The percentage of debt is 75 per cent of the disposable income of households, this percentage is overwhelmingly higher among the elderly—they have more than three times their disposable income in debt^{xii}, with many incurring in arrears.

Higher indebtedness among the elderly also evinces the generational aspects of inequality and precarity. The Chilean pension system, often praised among policymaking circles, has resulted in a continued impoverishment of the elderly, as many have been forced to use their funds to finance medical care and other necessities in the absence of the public provision of these services, and have had to relocate to cheaper places to live, known in Chile as “slaughter zones”^{xiii}.

The extent of debt has also helped in obscuring the level of precarity across various population groups. Such levels of debt could be regarded as a disciplining force that contained the discontent of different age cohorts—with individuals governed by a market ethos in which the claim-making process

to access public services and goods was obscured by processes of (self) regulation that accompany indebtedness, while transferring the responsibility for social provisioning away from the state and to citizens themselves. This is particularly salient among the elderly, who next to the high levels of debt and the collective memory of repression that many faced during the dictatorship, supported and joined the mobilisations after younger generations had taken the streets.

The reasons to mobilise for Chileans are related to the drop in real wages and the dismantling of universal social protection systems, which had dramatic consequences for the population and in particular for the elderly. As the country has more than 1.2 million citizens receiving pensions that are below the minimum wage^{xiv}, 47 per cent of males 65 years old and above (the age of pension) work in the informal sector- this panorama is worse for women, having 58 per cent of elder women working in the informal sector, a sector often unprotected and precarious^{xv}. In a country in which the elderly population is expected to become 33 per cent of the total population by 2050, such figures raise questions about the future of the social protection system and the role it has in providing a dignifying pension to people in retirement age.

As noted above, the emergence of protests is the outcome of deepening of unheard grievances. Yet, protests are not new: between 2011 and 2017, around 11.000 protests took place in Chile^{xvi}. What is new is the scale of protests and the challenge to the current social compact. Nevertheless, if the economic model was producing such levels of precarity, what held people from mobilising at such scale before? Schild (2007) offers a different reading of the Chilean experience, indicating that over the past four decades and with the deepening of neoliberalism, the state did not only advance an economic project but implemented a cultural project as well. She refers to the idea of the 'empowered consumer citizen' who is given an illusion of choice in a marketised economy and society. She 'extends the idea of citizens shaped by the ethos of the market to the governing of welfare' (2007, p. 181), including the provision of goods and services. The implementation of this model in Chile reframed citizenship and the role of the state. Public goods and services, e.g. health or education, were no longer considered entitlements, but commodities that are to be sold in the market. With less state regulation, the access to services such as health and education was left to market logic, sidelining the role of public policy in guaranteeing protection to its citizens. Because of this, many ended up impoverished by the market and remained unprotected—mostly left to their means unless they were categorised as extremely poor.

Another aspect of precarity is related to the quality of employment. According to the *Instituto Nacional de Estadísticas*^{xvii} (INE) data, the rate of informal employment reached 30.4 per cent as of December 2019, with an increase of 3.5% over 2018. The percentage of self-employed is also high and correlates with a high degree of informality, which brings a considerable share of the population to work in conditions of low remuneration and absence of social security coverage. The Ministry of Finance has acknowledged that after October 18 2019 (when protests started), informality has increased. What is more, in a scenario of economic and political uncertainty, people cannot afford to be unemployed (it remains at a relatively low rate of 7 per cent, compared to 6.7 as of 2018) and thus resort to desperate alternatives, such as informal employment is taking the centre stage in the Chilean economy.

Last, location illustrates how all these aspects are materialised in space as residential segregation is an essential way in which inequalities are spatialised. The practices of urban mobility reflect differentiated experiences of access to social services due to existing social inequalities in which the inadequate access to spatial mobility can exacerbate different dimensions of inequality, such as the access to public services, jobs, and the like (Jiron M., 2007, p. 63).

Then, it is no coincidence that this model of 'consumer citizen' (Schild V. , 2007) enacted by the Chilean government in the last decades has segregated cities and reflected the intersection of the inequalities of opportunities and outcomes as a function of location. As such, the case of Santiago de Chile is not only a crucial case that illustrates the impact of the transfer of social policy to the market, even if presented as apolitical and technical, and how public policy can enact such ideas, but it also shows how these ideas have material implications, as citizens see their rights and their position within a society conditioned by these policies (Vergara-Perucich, 2017). Citizens in such a model see the spaces for their expressions of agency and voice limited. In this case, the misunderstanding of the intersection of economics and societies eviscerates the politics and the role of citizens from the economy and the state.

The protests that followed the announcement of metro fare hikes in Santiago and drove to the emergence of nationwide protests across the country demanding for a reform of the state, provide a strong argument that mobilisation is a response to multifaceted marginalisation and the evisceration of the prospect of social mobility. This erosion of social mobility is the outcome of decades of economic reforms in which the provision of public services has been substituted by a model in which services are either offered by the private sector or public provisioning remains underfunded. Thus, only those already better off can have enough resources to pay for high-quality goods and services and capture future gains. In such a structure, high levels of average income and low levels of poverty hide the structures that reproduce inequalities and create new inequalities that place in a condition of precariousness different segments of the population, as the risk for a significant segment of the population of falling into poverty remains high. Citizens are not revolting thus against a metro fare. They are challenging the structures that limit their well-being and mobility.

4. Conclusion

This article analysed the relation between the increase in fuel costs and transport costs and the emergence of protests in both Quito (Ecuador) and Santiago (Chile). By presenting the varied impacts such increases have for the mobility, and eventually livelihoods, across different groups of the population, it illustrated old and new processes of precarity and inequality in both countries.

Precarity is not easily captured by indicators such as poverty metrics or Gini indexes. An understanding of inequality as multifaceted invites a closer look at the confounding impacts of access, provision, accessibility on the livelihoods of various segments of the population, factoring elements of location, age and generation in the analysis. A textured analysis of the intersection between these different dimensions of precariousness evinced the degree of vulnerability that many inhabitants in both Quito and Santiago experience, and how recent policy reforms undermined their chances to secure their social and economic rights.

Mobility and energy poverty become thus useful vignettes to study new forms of precarity and inequality in the region. As indicators related to mobility and energy poverty illustrate, aspects of inequality and precarity speak of the different dimensions of well-being that can remain unfulfilled even in a context of positive economic growth. Such an understanding can capture how inequality operates under subtle layers that define higher costs and restrictions to specific groups of people that already live at margins of the city, the markets and even, the state. This is not only a Latin American phenomenon, or a Global South issue, as the Gillet Jaunes protests in France in 2019 illustrate, energy poverty and restricted mobility are part of a global discussion on vulnerability.

Though many of the accompanying policies aimed at curving discontent are presented as technical, they cannot be disentangled from politics. A case in point is the use of targeted social assistance, e.g. cash transfers, to cushion the effect of these reforms. Cash transfers are usually framed as technical solutions for poverty and insulated from politics (Peck and Theodore, 2015) and political interference. However, the severing of the link between the responsibilities of the state to guarantee social and economic rights should not be ignored or washed away with a technocratic alibi. Any intervention that deepens the differences in the status of citizenship of the population—something particularly relevant in the Latin American context marked by high levels of horizontal inequalities, and drives some groups into precarity, illustrates how attempts to isolate policymaking from politics denies deeper political sources of conflict.

Both governments in Chile and Ecuador were seemingly surprised by mobilisations. Nevertheless, a closer look at the recent history of both countries signals the delicate balance between claims of progress and social and economic rights. The enduring levels of social stratification, spatial segregation and inequality illustrate the erosion of such rights, increasingly perceived as claims instead of entitlements deriving from citizenship. As unequal gains and losses of economic development processes are presented as 'natural outcomes, the responsibility for social provisioning is transferred away from the state and towards citizens themselves, thus normalising processes of impoverishment and marginalisation. This normalisation has two consequences. First, it obscures the power structures that create and perpetuate inequality. Second, it fractures society, as some segments support reforms that undermine the protection of collective rights, and instead work to their benefits. The normalization of inequality effectively mask the loss of accountability, the erosion of fundamental rights, and the weakening of the social compact.

Whereas experiences of inequality and poverty are often accounted for at an aggregate level, they operate and are perceived at the individual level. Such individualisation makes it difficult to assemble a collective experience of deprivation and identify the processes that perpetuate it, despite increasing indignation and discontent with the economic model. However, the recent reforms in Chile and Ecuador that targeted goods and services consumed by differently situated actors, not just the poor, helped to re-collectivise the experience of inequality and precarity. They operated as a carpet decision that affected various groups and forged new solidarities.

Widespread reforms, such as the cut of fuel subsidies or increase of the metro fare, allowed for disconnected and disenfranchised groups to recognise each other and form new alliances. However, it should be noted that the response was not uniform and that not all groups saw a threat in such reforms. Segments of the population did not support recent mobilisations, as exemplified by the Ecuadorian case. Furthermore, even among protestors, the voices are fragmented. Mobilising requires economic, politic and social resources. Those who mobilise are not necessarily the most impoverished, living in the margins of society, but those that have prior knowledge of their rights and entitlements and are afraid of losing them.

Protests have created a new space for claim-making, as fundamental necessities such as fuel or transport have exposed the degree of marketisation and stratified access to them for the population in Chile and Ecuador. Transport and energy should be addressed as public policy issues, and thus bring together elements of environmental justice as well as the financing of social protection systems—the latter aimed at preventing the poor from falling through the cracks in case of implementing an energy reform. Within national contexts, more attention has been given to the possibilities of financing innovation and the transition away from fossil fuels. Nevertheless, such national agendas are still constrained by the global political economy of non-renewable energy, which governs the production and commercialisation of fossil fuels and structures of unequal exchange whereby energy exporters

benefit from expensive imports that squeeze the revenues of countries in the Global South and are transferred to their citizens.

This observation does not preclude social protection from aiding to the expansion of social and economic rights and entitlements. By recognising the breaches between citizenship and entitlements, social protection systems can move towards incorporating social and economic rights and not merely providing temporary claims or palliative interventions. The recent protests in Chile and Ecuador have thus offered a new opening to revive the agenda of universalisation of social policies in the region, as the measures, though affecting disproportionately the poor, left vulnerable populations to their own means in a context of marketised and stratified social provisioning. The negotiation processes around a new constitution in Chile and debates regarding the universality of subsidies in Ecuador might signal a change in the narrative.

Inequality and poverty are not natural outcomes: they are the result of the ideas and decisions of individuals who shape the path of societies through the practices of state institutions. But societies can also signal the need for transformative change. Such is the case of social and economic rights, which remain at the core of political contestation. Mobilisations can thus create an opening to reinscribe participatory democracy and social justice in the political agenda.

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ⁱ See <https://data.worldbank.org/indicator/SI.POV.DDAY?locations=EC-CL>

ⁱⁱ See <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=EC-CL>

ⁱⁱⁱ Organisation for Economic Co-operation and Development.

^{iv} <https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=EC-CL-OE>

^v For a detailed revision of the decarbonization agenda, as enforced by international financial organisations including the International Monetary Fund, and its political and socio-environmental motives and consequences, see Perry (2019)

^{vi} Given that fuel is subsidized in Ecuador, some of this fuel is bought in Ecuador and sold in Colombia at a higher price, fomenting the smuggling of fuel across the border.

^{vii} https://www.finanzas.gob.ec/wp-content/uploads/downloads/2019/01/Proforma-2019_2.pdf

^{viii} This is the province where Quito is located.

^{ix} Human development bond

^x <https://data.worldbank.org/indicator/SI.POV.GiniGini?locations=CL>

^{xi} This map is calculated using the household mean incomes in \$USD. Group E has a mean household income of \$USD 463, group D has a mean household income of \$USD 803, group C3 has a mean household income of \$USD 1284, group C2 has a mean income of \$USD 1943 group C1 has a mean household income of \$USD 3375 and group AB has a mean household income of \$USD 9217.

^{xii} According to <http://chiledeudas.cl> data

^{xiii} https://www.eldiario.es/ballenablanca/365_dias/zonas-sacrificio-Chile-Cumbre-Clima_0_970803029.html

^{xiv} <https://www.elmostrador.cl/noticias/opinion/columnas/2019/05/29/chile-ocde-12-millones-de-adultos-mayores-con-pensiones-inferiores-a-162-000/>

^{xv} https://www.ine.cl/docs/default-source/informalidad-y-condiciones-laborales/infografias/infografias/infografian2_informalidadlaboral.pdf?sfvrsn=e59c5c82_3

^{xvi} <https://coes.cl/>

^{xvii} National Statistics Institute



The Southern Africa Labour and Development Research Unit (SALDRU) conducts research directed at improving the well-being of South Africa's poor. It was established in 1975. Over the next two decades the unit's research played a central role in documenting the human costs of apartheid. Key projects from this period included the Farm Labour Conference (1976), the Economics of Health Care Conference (1978), and the Second Carnegie Enquiry into Poverty and Development in South Africa (1983-86). At the urging of the African National Congress, from 1992-1994 SALDRU and the World Bank coordinated the Project for Statistics on Living Standards and Development (PSLSD). This project provide baseline data for the implementation of post-apartheid socio-economic policies through South Africa's first non-racial national sample survey.

In the post-apartheid period, SALDRU has continued to gather data and conduct research directed at informing and assessing anti-poverty policy. In line with its historical contribution, SALDRU's researchers continue to conduct research detailing changing patterns of well-being in South Africa and assessing the impact of government policy on the poor. Current research work falls into the following research themes: post-apartheid poverty; employment and migration dynamics; family support structures in an era of rapid social change; public works and public infrastructure programmes, financial strategies of the poor; common property resources and the poor. Key survey projects include the Langeberg Integrated Family Survey (1999), the Khayelitsha/Mitchell's Plain Survey (2000), the ongoing Cape Area Panel Study (2001-) and the Financial Diaries Project.

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