

# OIL, REVOLUTION, AND INDIGENOUS CITIZENSHIP IN ECUADORIAN AMAZONIA

FLORA LU, GABRIELA VALDIVIA,  
AND NÉSTOR L. SILVA

Latin American Political Economy 



# Latin American Political Economy

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Flora Lu • Gabriela Valdivia • Néstor L. Silva

# Oil, Revolution, and Indigenous Citizenship in Ecuadorian Amazonia

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Flora Lu  
University of California  
Santa Cruz, California, USA

Néstor L. Silva  
Stanford University  
Stanford, USA

Gabriela Valdivia  
University of North Carolina  
Chapel Hill, NC, USA

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## NOTES ON THE CONTRIBUTORS

**Flora Lu** is an Associate Professor of Environmental Studies and Provost of Colleges Nine and Ten at University of California, Santa Cruz. She earned her A.B. in Human Biology from Stanford University and her Ph.D. in Ecology from the University of North Carolina at Chapel Hill. A National Science Foundation Graduate Fellow, Royster Society Fellow, and Lang Post-Doctoral Fellow, she began conducting research in the Amazon as an undergraduate in 1992. An Ecological Anthropologist, she studies the interrelationships between human societies and the natural environment with a geographic emphasis in the Amazon. She integrates social and natural science approaches to study resource use and conservation among indigenous peoples in Ecuador with a focus on land use, social change, cultural resilience, and household economic strategies. Her longitudinal fieldwork among indigenous communities in the northeastern Ecuador has been funded by over \$2.2 million in external grants (National Institutes of Health and National Science Foundation). She is the lead author of the book *Modos de Vivir y Sobrevivir: Un Estudio Transcultural de Cinco Etnias en la Amazonia Ecuatoriana* and first co-editor of the book, *Integración al Mercado y Salud Indígena en el Nororiente Ecuatoriano*, both published by Abya Yala in Quito, in addition to many journal articles (in places such as *Human Ecology*, *Conservation Biology*, *Current Anthropology*, *Human Organization*, and the *Journal of Ecological Anthropology*) and book chapters. She is the recipient of the Committee on Teaching's Excellence in Teaching Award (2011) and the Division of Social Sciences "Golden Apple" Distinguished Teaching Award (2010).

**Néstor L. Silva** is a doctoral candidate in the Department of Anthropology at Stanford University. He has a B.A. and M.F.A. from CSU Long Beach, with a focus on creative writing; a B.A. with highest honors from UC Santa Cruz in Latin American and Latino Studies; and an M.A. in Anthropology from Stanford. Broadly speaking, he is interested in the political ecology and economy of extractive frontiers in Andean Latin America, especially in Ecuador and Colombia. More specifically, his work focuses on the ways that state-promoted narratives of development funded and facilitated by extractivism are accepted, contested, and propagated by communities and individuals living near the sites of hydrocarbon exploitation. Of particular interest are the intersections of natural resource perception and valuation, market integration, and political representation—the human–nature interactions—present in spaces transforming ecologically and economically through extractivism. His work has appeared in *Anthropology Now*, *Human Organization*, and *Social Sciences*.

**Gabriela Valdivia** is Associate Professor of Geography at the University of North Carolina at Chapel Hill and Fellow at the UNC Institute for the Arts and Humanities. She is Peruvian and has conducted research in Ecuador since 1997. Her doctoral work at the University of Minnesota examined how native Amazonians' engagements with biodiversity conservation and development projects shape resource use decision-making. This research resulted in peer-reviewed publications on the relationship between indigeneity, neoliberalism, and resource governance, and on everyday practices and spaces of indigenous identity production and contestation. Since 2008, she has focused on understanding how petroleum-citizenship and resource nationalism shape oil politics in Ecuador. She has published on various topics, including petro-citizenship; the construction of imagined communities of citizenship *vis-à-vis* neoliberal and post-neoliberal policies; and on how the body of petroleum and the body of the Ecuadorian nation intersect via the daily activity spaces and geographical imaginations of Amazonia. Extending feminist and critical geopolitics perspectives to the question of petro-citizenship, she has written about the materiality of oil and is currently working on several chapters on her most recent work on life-with-oil in the refinery city of Esmeraldas.

## LIST OF ACRONYMS

AEC	Alberta Energy Company
AMWAE	Association of Waorani Women of the Ecuadorian Amazon ( <i>Asociación de Mujeres Waorani de la Amazonía Ecuatoriana</i> )
BCG	Boston Consulting Group
CCC	Cultural Center of Cooperation ( <i>Centro Cultural de la Cooperación</i> )
CEDHU	Ecuadorian Ecumenical Human Rights Commission ( <i>Comisión Ecuémica de Derechos Humanos</i> )
CEDOCUT	Confederation of Ecuadorian Workers ( <i>Confederación Ecuatoriana de Organizaciones Clasistas Unitarias de Trabajadores</i> )
CEE	Ecuadorian Episcopal Conference ( <i>Conferencia Episcopal Ecuatoriana</i> )
CEPE	Ecuadorian Petroleum State Corporation ( <i>Corporación Estatal Petrolera Ecuatoriana</i> )
CGG	Compagnie Générale de Géophysique
CNE	National Electoral Council ( <i>Consejo Nacional Electoral</i> )
CONAIE	Confederation of Indigenous Nationalities of Ecuador ( <i>Confederación de Nacionalidades Indígenas del Ecuador</i> )
CONFENIAE	Confederation of Indigenous Nationalities of the Ecuadorian Amazon ( <i>Confederación de Nacionalidades Indígenas de la Amazonía Ecuatoriana</i> )
COOTAD	Organic Code of Territorial Organization, Autonomies and Decentralization ( <i>Código Orgánico de Organización Territorial, Autonomía y Decentralización</i> )

ECLAC	Economic Commission for Latin America and the Caribbean of the United Nations ( <i>Comisión Económica Para América Latina y el Caribe</i> or CEPAL)
ECUARUNARI	Kichwa Confederation of Ecuador ( <i>Confederación de Pueblos de la Nacionalidad Kichwa del Ecuador</i> )
FEI	Ecuadorian Indigenous Federation ( <i>Federación Indígena del Ecuador</i> )
FEINE	Organization of Indigenous Evangelicals of Ecuador ( <i>Organización de los Indígenas Evangélicos en el Ecuador</i> )
FEIREP	Fund for Stabilization, Productive and Social Investment and Reduction of Indebtedness ( <i>Fondo de Estabilización, Inversión Social y Productiva y Reducción de Endeudamiento</i> )
FENOCIN	National Confederation of Peasant, Indigenous, and Afro-Ecuadorian Organizations ( <i>Confederación Nacional de Organizaciones Campesinas, Indígenas y Negras</i> )
FOIN	Federation of Indigenous Organizations of the Napo ( <i>Federación de Organizaciones Indígenas del Napo</i> )
GDP	Gross Domestic Product
GNP	Gross National Product
IACHR	Inter-American Commission on Human Rights
IMF	International Monetary Fund
INEC	National Institute of Statistics and Census ( <i>Instituto Nacional de Estadística y Censos</i> )
ISI	Import Substitution Industrialization
ITT	Ishpingo, Tambococha, Tiputini Oil Concession, Block 43
MIES	Ministry of Social and Economic Inclusion ( <i>Ministerio de Inclusión Económica y Social</i> )
MUPP	Pachakutik Movement for Plurinational Unity ( <i>Movimiento Unidad Plurinacional Pachakutik</i> )
NAWE	Waorani Nationality of Ecuador ( <i>Nacionalidad Waorani del Ecuador</i> )
NBI	Index of Unmet Basic Needs ( <i>Necesidades Básicas Insatisfechas</i> )
NGO	Non-Governmental Organization
OAS	Organization of American States
OCP	Heavy Crude Oil Pipeline ( <i>Oleoducto de Crudos Pesados</i> )
ONHAE	Organization of the Huaorani Nationality of the Ecuadorian Amazon ( <i>Organización de las Nacionalidades Huaorani de la Amazonia Ecuatoriana</i> )
ONWAN	Organization of the Waorani Nationality of Napo ( <i>Organización de la Nacionalidad Waorani del Napo</i> )
OPEC	Organization of the Petroleum Exporting Countries

OPIP	Organization of Indigenous Peoples of Pastaza ( <i>Organización de Pueblos Indígenas del Pastaza</i> )
OXY	Occidental Petroleum Exploration and Exploitation
PDVSA	Petroleum of Venezuela ( <i>Petróleos de Venezuela, S.A.</i> )
PPP	Purchasing Power Parity
PVI	People in Voluntary Isolation
REE	State Refinery in Esmeraldas ( <i>Refinería Estatal Esmeraldas</i> )
SECOM	National Secretary of Communication ( <i>Secretaría Nacional de Comunicación</i> )
SEDA	Sustainable Economic Development Assessment (done by BCG)
SENPLADES	National Secretariat of Planning and Development ( <i>Secretaría Nacional de Planificación y Desarrollo</i> )
SIL	Summer Institute of Linguistics
SOTE	Trans-Ecuadorian Oil Pipeline ( <i>Sistema Oleoducto Trans-Ecuatoriano</i> )
UNDP	United Nations Development Program
UNESCO	United Nations Education, Scientific and Cultural Organization
Y-ITTI	Yasuní-ITT Initiative
YNP	Yasuní National Park ( <i>Parque Nacional Yasuní</i> )
ZITT	Tagaeri-Taromenane Intangible Zone ( <i>Zona Intangible Tagaeri-Taromenane</i> )

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## The Road to the *Revolución Ciudadana*

The Via Auca is a 95-kilometer road running through lands defended for centuries by an indigenous group known to outsiders as “Aucas”—a derogatory Kichwa term meaning “savages”—a group now known as the Waorani. Built in 1979 by Texaco to facilitate petroleum exploration and oil operations (Carcelen-Estrada 2010), the Via Auca bisects Waorani territory. About a decade ago, traveling down the Auca road was a jarring experience. Soon after passing the bridge across the Napo River, near the military base on the outskirts of the city of Francisco de Orellana (locally known as Coca), the road ceased to be flat and paved, and became a winding mess of gravel and boulders. But by the summer of 2013, the route to the Waorani communities at the southernmost end of the Via Auca was “a long stretch of impeccably fine asphalt with well-designed road signs” (Picq 2013).

The new road, a product of the Correa administration’s infrastructural push into the Amazon region, raises questions about the underlying motivations for such expenditure. Is it for the convenience of the 8000 people, 21 percent of whom are indigenous and many others low-income mestizo colonists, who occupy the area? Or are roads such as these, not just in Ecuador but in many other South American countries, symbols of the power of the state, extractive interests, and global markets extending into places and toward populations historically located beyond the frontiers of the state? Looking out of the bus window as one travels down the road, one can see only fleeting remnants of rainforest which is all

that remains. It takes great imagination to try to conjure what that space was like when peccaries and jaguars roamed the grounds, and spider and woolly monkeys moved through the intact canopy. The landscape has been transformed into pasture and frontier settlements punctuated by the occasional small Amazonian town that consists of a series of store-fronts set along the road. Oil camps and pumping stations, fenced off and imposing, serve as frequent reminders of the region's principal economic activity. The most consistent and expansive symbols of petroleum are the bundles of snaking, antiquated, above-ground oil pipelines that run parallel to the road.

The Via Auca's southern endpoint is unremarkable. Buses stop and turn around at a place called Tiwino Colono, where a small community of mestizos has built homes, restaurants, and bars adjacent to Tiwino Waorani, its indigenous counterpart further down the road. It takes extra cash to convince the bus driver to go the extra five minutes to the Waorani community. Another 15 minutes south along the road is the Waorani community of Bataboro, but the only buses allowed to go there are run by the oil company Petrobell, which shuttle workers to sites of oil production, and allow Waorani residents and workers to hitch a ride. On 21 August 2013, while visiting Tiwino Waorani for a meeting with the community to request their participation in a research project which would entail months of ethnographic fieldwork in early 2014, we opportunistically hopped on to one of these oil company buses headed to Bataboro. Men in various uniforms—oil workers with their matching denim shirts and jeans, yellow boots, and helmets, and national police in their gray-toned camouflage—filled the bus. We were left to sit conspicuously at the front of the bus on a mound—a part of the engine we assume—which is the least desired and therefore last occupied seat on these buses. The awkwardness is compounded by the fact that one sits on that mound facing the busload of passengers. We tried our best to look nonchalant, craning our necks to look over the seats and out the bus windows. Approaching Bataboro, we saw a buzzing construction project, the site of new white cement homes, all of them identical, part of the development program of President Rafael Correa's *Revolución Ciudadana*: his vision of improving the standard of living for the majority of Ecuadorians through investments in housing, education, infrastructure, and health. The houses were being built by contractors hired by *Ecuador Estratégico*, the public company charged with taking a cut of profits from “strategic sectors” such as oil, and reinvesting them into public works.

One Waorani man on the bus, in his late 40s and with a stocky build and skepticism/annoyance on his face, asked us in a loud voice to identify ourselves. Dutifully, we responded that we were anthropologists conducting an investigation, which, in hindsight, was precisely the wrong answer. He demanded to know who gave us permission to be in the community and told us that entrance to Bataboro was “*prohibido*”—prohibited—unless we paid an entrance fee, making the universal sign of rubbing his thumb and fingertips together. Pulling the documents from a backpack we responded that we had Ministry of Environmental approval, and a signed agreement with Tiwino to carry out the study. An oil worker on the bus took the papers and read them slowly, remarking that the documents did not allow us to do an investigation in Bataboro. We clarified that we were just hoping to look around and take some pictures and would not even need to get off the bus. The Waorani man snapped that if we wanted to take pictures, it would cost US\$20 per picture. Our documents were handed to a national policeman riding next to the bus driver. He perused the documents authoritatively and made a show of telling a subordinate officer to get out his camera and take pictures through the windshield. The Waorani fellow continued glaring at us as the bus pulled into Bataboro. He made a remark in *Waotededo* to his family members that made them—even the children—glare at us as well. As we rode the bus back to Tiwino, the police officer asked us how much longer we would be in Tiwino, and was relieved to hear that we were leaving the next day. The presence of foreigners—nosy academics at that—was a complication in the extant combination of indigenous people, colonists, oil workers, police, and military in the area, which was already characterized by tension.

This brief interaction demonstrated that the Waorani are not passive or downtrodden victims of oil activities, but rather assert their sovereignty in a myriad of forms: demands for goods and services from corporations and the state or exacting payment from outsiders for the privilege of being allowed in their territory, in their communities. From new home construction to the provision of employment and educational and health services, the Waorani point to tangible benefits contributing to their integration with the market economy. Such integration compels a sedentary settlement pattern and entanglement with supralocal forces and actors: forms of being vastly different than those which characterized Waorani life only a few decades ago. The spoils of oil, the outcomes and hierarchies it generates, are of course unevenly distributed and experienced.

Places like Tiwino and Bataboro are dynamic sites of continuous negotiation, contestation, acquiescence, and resistance. An upset Waorani resident may cause researchers to capitulate for the purposes of de-escalating potential conflict, but the national police can take pictures whenever and wherever they want because, ultimately, they are manifestations of state authority being consolidated and extended under the Correa administration. No one asks police to seek permission or provide payment, an expression of the power differentials that override indigenous sovereignty, especially in “strategic sector” areas such as oil extraction sites. Decisions to open up indigenous territory to extraction are made without local consultation. On that bus, we experienced the uneasy coexistence of state, firm, and community that is one of our central analytical concerns.

This book analyzes the contemporary political economy of oil extraction in Ecuador: the intensification and recharacterization of resource extraction activities within the so-called turn to the Left in Latin America, where governments elected on explicitly anti-neoliberal and anti-imperialist platforms are signaling the possibility of a new way of conducting oil exploitation and distribution of its revenues (Bebbington 2009; Bebbington and Bebbington 2010). We focus primarily on the political economy of oil in Ecuador since the turn of the century, traversing geographic and social scales to integrate information from multiple sources and perspectives: scholarship, media accounts, as well as ethnographic research conducted in partnership with Ecuadorian collaborators as part of a National Science Foundation funded project co-led by Lu and Valdivia: “The Impact of Oil Extraction, Regulatory Policy, and Environmental Practice on Indigenous and Afro-Ecuadorian Communities.” In the Amazon region, our research took place in three Waorani villages—Guiyero, Tiwino, and Gareno—all close to the oil extraction site. These communities represent different locations (eastern versus western Waorani territory and different proximities to Yasuní National Park [YNP]), different duration of oil activities, and differences in the type of oil company operating in the region (the state oil company Petroecuador versus multinational corporations Repsol and Petrobell).

### CRUDE ENTANGLEMENTS IN ECUADORIAN POLITICS

Since the mid-1990s, we have been tracing the trajectory of “crude entanglements” between the Waorani, the state, and multinational oil companies. The metaphor of entanglements goes beyond a dualistic

understanding of power as a struggle between domination and resistance: entanglements shape, constrain, and influence personal, professional, and organizational identities so that spaces are lived and experienced in particular ways. The metaphor also implies the possibility for change and for the emergence of new forms of relating and structuring, as in a ball of yarn where different “strings” shift, are pulled apart, or are knitted in different directions to produce a new form.

In the northern Ecuadorian Amazon, crude entanglements take on a multiplicity of forms, and have dramatically changed over time. Over the course of the 1980s, three separate democratically elected governments began implementing neoliberal policies (Sawyer 2004, p. 11). These included incentives for private producers, reduction in export taxes, increased imports, and the devaluation of the *sucre*. As a consequence, Ecuador required a loan from the International Monetary Fund (IMF) to sustain the economy, and was forced to follow IMF policies including flexible interest rates and a lack of control over foreign exchange. The new policies increased unemployment and underemployment, forced skilled workers into unskilled jobs, reduced wages, and increased food prices (Moser 1993). By the early 2000s, Ecuador’s debt was the highest per capita in Latin America at US\$1100 per person (Widener 2011, p. 12), which further entangled the Ecuadorian economy with oil, the most lucrative export in the country, propelling the drive to intensify oil operations in the Amazon. Throughout the 1980s and 1990s, Ecuador responded to dwindling oil prices by increasing production, which put the country in conflict with the OPEC (Organization of the Petroleum Exporting Countries) policy of trying to stabilize prices by limiting output. After exceeding its quota multiple times, Ecuador finally left the organization in 1992. The country was freed to further boost production, yet found itself further indebted. It adopted the requisite neoliberal austerity measures and privatization and fell deeper into economic crisis. The same year, Texaco, now Chevron, the first multinational oil company to operate in Ecuador, packed up its operations in the Amazon, handed the concessions to Petroecuador, and left a highly contaminated rainforest in its wake.

Neoliberal policies that defunded the public sector, dollarized the currency, and expanded oil production and export capacity through the construction of a new major pipeline, were justified by government promises of economic stability, but ended up disproportionately burdening the poor and marginalized people. Political parties were seen as corrupt

and ineffective, leading to indigenous uprisings, social movements, and widespread protests—manifestations of a lack of legitimacy and trust in the government—that toppled multiple administrations. In a period of ten years (1996–2006), Ecuador had seven presidents. None completed a four-year term.

### *A Closer Look at Ecuador's Political Path*

With the discovery of marketable oil by a Texaco–Gulf consortium in the northern Ecuadorian Amazon in 1967, Ecuador experienced an economic transformation. The significant oil finds and influx of petro-dollars sparked grandiose visions of national modernization and development. Before large oil reserves were discovered, the country's most important exports were bananas and cacao. The country had an annual GDP of less than US\$5 billion (Hamilton and Ruta 2006). Since the initiation and expansion of the oil industry in the late 1960s and early 1970s, most of the country's economic and political systems have revolved around oil, as Ecuador transformed itself from a “banana republic” to a “petro-state” (Karl 1997). This historic period began what Jaime Galarza called “*el festín del petróleo*”—the oil feast. Seemingly overnight, oil provided nearly half of government revenue (Gerlach 2003). Ecuador holds the third largest petroleum reserves in South America, after Venezuela and Brazil, with 8.8 billion barrels (EIA 2015).

Then-President José María Velasco Ibarra (1934–1935, 1944–1947, 1952–1956, 1960–1961, and 1968–1972) assumed dictatorial powers in 1970 to better control oil rents. Ibarra was overthrown in a coup led by General Guillermo Rodríguez Lara (1972–1976) on 15 February 1972. This began almost a decade of military government in Ecuador, which clamped down on civil society but stabilized the economy and led to greater modernization. The general spoke in nationalistic terms of Ecuador's unlimited future and set expectations that it would join the ranks of developed, modern nations. Oil revenues provided a means to finance tax breaks, offer credit, subsidize energy and food, build social services, embark on major infrastructural improvement projects, and of course support the Armed Forces (from 1972 to 2000, 45 percent of oil revenue went to the military). The military government embraced import-substitution measures to stimulate manufacturing and industry, employing heavy state subsidies to stimulate consumer demand and encourage economic expansion (Gerlach 2003).

When oil revenues themselves were insufficient to cover the costs of such projects, the government leveraged future oil production as a means of securing credit from lenders such as the IMF. The military government made “*endeudamiento agresivo*,” aggressive indebtedness, an official economic policy (Widener 2011, p. 12). Foreign debt swelled 20-fold during the 1970s, from US\$209 million in 1970 to US\$417 billion in 1980 (Gerlach 2003, p. 39). Between 1974 and 1982, the foreign debt rose from 18 percent of GDP to 60 per cent of GDP (Sawyer 2004, p. 11). This practice sustained Ecuador through the 1970s and led to unprecedented growth rates. Between 1970 and 1981, Ecuador’s GDP grew by 147 percent. Manufacturing and agriculture languished as those sectors could no longer compete with oil revenues and the government failed to use oil income to diversify its economy.

Democracy in Ecuador was restored in 1979, with the election of Jaime Roldós (1979–1981), leader of the center-right populist political party *Concentración de Fuerzas Populares* (CFP). Under Roldós, the country fell into a deeper economic crisis due to falling oil prices, a renewed border conflict with Peru, and an international debt crisis (Jaramillo-Jassir et al. 2008). After the death of Roldós on 24 May 1981 in a suspicious plane crash, Osvaldo Hurtado Larrea (1981–1984) assumed the presidency and opted for solving Ecuador’s economic woes by adopting drastic IMF austerity measures. The winner of the 1984 presidential election, León Febres Cordero (1984–1988)—a millionaire, an old-fashioned *caudillo* (strongman) and member of the Guayaquil elite whose brand of neoliberal policies was likened to “Andean Thatcherism”—responded with strong-arm tactics to public protest catalyzed by the country’s dismal economic condition (Roos and van Renterghem 2000). In 1988, center-left candidate Rodrigo Borja Cevallos (1988–1992) tried to distance himself from the aggressive policies of his predecessor and pledged socio-democratic reforms, but was stymied by economic difficulties, such as 56 percent inflation.

In 1992, Ecuador elected conservative right-wing politician Sixto Durán Ballén (1992–1996) to the presidency. A leader who preached the virtues of modernization, decentralization, and privatization, Durán Ballén was intent on rolling back left-leaning reforms instituted under Rodrigo Borja (Roos and van Renterghem 2000). His attempt at amending the land reform law to make communal indigenous lands available for sale resulted in fierce protests by indigenous groups. His government came under fire for alleged incompetence and corruption. In October 1995, Ballén’s Vice

President Alberto Dahik fled to Costa Rica to escape arrest on corruption charges. As the election of 1996 approached, a new political movement, Nuevo PAÍS/Pachakutik, was launched, bringing together a range of left-wing and indigenous groups behind the candidate Freddy Ehlers. Abdalá Bucaram (1996–1997), grandson of Lebanese immigrants, unexpectedly won that election. His unabashed populism appealed to poor agriculturalists and urban slum dwellers (Roos and van Renterghem 2000). Dismissed by Congress on grounds of alleged mental incapacity, several corruption and embezzlement charges were filed against Bucaram before he fled to Panama. His Vice President Rosalía Arteaga became president for 72 hours until she resigned and Head of Congress Fabián Alarcón (1997–1998) was sworn in as President (Gerlach 2003).

On 10 August 1998, Jamil Mahuad (1998–2000) was inaugurated as president, and inherited a dismal economic situation from Alarcón who had spent the entire 1998 budget before leaving office (Gerlach 2003). Domestic inflation surpassed 60 percent by the time he took office, causing capital flight from Ecuador and declines in primary exports (Jaramillo-Jassir et al. 2008). Ecuador was deeply affected by the Asian Crisis of 1997 and the fall of global petroleum prices to US\$9/barrel. An El Niño also impacted export products such as bananas, cacao, coffee, tuna, and shrimp (Jaramillo-Jassir et al. 2008). Domestic deficits and growing foreign debt exacerbated cycles of inflation and recession. The recovery programs that Ecuador chose only aggravated the already large gap between the wealthy and the poor, increasing the number of people living in poverty. In late 1999, Ecuador defaulted on US\$6.5 billion in various bond debts (Gerlach 2003). As was true of previous cases, this economic crisis resulted in talk of further austerity measures and dollarization—the replacement of Ecuador’s national currency, the *sucre*, with the dollar—a blow to Ecuadorian political and fiscal sovereignty. Mahuad fled the country on 21 January 2000, effectively ousted by a popular uprising. A triumvirate of three men calling themselves the Junta of National Salvation briefly came to power: Antonio Vargas, the president of the CONAIE, a nationwide indigenous organization; Colonel Lucio Gutiérrez; and former head of the Supreme Court, Carlos Solórzano. Vice President Gustavo Noboa (2000–2003) quickly took over control of the presidency after Congress decreed that Mahuad had abandoned his position. Noboa served out Mahuad’s term until 10 August 2003, having signed the dollarization measure into law on 1 March 2000, thereby winning a commitment from international lenders like the IMF for US\$2 billion in loans.

The subsequent president, Lucio Gutiérrez (2003–2005), campaigned on the platform of fighting corruption and reversing neoliberal reforms. But, once elected, he alienated many supporters by backing the Free Trade Area of the Americas (FTAA) and austere structural adjustment reforms, which produced a 6 percent growth rate in 2004 but brought hardships to ordinary citizens (Forero 2005b). Yet another crisis was catalyzed when Gutiérrez disbanded the Supreme Court after judges backed a failed effort to impeach him on corruption charges (Forero 2005a). After a mass public protest, Gutiérrez—like Bucaram and Mahuad before him—was ousted from power on 20 April 2005. He fled the presidential palace via military helicopter, heading to the Ecuadorian embassy in Brazil where he was granted asylum. The Congress then swore in Vice President Alfredo Palacio (2005–2007). “I am no politician,” said Palacio, a cardiologist who practiced in the United States in the 1970s (Forero 2005c). Palacio appointed then-unknown Rafael Correa as economic and finance minister. He joined the new president in criticizing Gutiérrez’s fiscal austerity measures and ties to international lending institutions, saying that oil money earmarked for the public debt should be used for social spending (Forero 2005c).

### ENTER RAFAEL CORREA

Born in Guayaquil on 6 April 1963 to a Catholic family of modest means, Rafael Correa obtained scholarships to attend *La Universidad Católica de Santiago de Guayaquil*, where he graduated as an economist in 1987. With additional scholarships, Correa was able to study at the Catholic University of Lavania la Nueva in Belgium, where he obtained a Master’s degree in economics in 1999. In 2001, Correa received his Doctorate in Economics from the University of Illinois, Urbana-Champaign. In his dissertation, Correa argues, in part, that neoliberal policies and structural reforms imposed by the USA on Latin America beginning in the 1980s failed to produce wealth and actually reduced productivity (Assange 2012). Before returning to Ecuador, Correa was an assistant professor in the Department of Economics at the University of Illinois between 1999 and 2001. From 2001 to 2005, he served as the director of the Department of Economics of the *Universidad San Francisco de Quito* (USFQ). Correa’s academic career is the basis of his political platform, as much of his published work concentrates on the rejection of neoliberal policies and criticizes the political and economic practices of former

Presidents Jamil Mahuad and Lucio Gutiérrez. In particular, he defines their time in office as “disastrous and negatively impacting the short- and long-term future of Ecuador” (Jaramillo-Jassir et al. 2008).

Correa’s involvement with the church and his work in rural areas also informed his politics. Correa describes himself as “*de la izquierda, pero no de una izquierda marxista, sino una izquierda Cristiana,*” meaning “from the left, but not a Marxist left, rather a Christian left.” Between 1987 and 1988, Correa participated in missions headed by Salesian Fathers, and led the design, implementation, and control of rural development projects for indigenous communities. The president’s open expressions of his strong faith have set him apart from traditional politicians, and increased his popularity and credibility among the primarily Catholic Ecuadorian population (Jaramillo-Jassir et al. 2008). Being an economist and advocate of social equality before becoming a politician gave Correa credibility, and allowed him to fulfill the Ecuadorian public’s desire for a trustworthy government official.

Correa blames the country’s economic woes on the traditional political parties that he believes to be driven by party interests rather than public ones (New Left Review 2012). With the assistance of Ricardo Patiño, a leftist politician (and current minister of foreign affairs), Correa formed a political party under which he could run for president: Alianza PAIS. *País* means country, and is also an acronym for *Patria Altiva I Soberana*, meaning “proud and sovereign fatherland.” Correa believed “in order to change Ecuador, we had to win political power” (New Left Review 2012). Alianza PAIS began with an anti-establishment message promoting the end of *partidocracia* (Kennemore and Weeks 2011, p. 274): a political system dominated by traditional parties and elites considered responsible for Ecuador’s political and economic crisis (Machado Puertas 2007). Alianza’s platform emphasized political sovereignty, regional integration, and economic relief for Ecuador’s poor people (El Universo 2007).

Correa faced stiff competition in the 2006 presidential elections. Thirteen presidential candidates were on the ballot for the first round of campaigning in October 2006, the largest group of candidates since the country’s transition to democracy in 1979 (Conaghan 2011). By presenting himself as a revolutionary candidate against corruption and traditional party politics, by calling for reforms including increased transparency and expanded roles for the citizenry in politics, Correa gained the support of Ecuadorians across many classes and social groups that were disappointed by previous administrations. Correa appealed directly

to mass constituencies, offered alternatives to the policies adopted under governments dedicated to neoliberal ideologies, and presented himself as an untainted political outsider with little political experience. He offered a dejected populace a message of redemption and renewal, epitomized by the slogan “*La patria vuelve*,” meaning “the fatherland returns.” He won the 2006 election and assumed the presidency the following year.

Correa’s rise to power, his administration, and its policies must be examined in light of the larger political context of Ecuador’s recent history. We focus on Ecuador since the rise of President Correa, who, after first taking office in 2007, was reelected in 2009 and 2013. He has been the first Ecuadorian president to complete an entire term since Sixto Durán Ballén in 1992–1996, and the first sitting president to be reelected since García Moreno in 1875, both of which suggest his administration marks a watershed in Ecuadorian history. Correa’s 2007 inauguration included an Andean ceremony replete with indigenous iconography and attended by Evo Morales and Hugo Chávez, a ceremony in which he announced his election was “a true historical change, a new history has begun, a new homeland has begun” (Conaghan 2011, p. 260). His rapid implementation of a referendum for a constitutional assembly, the utopic constitution that emerged, and the President’s willingness to eschew historic frameworks for new practices of political economy made him extremely popular throughout his first term. In his reinaugural address in March 2013, Correa shouted from the presidential palace to his supporters, “No one will stop our revolution” (Muñoz and Alvaro 2013, p. A9), “We have never failed you, and we will never fail you” (Neuman 2013, p. A3). He was referring to the *Revolución Ciudadana*, the developmentalist project of governance introduced by his administration in 2007.

### *The Revolución Ciudadana*

Along with an anti-*partidocracia* discourse, Correa’s campaign was also framed through talk of the *Revolución Ciudadana*, a term that can be interpreted in many ways. These multiple meanings and valences are useful in describing and justifying the suite of policies and practices of the Correa administration. *Revolución Ciudadana* can refer to a revolution *by* citizens, something undertaken through the people’s agency and advocacy. It can also refer to a revolution *for* citizens, intended to improve people’s standards of living. Also, *Revolución Ciudadana* can refer to a

revolution of the city (*ciudad*), indicating a preference for certain types of spatial organizations that equate progress with urbanization. And yet, in other ways, the *Revolución Ciudadana* establishes connections with longer and ongoing Latin American leftist revolutions (Coronil 2011a; Escobar 2010; Reyes 2012) seeking to change top-down representative democracies into participatory democracies (De Sousa Santos 2014). As its name implies, such a revolution requires promoting and strengthening spaces of dialogue among citizens, including social movements and marginalized peoples. Our use of the term *Revolución* throughout this book is intended to capture this breadth of meaning.

Correa describes the *Revolución* as “a revolt of indignant citizens [...] inspired by the Bolivarian Movement” to take back their own countries (New Left Review 2012), a “political alternative to the past 25 years of neoliberal governance” (IPP 2015). According to Correa, the *Revolución Ciudadana* emerged from the weariness of citizens fed-up with political corruption, lack of nationalism, and *entreguismo*: giving away of patrimony and resources to those not entitled to them. In the name of these ideals—and of the broader goal of rectifying gross inequality—in its early years, the Correa administration sought to strengthen state sovereignty over civilian affairs and the economy, sought to strengthen institutions, particularly the presidency. As early as 2008, Correa’s governing style was described as a “permanent campaign,” mounted in order to mitigate or eliminate challenges to executive power posed by other institutions, a campaign which uses communication apparatuses to delegitimize both opponents and oversight of his administration (Conaghan and de la Torre 2008, pp. 281–282). By 2015, the Correa administration is described as one characterized by limited forms of accountability (Bowen 2015). The *Revolución Ciudadana*—not only a capital-intensive developmental project, but the public face of the Correa administration—has its own government cabinet with a suite of new and revamped institutions. These include the National Secretariat of Communication, National Secretariat of Planning and Development, and others that create policies targeting social improvement. Alianza PAIS was able to secure 100 of the 131 seats in the National Assembly during its initial years (de la Torre 2013), a dominance that, following a successful national referendum on the issue, the Correa administration used to write a new Constitution in 2008.

That Constitution became a pillar of the Correa administration, and of its works through the *Revolución Ciudadana* (Conaghan 2011). Encompassing 440 articles, it includes a social security net for the poor,

free university education, universal healthcare, rights to clean water, civil marriage for same-sex partners, and redistribution of idle land. It extols the plurinational state, incorporating indigenous people (including peoples in voluntary isolation) and Afro-Ecuadorians as citizens of Ecuador to a previously unconsidered degree. Correa preached (and continues to preach) the ideology of *buen vivir*—good living, living well or in plenitude—based on the Kichwa concept of *sumak kawsay*, meaning a “way of living [that has been] embedded in the ethical values of indigenous cultures” for thousands of years (Pachamama Alliance, n.d.). As Martin (2011, p. 2) explains:

The good life is not a utopian dream. The concept has deep and ancient roots in the cosmovision of indigenous peoples, where nature and man coexist in harmony. From this indigenous perspective, equitable and sustainable living has priority over development driven by the neoliberal ideology of markets. Ninety-eight percent of Ecuadorians voted in favor of the Constitution passed in Montecristi in 2008. The term in Quichua for the good life is *sumak kawsay* and it has become the backbone of the policies for the Constitution.

The *Revolución Ciudadana* aims to build a “State of Well Being” (*Estado de Bienestar*) (De Sousa Santos 2010, p. 25) by shaping the conditions of citizens’ everyday existence. The *Revolución Ciudadana* pivots around three principal ideas for state-sponsored well-being: (1) the centrality of *buen vivir* as the driver of modernization which includes ideas of national sovereignty, US anti-imperialism, and the improvement of public services; (2) the promotion of economic and social policies that foster social equity (e.g., making social services and infrastructure more accessible and redistributing wealth) without altering the model of capitalist accumulation; and (3) investment in development in order to promote citizens’ belief in the coherence of the state, in its capability to act in their best interest, and its willingness to do so. The underlying assumption of the *Revolución Ciudadana* is that Ecuadorian society is still underdeveloped and unprepared, and that improving the citizenry is an initial requirement for more complex and participatory democracy (De Sousa Santos 2014). For the intellectual think tank affiliated with Alianza PAIS, the *Instituto de Pensamiento Político*, it is clear that such transformations of citizenship require the promotion of individual and collective freedoms as a fundamental condition for social and economic development (Bensaïd 2012). As we argue in Chapter 3, the *Revolución Ciudadana* applies the concept

of *sumak kawsay* or *buen vivir* in an attempt to include indigenous cosmovision in what is essentially a development project of the liberal state, couched in terms of progressive, “twenty-first-century socialist” principles.

### *The Expenditures of the Revolución*

According to the World Bank (2014), by 2014 annual growth in gross domestic product (GDP) in Ecuador averaged close to 4 percent. GDP per capita has steadily increased since 2006. Purchasing power parity (PPP) has demonstrated a continued upward trend. Foreign direct investment has increased since 2006 and inflation is at 3.6 percent. Infrastructural improvements—highways, bridges, hospitals, schools, access to potable water, sewage systems, electricity—have made public services more accessible, particularly in impoverished rural areas. According to ECLAC (2015), total public spending as a percentage of the GDP increased from 4.7 percent in 2006 to 8.3 in 2012, up from a low of 2.9 percent in 2000, the height of neoliberal austerity. Table 1.1 shows a breakdown in the percentages of public spending increase, from 1990 to 2012.

Ecuador reduced the percentage of Ecuadorian children forced to work, from 16 percent in 2007 to 3 percent in 2014 (Alianza PAIS 2015). Illiteracy rates declined from 11.7 per cent in 1990 to 6.8 per cent in 2010 (INEC 2010). All of the above measures suggest a positive increase in average quality of life since the beginning of the Correa presidency. However,

[...] it is important to recognize that Correa’s project is profoundly state-centric in the scope of its aspirations: the Constitution, law, and public policy all drive in the direction of shifting greater economic power to public-sector enterprises, extending the government’s regulatory grip, and placing more economic resources in the hands of the central government. (Conaghan 2011, p. 280)

**Table 1.1** Public spending, total and by sector, as a percentage of GDP, 1990–2012

	1990	1995	2000	2005	2010	2012
Ecuador (total)	3.95	4.43	2.86	4.68	8.14	8.3
Education	2.56	2.77	1.74	2.56	4.56	4.73
Health	1.13	0.96	0.63	1.14	1.58	1.84
Social security	0.26	0.37	0.35	0.74	1.66	1.43
Housing	–	0.33	0.13	0.23	0.31	0.29

Source: ECLAC (2015)