Globalization Seen from the Margins: Indigenous Ecuadorians and the Politics of Place

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Abstract: Processes of economic globalization over the last quarter century, associated with increased mobility of capital, goods and labour, suggest that attachments to place are of decreasing importance. However, this may be a result of looking at these processes from the centre, rather than from the margins. This article combines a discussion of how globalization and the debt crisis in Ecuador have restructured the limits of the possible for subaltern groups, with a consideration of some of the unexpected consequences of those processes in the countryside, as broad economic processes intersect with local histories and human agency.

Résumé: Les processus de globalisation économique au cours des vingt-cinq dernières années, associés à une plus grande mobilité de capital, de biens et de travail, semblent indiquer que le fait de s'attacher à un endroit est d'importance décroissante. Cependant, cela résulte peut-être d'une constatation de ces processus observée du centre, plutôt que des marges. Cet article combine une discussion sur la manière dont la globalisation et l'endettement en Equateur ont restructuré les limites du possible pour les groupes subalternes, avec une considération de quelques-unes des conséquences inattendues de ces processus à la campagne, telles que le croisement de ces larges processus économiques avec les traditions locales et le facteur humain.

Processes of economic globalization over the last quarter century have undermined the importance of attachments to specific places, as capital, goods and, to a lesser extent, labour have achieved an unprecedented mobility. These economic processes have had important political implications. For instance, in the context of increasing pressures from the global economy and from international organizations (such as the International Monetary Fund), states have become less responsive to internal pressures from their own populations. In addition, the shift from Fordism to flexible accumulation has undermined the labour movement, as there are fewer situations in which people work side by side in common conditions. In the Third World, the debt crisis has resulted in a great increase in the informal economy, further reducing the importance of the labour movement. A politics of place thus seems increasingly irrelevant in the postmodern world of shift and flux.

This article examines some of the specificities of these processes in Ecuador.[1] On the one hand, Ecuadorian elites have reoriented their production to the international market since the early 1980s, with a precipitous decline in industrial production for the internal market, and a return to the export of primary products. In addition, they have sponsored a rapid process of capital flight. The reaction of many poor and middle-class mestizo Ecuadorians to economic globalization has been to undertake the arduous path of international migrations. Altogether, this suggests the decreasing importance of attachments to place. On the other hand, however, the response of the indigenous population has been very different: they have become increasingly organized and politicized in their commitment to produce in and for Ecuador. In regard to the indigenous movement, this article examines two issues: first, the democratization of local powers in the Ecuadorian highlands and the generation of indigenous intellectuals and leaders at the grassroots level; and secondly, the increasing indigenization of the Andean countryside. The rise of the indigenous

movement in Ecuador can be seen as directly related to processes of globalization: in some cases, their mobilizations are in response to the local effects of economic globalization, while in others, they colonize the terrain left behind by globalization. The aim here is not to provide a detailed ethnographic account but rather to rethink the overall panorama of these processes, by placing elite and subordinate groups side by side as components of a single social field of analysis, and by examining the importance of human agency alongside what might appear to be overwhelming political economic processes.

This article begins with a discussion of some of the general characteristics of recent processes of economic globalization. Then, it moves on to a more specific consideration of the effects of globalization on Ecuador, with special reference to the impact of the debt crisis and the subsequent reorganization of production for the international market. That consideration contributes to a broad understanding of how economic processes have restructured the limits of the possible for subaltern groups in Ecuador. However, despite the reality of those processes, this article argues that in fact, what social actors actually make of that restructuring is not set in stone. The exploration of the indigenous movement thus serves to remind us that human agency must be taken into account in understanding how broad economic processes intersect with local histories: subaltern groups also make history and participate in determining the outcomes of global processes, sometimes in unexpected ways. As Carol Smith suggested about an earlier period in the expansion of capitalism, "one way we can account for the distorted, uneven and unanticipated events resulting from the global expansion of capitalism is to view capitalism as a social and cultural phenomenon as much as an economic one, as a process that can be and is affected by class struggle and human agency all along" (1984: 225).

Globalization and the Declining Importance of Place

In general terms, the world economy has been transformed since 1970, with the shift from Fordism to flexible accumulation (Harvey, 1989). This has been characterized by a new mobility of capital, goods and labour. For instance, there have been changes from fixed capital investments in factories with organized labour forces, to small-batch production, undertaken through subcontracting arrangements, home work and temporary jobs. This has allowed for a greater responsiveness on the part of business owners to changing market conditions, particularly given the possibilities of rapid and inexpensive communications and transport. There has been a change from economies of scale to economies of scope, as well as from the production of goods to the production of services in the developed economies. This has involved the transformation of production processes in both the developed and the "developing" countries, often involving the closure of factories and their re-establishment in regions where cheaper labour is available, for instance, in free trade zones of various kinds. While theoretical statements suggest that both capital and labour have become more mobile, the experience of the last two decades demonstrates that in fact capital moves much more easily than labour. As a result, where economic recovery has been occurring in the developed world, it has often been a "jobless recovery." The effects of these economic processes are wide ranging, including cultural changes in time-space perception and sensations of fragmentation, shift, instability and insecurity: "the condition of postmodernity," as Harvey entitles his book. The changes in forms of capital accumulation have had implications for workers' rights and movements, and have often involved the informalization and/or the feminization of the labour force, as well as the establishment of export processing zones which often prohibit unionization. From a more cultural perspective changes in communications, especially computer technology, produce standardization and the homogenization of identities on the one hand, but, on the other, generate increasing possibilities for the decentralization of power.

Such changes in the world economy also mean that governments are less able to dictate economic policy within their borders. As Held (1991) points out, this situation is intensified by the role of international organizations in reducing state autonomy. That process has taken a specific form in Latin America, where the debt crisis of the 1980s, the continent's "lost decade," has brought national economies under the direct supervision of institutions such as the International Monetary Fund and World Bank. Overall, the triad of policies promoted have comprised, "liberalization—open up economies to international trade; privatization—reduce the role of the state; and deregulation—increase the space for foreign capital to operate in the region" (Gereffi and Hempel, 1996: 20). Held suggests that the influence of international organizations has had important political repercussions, making governments less responsive to local pressures, as they are compelled to respond increasingly to international ones. "While the state's ability to define and defend national economic interests is shrinking, the demands placed on it for social programs to handle those who are marginalized or unable to compete in the global

economy will undoubtably grow" (ibid.: 27). Indeed, the adjustment programs of the 1980s in many ways have led to a crisis among the region's poor, with rapidly declining real wages, increasing unemployment and reduced social security in the broadest sense of the term.

Globalization in Ecuador

In Ecuador, processes of economic globalization can perhaps be most clearly seen by examining the debt crisis and its result, the reorientation of the national economy away from an import-substitution industrialization model, and toward a model of primary product exports, focussing on non-traditional products. In this section, an exploration of these issues is undertaken from "above" (examining the state and elite groups) and from the "centre" (in the Ecuadorian case, the cities). Then in the last section of this article, and with these processes in mind, an exploration will be undertaken of how globalization might be seen from the margins, meaning both from "below," and from the rural areas of the country. In that context the response of the indigenous population and the indigenous movement to these processes is analyzed.

Ironically, the causes of the debt crisis are found in a period of unprecedented prosperity in the Ecuadorian economy: the oil boom of the 1970s. This was the third of three boom periods based on export-led growth in Ecuador since the late 19th century. The first was the cocoa boom of the late 19th and early 20th centuries, which entered a crisis with the First World War, and was further undermined by the Depression. The second was the banana boom of the 1950s, which ended in the 1960s, when new disease-resistant crops were introduced into United Fruit's Central American plantations, allowing a shift back to production in those areas. The third boom was based on oil exports in the 1970s.

With the failure of banana exports in the 1960s, Ecuador had embarked on a project of industrialization based on import substitution. However, sufficient capital to offer tax incentives and subsidies to national manufacturing did not emerge until the early 1970s, when the exportation of oil began. When Ecuador began to export oil in August of 1972, its price on the international market was $2.50 U.S. a barrel. By 1974 this price had increased by a factor of five to $13.70. This occurred because the beginnings of Ecuadorian oil exports in 1972 coincided with the Arab-Israeli war and the associated Arab oil embargo on many industrialized countries. In the following years, from 1975 to 1978, the international price of oil stabilized within the range of $12 to $13 per barrel. Then, in 1979 this price doubled, and in 1980 it rose further, to $35. The price of oil began to decline precipitously in 1982.

Thus, during the 1970s, the country saw an unprecedented influx of capital. The total value of Ecuadorian exports increased from just below $190 million in 1970 to $2.5 billion in 1981. This period also saw a very important increase in the role of the state in national development. Between 1972 and 1979 Ecuador was governed by the military, who promoted a strong state directly involved in the economy. With the creation of the *Corporación Estatal de Petróleo Ecuatoriano* (CEPE, later *Petroecuador*) and the nationalization of the oil industry in 1972, the state became a direct agent of accumulation. Public expenditures rose from 13 035 million sucres in 1972 to 86 627 million sucres in 1979 (during which time the exchange rate remained stable).

Driven by these processes, during the 1970s Ecuador made the definitive move from a poor country to a middle-income one, in the rating system of the World Bank. Indeed, some of the income from oil production was spent on improving living standards in Ecuador. This increase in social spending was part of a larger project to modernize society, and involved significant expenditures by the military government in health, education and housing. "Between 1960 and 1980 more than ten years were added to Ecuadorian life expectancy, death and infant mortality rates dropped by 40 percent and by 1980 virtually all children attended primary school" (Moser, 1993: 177). In addition, a great quantity of state resources were spent on various kinds of subsidies to the industrial sector. The model of economic development followed during these years included: a reduction in tariffs for the importation of machinery, intermediate goods and prime materials for industry; the concession of large tax exemptions for the realization of industrial projects; the maintenance of low prices for agricultural products and food through subsidies; and the generation of a growing demand that favoured investment and employment, through the construction of large projects of infrastructure, direct state participation in enterprises in the productive sector, commerce and services, and the expansion of the bureaucracy (Samaniego Ponce, 1988: 123).

The model followed by the military of "modernization" and incorporation from above came at a price, however. In the absence of internal savings and investment, the funds to finance these ever-increasing state expenditures could only come from two sources: either a positive balance of trade, bringing in significantly more resources than left the country, or an influx of external capital through loans. Between 1972 and 1974 the former occurred, given the fivefold increase in the price of oil.

However, between 1975 and 1978, the price of oil stabilized, and growing expenditures could only be financed through the contracting of external loans. Although the value of exports stabilized rather than continuing to grow, the amount of money leaving the country through the purchase of imported goods (for consumption and industry) continued to increase exponentially, leading to budget deficits beginning in 1975. The crisis that should have occurred in 1975-76 (with the stabilization of oil prices) was postponed through the contracting of foreign loans, used to maintain high rates of economic growth. In 1978, the deficit in the current account was 9.2 percent of the gross domestic product (GDP), which would have motivated a severe crisis if it had not been for a new increase in the price of oil in 1979 to $23.11 dollars a barrel, compared with its 1978 price of $12.46. Thus it was in 1976 that the debt began to skyrocket: between 1976 and 1980, the total external debt of the country increased by a spectacular 67 percent annually, ballooning from $693 million dollars to $4 652 millions. Altogether, between 1971 and 1981, the Ecuadorian external debt multiplied by a factor of 22: from $260.8 million to $5 868.1 million (Acosta, 1995).

In 1979, the military turned over power to the first of a series of democratically elected governments, having instituted no economic adjustment policies during the 1970s. In 1982, economic crisis struck, in a context where commercial lending had dried up, oil prices had declined (by 1986 they would reach below $10 a barrel) and real interest rates had risen. Essentially, the adjustment measures that the democratic governments have taken over the last decade and a half have involved the elimination of protective mechanisms and subsidies, a reduction in price controls in the internal market, an opening of the economy to the international market, cuts in public spending, monetary devaluations and increases in rates of interest. The first challenge was to reduce domestic demand through a reduction in real incomes, in order to reduce imports. Indeed, a trade surplus had to be generated quickly, which could be done more rapidly by limiting imports than through generating additional exports. The measures taken were dictated by the International Monetary Fund in order to obtain "standby" agreements for loan payments, which were indispensable in order to renegotiate the debt. Then, by 1984, there began to be significantly more attention to the process of reassigning productive resources to stimulate the economy, with attention to the promotion and diversification of exports. There was thus an explicit recognition that it was necessary to shift resources back into the export sector to promote non-traditional products and thus generate a trade surplus. Since then there has been a massive reduction in trade barriers and subsidies to non-traditional products for export, an aggressive policy of increasing the international monetary reserves in order to renegotiate the debt, and severe reductions in government jobs and services. The subsidies and incentives that were previously offered to industry (oriented toward the internal market) are now offered for the production of non-traditional exports. One of the explicit goals of the adjustment process was to encourage a shift of supply from the home market to the world market in order to generate foreign currency to pay debt servicing. The result was that, by 1990, the share of industry in Ecuador's overall GDP had shrunk to a mere 7.3 percent after a continual decline through the 1980s. This was the lowest share registered for any Latin American country; Panama, at 9 percent, was the only other country in which this figure was below 10 percent (Bulmer-Thomas, 1994: 401).

The effects of adjustment on the Ecuadorian poor have been extreme. While the cost of living increased 21.88 times between 1980 and 1990, salaries were reduced by a factor of 2.38: the minimum monthly salary of 4 647.5 sucres in 1980 had been reduced to 1 945.3 sucres by 1990 (measured in 1980 sucres). However, currency devaluations and rising inflation through the 1980s meant that Ecuadorian products maintained and increased their competitiveness on the world market, while labour costs were driven ever lower through the decline in real wages. By 1992, the poorest 20 percent of Ecuador's population received 2 percent of national income, while the wealthiest 20 percent received 73.5 percent of the total income (Ojeda, 1993: 218). By 1995, 40 percent of Ecuador's population was living below the poverty line.

Given the reduction in local industry, which had been overwhelmingly concentrated in Ecuador's two largest cities (Quito and Guayaquil), there has been a great increase in the informal sector and urban poverty. The closing of factories has also implied a rollback in unionization and workers' movements: since there are fewer places where workers labour together in similar conditions, there are also fewer social bases for a union movement. Indeed, the effects of globalization on the labour force mean that more and more people work individually and informally, and therefore are in situations of competition rather than co-operation with one another. This has intensified the impact of economic crisis on the poor, given that the movements through which their rights have traditionally been promoted are in decline.

One response to this situation, indicative of the desperation felt, has been emigration. While the New York

area had 300 000 legal Ecuadorian residents at the end of the 1980s, it was estimated that the additional illegal immigrants in the area numbered between 300 000 and 600 000, making New York Ecuador's third largest city. The figures for Los Angeles are similar. Ecuador's total population is currently estimated at 12 million.

The debt crisis itself has been declared over for Latin America, but it has left in its wake a fundamental reorganization of production and productive relations. However, globalization does not have a single face in Latin America. On the one hand, within countries, different social groups have been affected very differently: the gains for some have come at a price paid by others. Indeed, in Ecuador, certain elite groups have found new opportunities for profit in the current situation, and part of their profit comes precisely from policies that enforce low wages. On the other hand, the Ecuadorian situation should be comprehended in relation to the range of effects globalization has had on Latin American economies in the 1980s and 1990s. Within this range, Ecuador has seen a decline in manufacturing, and an emphasis on non-traditional fisheries (such as shrimp) and agro-exports (such as roses): in 1993, 93 percent of exports were primary products (Larrea Maldonado, n.d.: 17). Unlike other areas where non-traditional agro-export production has been "multinationalized" (such as Del Monte's domination of fresh pineapple exports in Costa Rica; see Henwood, 1996), in Ecuador the new export products promoted through the adjustment process have remained largely in the hands of national elites. In contrast to the emphasis on non-traditional agro-exports, other Latin American countries have by and large been newly integrated into the global economy through the establishment of manufactures through buyer-led commodity chains. This involves the production of cheap consumer goods to the specifications of transnational companies, such as clothing retailers. The manufacturing is subcontracted out to local firms, rather than being undertaken directly by the transnational corporation. Another possibility, limited principally to Brazil and Mexico, is the development of industry-led commodity chains, with industrial production integrated with distribution by transnational corporations, usually for capital goods such as automobiles, machinery and computers.

Although capital has become more mobile since the 1970s, the lack of direct foreign investment in Ecuador implies that capital has been flowing out of the country rather than in. In addition to the outflow of capital through debt payment, there is also extensive capital flight. By 1985, capital flight reached the point that Ecuadorians had bank accounts in the U.S. totalling $700 million, and an additional $600 million in banks in other countries. This did not take into account investments in foreign companies or real estate, which were presumed to raise this figure of $1.3 billion to $2 billion (Samaniego Ponce, 1988: 152). By 1994, wealthy Ecuadorians had 13 times as much money invested outside of the country as they had in Ecuador.

Despite the enormous social cost of the adjustment policies, these policies have not failed, from the perspective of those Ecuadorian elites who have prospered, and from the perspective of the developed countries. In fact, they have fulfilled one of their central goals, of liberalizing and opening the Ecuadorian economy. While a view from the centre, and from the cities, seems to suggest that globalization is inevitable and its effects are uncontrollable (promoting resignation among the poor), an anthropological perspective suggests that economic processes never have a single meaning nor a uniform effect. Thus we must shift our vision to see how these processes look from the margins.

Indigenous Peoples and Globalization: The Politics of Place

While urban workers have become increasingly disorganized as a result of the transformation of the economy and the workplace, this section examines another subordinate group, indigenous peasants and their political organizations.[2] Here two issues are explored: first, the democratization of local powers in the Ecuadorian highlands and the generation of indigenous intellectuals and leaders at the grass-roots level; and secondly, related to this, the increasing indigenization of the countryside. In many ways this is the flip side of globalization: while others have more often analyzed the effects of globalization on workers directly producing for the global market, here I ask what has happened to the political and economic terrain left behind by the global economy in Ecuador.

With the passage of the two laws of agrarian reform in 1964 and 1973 (see Barsky, 1984), and the agrarian conflicts associated with them (Sylva Charvet, 1986), the large *hacienda* in its traditional form disappeared from the countryside of the Ecuadorian highlands. In 1954, 16.4 percent of the land in the Ecuadorian highlands corresponded to properties measuring less than 20 hectares, 19.2 percent to those measuring 20 to 100 hectares and 64.4 percent to estates larger than 100 hectares. In 1985, 33.5 percent of this land was held in properties less than 20 hectares in size, 30.3 percent in those of 20 to 100 hectares and 36.2 percent in those greater than 100 hectares (Zamosc, 1993: 278). Although the process of land

distribution was uneven, the overall tendency has been the creation of smaller, highly mechanized *haciendas*, often in the more fertile valley floors, and the sale of land in upper altitudes, where it is more difficult to use tractors, there is less access to water, and where land is often subject to erosion. In the northern highlands (with easy access to urban markets for dairy products) the sale of marginal lands allowed larger landowners to capitalize what remained of their properties, rendering these lands fully utilized and thus not subject to further expropriations. In the central and southern highlands, it appears that large landowners sometimes attempted to pre-empt the agrarian reform by selling off some of their lands, and endeavoured to encourage conflicts among and between neighbouring indigenous communities and mestizo townspeople to drive up the price of those lands (Zamosc, 1993).

The disappearance of the traditional agricultural estate implied the undermining of an entire system of ethnic administration through private, local powers, wherein the large landowner dominated indigenous peasants, in alliance with the priest, the local political authority (*teniente político*) and the white-mestizo inhabitants of highland towns (Casagrande and Piper, 1969). These local powers are defined by Guerrero as:

> an hierarchical political configuration, a clustering of heterogeneous institutions and social ties, in whose apex is always the patron. *Hacienda*, church, local state functionaries, municipal governments (the white-mestizo town authorities), domestic ties between townspeople and families from indigenous communities (ritual kinship, unequal reciprocity, share-cropping agreements, ritual representations, etc.), are the elements that integrate local power in the highlands. (1993: 93-94)

The decline of these "private" forms of ethnic domination, in *haciendas*, public markets and the homes and lands of white townspeople created a power vacuum in the rural *parroquias* (civil parishes) of the highlands (Guerrero, 1995). The disappearance of the large estate meant that some of the mestizo social groups in towns who had been intermediaries in the traditional system of ethnic domination lost importance. In addition, in the 1960s the Catholic church, which had been an important part of the system of ethnic domination, as well as itself a large landowner, began to be influenced by liberation theology, becoming involved in various educational projects at the local level (Carrasco, 1993; Ramón et al., 1992).

Since the 1960s, this power vacuum has gradually filled with indigenous grass-roots organizations. This occurred not only with the demographic decline of mestizo towns and the peasantization of the countryside (see below), but also with the formation of indigenous communities, co-operatives and associations, as well as multiple, local village improvement committees, women's groups, students' groups and similar organizations (Carrasco, 1993). The origins of grass-roots organizations differ by region (Ramón et al., 1992). In Chimborazo province, for instance, there seem to have been three basic motivations for the formation of grass-roots organizations: struggles over access to land; ethnic and political confrontations with mestizo groups; and the effort to obtain access to basic services and infrastructure. In Bolívar province, in contrast, there has been more emphasis on creating local savings and loan associations to promote economic autonomy. In any case, the period dating from the first agrarian reform has been characterized by both the legal registration of existing indigenous organizations of all kinds and an increasing density of local organizations in areas that are predominantly indigenous, in comparison with those that are predominantly mestizo.

In the 1970s, with the resources generated by the oil boom and the military government's goal of modernizing the countryside, there was a proliferation of development projects in rural areas.

> Endowed with generous budgets, state organizations specializing in "development" under the auspices of the ministries and the Central Bank, established various agencies in the villages and towns: rural schools, medical dispensaries, training centres, telephone and hydro offices; plans for irrigation, electrification, and potable water systems. They also paved and constructed roads, crossing the rural areas with a network of secondary roads that linked peasants with urban markets for goods and labour. (Guerrero 1995: 101)

This was part of a project to integrate and "civilize" the Indians, through creating direct linkages between state agencies and the emerging, indigenous grass-roots organizations. The social spending by the military government of the 1970s was clearly designed as a form of incorporation from above, inasmuch as the population affected was meant to be the passive recipient of an authoritarian paternalism.

Nonetheless, these processes had unintended consequences. The emergence of grass-roots organizations was often indirectly encouraged by various educational services offered by the state, the church and non-governmental organizations. The state, through its investments in rural education, unwittingly promoted the formation of local indigenous organizations; this was contrary to the long-held assumption that education would lead to *mesti-*

zaje (national incorporation through the erasing of ethnic differences), which was equated with modernization. In some cases, projects directed by non-governmental organizations included important elements of cultural revitalization. In others, the decision to use the Quechua language in educational programs for pragmatic reasons also had the effect of increasing cultural pride (Carrasco 1993; Muratorio, 1980). Another important influence came from development programs that created a demand for local interlocutors who might promote and even administer such projects. The strategy of the progressive church was particularly important in this regard, because it identified the indigenous community itself as the preferred unit of intervention (Carrasco 1993). Altogether these processes have resulted in:

> the generation of leaders on various fronts simultaneously and the consolidation of a new kind of leadership, in which traditional components, such as an emphasis on redistribution ... are combined with modern factors, such as formal education, the capacity to manage relations with external agents, training in administrative areas, etc. (Ramón et al. 1992: 176)

With the economic crisis of the early 1980s, state investment in rural areas was paralyzed, with the result that the incipient indigenous organizations became more autonomous. They also began to mobilize to claim the development promises—especially for basic services—that the state had made in the 1970s. Thus both the formation of these organizations and their subsequent increase in autonomy are directly related to the broader processes occurring in the 1970s and 1980s in Ecuador.

The proliferation of grass-roots organizations since the 1960s was complemented in the 1980s with the emergence of important regional and national indigenous organizations. These organizations together form a network of groups which respond to different issues and are sometimes in competition with each other for resources and constituencies: this is not a hierarchically integrated structure. Nonetheless, the existence of multiple meeting places for the sharing of ideas and problems and the accumulation of local organizing experience is what allowed for the generation of massive and co-ordinated actions in the indigenous uprisings of 1990 and 1994 (Guerrero 1995).

In the 1990s indigenous groups have finally begun to speak for themselves, rather than being represented by other groups, and rather than leaders having to give up indigenous identity in order to participate in public debate. Indeed, the space for indigenous leadership was generated in part through the discourse (and reality) of oppression and the exclusion of the indigenous population from national decision-making. As a result, the maintenance of indigenous identity has now become a necessary political statement for leaders. Moreover, in a discussion of indigenous leadership, Zamosc observes that:

> The characterization of indigenous leadership cannot be limited to the question of the origins of the leaders, since the exercise of leadership is also conditioned by the content of their claims and by traditional indigenous political forms. Within the organizations, this is expressed in a style of leadership that is markedly more democratic than is common in other popular organizations; a style that is based on decision-making by consensus, the rotation of positions, vigilance against bureaucratization, and the subjection of leaders to controls from below. Outwardly, the principal trait is the emphasis on the autonomy of indigenous organizations, expressed in the fact that the leaders have experienced a process of secularization, distancing themselves from external political discourses, and developing their own orientations that increasingly affirm ethnic revindications. (Zamosc, 1993: 294)

Rather than the definitive disappearance of indigenous identity that both the right and the left had expected to come with "modernization" in Ecuador, indigenous identity has been strengthened through these processes. This is seen not only in the increasing importance of indigenous organizations and leadership, but also in the growing indigenization of the countryside itself on which this trend is based, and which it in turn strengthens.

The indigenization of the countryside is particularly interesting from the perspective of a politics of place. Although, at the national level, there has been a net decline in the indigenous population over the last three decades (through processes of assimilation into the mestizo population), as well as a net decline in rural population compared to urban population, in contrast, the rural areas that are predominantly indigenous have grown significantly. That is to say, in a context of widespread rural-urban migrations, the population of indigenous areas of the highlands appears to migrate much less than does the population of white-mestizo areas. It also appears that indigenous persons, who do engage in labour migrations within the country, often do so with the goal of returning to rural areas to purchase land (see especially Carrasco, 1990).

> The conclusion is that, with variations by rural parish, today between 50 and 66 percent of the rural popula-

> tion of the highlands lives in areas classified as "predominantly indigenous" in five of the ten highland provinces (Imbabura, Pichincha, Cotopaxi, Chimborazo and Cañar). In contrast, thirty years ago only two provinces (Chimborazo and Cañar) had more than half of their rural population in predominantly indigenous areas. (Guerrero, 1995: 98)

While the populations of provincial capitals are growing, the populations of cantonal and parish seats are declining. In Chimborazo, for instance, the majority of parish seats declined in population in the period from 1974-90, while the rural population of these areas is increasing (Carrasco 1993). Thus what appears to be occurring is an increased migration of white-mestizo townspeople to larger cities, combined with a growing permanence in and return to the countryside by indigenous peasants. Contrary to all expectations, the data suggest that the countryside of the Ecuadorian highlands is becoming more rather than less indigenous, in a reversal of long-term trends.

Given the processes of formation of indigenous leadership at the grass-roots level and the indigenization of the countryside, it is not surprising that the leadership of resistance to legislative changes undermining the situation of peasants in Ecuador is increasingly undertaken by indigenous organizations rather than mestizo peasant groups. In June of 1990, a massive civic strike erupted in the Ecuadorian highlands, led by indigenous groups. Among the reasons given by the participants, one of the most important motivations was the high cost of living: "more specifically, they mentioned the low prices for the products that peasants sell in the market and the high cost of what they buy, with a great deal of emphasis on food and fertilizers" (Zamosc, 1993: 287). In other words, these processes are directly related to the adjustment policies discussed above. Mestizo peasant groups also joined the movement in some areas, under the leadership of the indigenous umbrella organization, CONAIE (*Confederación de Nacionalidades Indígenas del Ecuador*).

In July 1994, indigenous leadership regarding these issues was even more powerfully represented in the image of indigenous leaders entering into direct and prolonged negotiations with the national government over proposed changes to the Agrarian Law, which would have turned back the clock on many aspects of the agrarian reform. One of the principal concerns of the peasant movement in the highlands was access to water, which is an essential resource for the production of non-traditional agro-exports such as flowers. Again, then, it was partly in response to some of the local effects of globalization that peasants mobilized in new ways. Indigenous leaders, in indigenous dress, negotiated with representatives of the national government—including President Sixto Durán Ballén—on behalf of both indigenous organizations and other peasant groups. Indigenous leaders were in fact involved in a dual negotiation during those weeks. During the day, they met with the national government and large agriculturalists to debate the agrarian law, while at night they met with an umbrella organization of peasant groups in order to present a truly representative position. For sociologist Andrés Guerrero, the changing shape of paternalistic attitudes toward Indians throughout the 19th and 20th centuries was finally ruptured during the 1994 negotiations over the Agrarian Law.

> The dialogue became a great public and political debate. Before the eyes of the public glued to television screens, and their ears tuned to radio reports, the indigenous representatives expressed a global analysis of Ecuador's problems: a national vision of society and the state. (Guerrero, 1995: 118)

Indigenous organizations in Ecuador have been strengthened through the various, externally generated development projects since the 1960s. Quite clearly, however, the strength of the indigenous movement must be sought in local processes in the Ecuadorian countryside, rather than in external forms of support. Indeed, CONAIE called the 1990 mobilization in response to pressure from local and regional organizations, who should be seen as the real initiators of these actions. Although indigenous organizations may be able to take advantage of international pressures and support groups, their most important strength is in their ongoing interest in and commitment to living in, producing for, and transforming Ecuador.

Given these developments, was the 1980s a lost decade for indigenous peoples in Ecuador? Ramón et al. (1992), quoting Dr. Luis Macas, president of the Confederación de Nacionalidades Indígenas del Ecuador and, as of 1996, member of the national Congress, say no. The vision of increasing flows of capital and labour out of Ecuador presented earlier in this article, then, should be complemented by a vision of the economic and political space, which is vacated as a consequence of such changes, being gradually colonized by indigenous producers and indigenous organizations.

Conclusions

Today, it appears that if anyone has a national project in Ecuador, it may be the indigenous movement, rather than elite groups. The processes of globalization have left behind the space that allows for this, in some sense shifting the locus of subordinate organizing and political engagement out of the cities and into the countryside. In some cases, the globalization of the Ecuadorian economy is directly implicated in the reasons for indigenous mobilizing. On the one hand, adjustment measures themselves generate protest in rural areas. On the other hand, the penetration of rural areas by new forms of production, such as flower plantations, brings the indigenous peasant population into conflict with elite groups and the neoliberal agenda, for instance over access to water. In other cases, the indigenous population may be colonizing a political and physical space left behind by globalization, as many other social groups look abroad for work or investment opportunities. This does not, however, mean that indigenous organizing can be seen as anti-modern. The new forms of indigenous organizing are not "traditional": in scope, form, and content, they are very modern indeed.

Processes of economic globalization involve profound political changes, given that there is "pressure from the transnationalized economy for a more permeable and flexible state that is less centralized, less homogeneous, less authoritarian, and thus more open to corporate penetration" (Varese, 1991: 17). Casting globalization in these terms allows us also to see that it may present opportunities for subaltern groups to press for changes from below and from within, taking advantage of the spaces opened up due to the pressures coming from "above" and from "without." The kinds of political-economic changes associated with globalization may have unexpected results and create unforeseen possibilities for democratization, whose actualization may depend in part on an ability to conceptualize alternatives. Hence the importance of placing people as historical agents at the centre of our analyses, rather than granting that agency to economic processes. As the Zapatista rebels of Chiapas responded, when they were asked if they were against globalization, "our struggle is not against the future, but about who shapes that future and who benefits from it" (cited in NACLA, 1996: 10). Despite the overwhelming processes of economic globalization occurring in the 1990s, history may not have ended yet.

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Notes

1 This article is based on a range of sources and experiences. Much of the information itself is drawn from secondary sources, cited throughout the article. The overall analysis, however, draws on a total of five years of research and residence in Ecuador between 1986 and 1997, which provided the opportunity to observe some of the effects of globalization. Most of that time was spent doing archival research on the contradictions of national incorporation, the intersection of local and global processes, and the relation between elite and subaltern projects, in the period from 1895 to 1950. Insights developed from my historical research have greatly influenced how I understand the more current processes discussed in this article.

2 For additional information about the recent history of the indigenous movement in Ecuador, see the articles collected in CEDIME (1993) and Cornejo (1991), as well as Field (1991), Guerrero (1995), León Trujillo (1994), Pacari (1996), Ramón (1993), Ramón et al. (1992) and Zamosc (1993, 1994, 1995).

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