

THE INTERNATIONAL COUNCIL ON HUMAN RIGHTS POLICY

International Seminar

Racism: Economic Roots of Discrimination

Geneva, 24-25 January 2001

ETHNIC DISCRIMINATION, ECONOMIC INEQUALITY
AND POLITICAL EXCLUSION IN ECUADOR

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INTRODUCTION

1. The history of the emergence and growth of the indigenous nationalities movement in Ecuador over the past twenty-five years (1975-2000) shows the great importance of the social action that indigenous peoples themselves have taken as victims in the context of the struggle to end racism and discrimination and to sever the close links between these and economic inequality and political exclusion.
2. Without underestimating the significance of the policies adopted by states or international agencies in tackling ethnic discrimination, economic inequality and political exclusion, in this paper I shall analyse the question from the standpoint of the strategies used by the national indigenous movement. In the case of Ecuador, these have been a key factor in changing ethnic-national relations, and have achieved favourable results – which are still being built on – in terms of correcting racist attitudes and discriminatory practices, with lasting effects on public opinion and national legal and institutional reform.¹
3. Having thoroughly charted the course of the relationship between indigenous peoples, state modernisation and the international community's activities in Latin America in the past quarter century, I have found that in many countries the indigenous organisations and movements play a vital role in untangling the web of discrimination and its effects. However, in the case of Ecuador these movements have had a particularly decisive influence, operating independently of State

¹ I have written an extensive essay on the history of Ecuador's rural communities from 1900 to 1980, in which I discuss, *inter alia*, the nature of public policy and the changes that have been made. I commend it to anyone interested in the background, which is not covered in this paper. See Iturralde, D. "Notas para una historia política del campesino ecuatoriano: 1900-1980," in Gonzalez Casanova, editor, Historia Política de los Campesinos Latinoamericanos , Vol. III; UNAM y SIGLO XXI, 1984, Mexico DF.

policies and the action taken by other agencies, and taking on a national dimension; these characteristics are not evident in other cases.²

4. I use the concepts *discrimination*, *inequality* and *exclusion* to refer to phenomena that are closely linked but which also relate to separate areas of society: culture, the economy and political life, respectively.³ For me, discrimination is a combination of practices which deny or hamper the enjoyment of rights because of ethnic or cultural differences, and which are rooted in attitudes that interpret such differences in terms of socially accepted prejudices and stereotypes. In speaking of inequality, I am referring to the deficiencies in access to and distribution of goods, services and opportunities experienced by parts of the population, over and above their position as economic interest groups and as a result of social and cultural factors. The concept of exclusion I take to mean the process by which a part of the population remains outside the machinery of participation and political self-representation, because its organisational structures and forms of representation have no influence on the forms of democracy that pertain in our countries.
5. I understand the term indigenous as denoting a social category, but in the sense of communities and peoples, and only by extension in the sense of the individuals who belong to them. This is a very important consideration in discussing discrimination, which is political in its effects on communities.
6. In this paper I shall present basic data on the indigenous peoples of Ecuador and describe three symbolic cases illustrating, respectively, the transition from racial discrimination towards the concept of an ethnic boundary (case of the *Shuar* autonomous region), the indigenous struggle for economic equality (the craftsmen-entrepreneurs of Otavalo), and a successful attempt to secure political participation (the indigenous municipality of Guamote). I shall propose an approach to understanding the dynamics of the indigenous social movement in Ecuador based on what seem to me the most pertinent aspects of the struggle against discrimination. Finally, I shall attempt to draw general conclusions on the question of discrimination and to suggest measures for tackling exclusion and promoting multiculturalism on the basis of equality.

INDIGENOUS NATIONALITIES AND PEOPLES IN ECUADOR

7. The following figures⁴ give a general picture of the situation in Ecuador at the beginning of 1999. In the second half of 1999 and the first half of 2000, a serious financial crisis led to a 500 per cent devaluation in the currency, inflation of one hundred and fifty per cent, the freezing of bank deposits and the dollarization of the economy, leading to a collapse in economic indicators across the board. However, these events do not reflect the trends during the period under discussion.

Ecuador	
Population	12, 411, 000
Area	256, 370 km ²

² Articles include: "Naciones Indigenas y Estados Nacionales en America Latina hacia el ano 2000" in H. Diaz Polanco (ed.) *Etnia y Nacion en America Latina*, Consejo Nacional para la Cultura y las Artes, 1995, Mexico DF and "Los pueblos indios como nuevos sujetos sociales en America Latina," in *Nueva Antropologia*: 32, 1991, Mexico, DF.

³ To a certain extent, this approach departs from the research criteria proposed by the ICHRP, in which the concept of racial and economic discrimination is used without differentiating categories. I also place greater emphasis on what indigenous peoples themselves can do to tackle discrimination, inequality and exclusion, rather than on possible measures to be taken by governments or international organisations.

⁴ All data taken from UNDP Human Development Report on Ecuador, 1999.

Economic indicators

GDP	US\$ 19,710 million (decreasing)
GDP per capita	US\$ 1,619 (decreasing)
Annual growth rate	0.7% (decreasing)
Balance	US\$ - 2,169 million
Economically active population	3, 585, 987 (37.2%)
Unemployment	15.6%
Full employment:	33.40%
Unemployment:	11.50%
Underemployment:	5.00%
Informal employment:	37.10%
Domestic:	6.30%
Agricultural:	6.80%

Demographic indicators

Intercensal growth	2.2%
Rural population	38%
Urban population	61%
Males	50.2%
Females	49.8%
Life expectancy at birth	69.5 years
Infant mortality	39 per 1000 live births
Adult literacy rate	89.9%
Primary schooling among adults	7.45 years

Human development indicators, 1999

Index of human development:	0.722
Poverty:	3.2%
Position among countries:	91/174
Deprivation:	36.7%

8. Ecuador has eleven officially recognised indigenous nationalities:⁵ *Quichua-runu*, comprising the various peoples who have settled in the inter-Andean passage, the uplands of the western cordillera and part of the pre-Amazonian plain; *Chachi*, *Tsa'chila* and *Awa* in the uplands of the western cordillera; and *Shuar*, *Achuar*, *Huaorani*, *Siona*, *Secoya*, *Cofan* and *Ziparo* on the pre-Amazonian plain. To these may be added the *Epera* and *Shiviar*, which are small linguistic groupings recently identified on the north coast and in the uplands of the western cordillera, and the so-called *Huancavilca*, *Manteno* and *Puna*, coastal peoples who have been mounting a campaign to restore their indigenous identity in recent years, but retain none of the linguistic features.⁶
9. The peoples of *Quichua* nationality are numerous (over seventy per cent of the national indigenous population); they live in scattered farming communities and in small settlements concentrated near the administrative centres of parishes and cantons along the inter-Andean passage and part of the mountainous uplands to the east. They are also found on the periphery of provincial capitals, where they work mainly in the trade and services sectors, and work in the informal sector in Quito, Guayaquil and other large towns. Large groups of *Quichua* migrate from

⁵ Since 1980, the indigenous organisations in Ecuador have chosen to call themselves nationalities, out of opposition to the use of terms such as ethnic group, race and population. They also use the term people to refer to historical social formations such as the various *quichua* settlements. These two terms were recognised in the Political Constitution of 1998 and in the list incorporated in the Decree establishing the Development Council for the Nationalities and Peoples of Ecuador (CODENPE), an official body attached to the Presidency of the Republic whose board comprises representatives from each of the 11 indigenous nationalities and each people of *quichua* nationality.

⁶ See map in Annex I.

the mountains to the coastal plains to join in the seasonal agricultural work. These peoples have an extensive history of dealings with the State (colonial and neo-colonial), became integrated into the domestic economy at an early stage, and are long established as farmers and cattle breeders.

10. The *Shuar*, next in order of population size, live in scattered settlements located mainly in the Southeast and along the border with Peru. For their livelihood, they depend on farming and livestock rearing combined with hunting, fishing and harvesting. Since regular contact with the rest of the country was established only at the beginning of the twentieth century, their integration into the economy came very late. The Cofan, Siona and Secoya, similar in most respects to the Shuar, are scattered thinly across Ecuador and have established communities in Colombia. Outside contacts with the Huaorani people began in middle of the twentieth century, and with the Achuar during the 1970s. Both peoples are hunter-gatherers living in the tropical forest.
11. The peoples to the north of the western cordillera (*Awa* and *Chachi*) live in relative isolation in forested areas, sharing and competing for living space with communities of African descent. The *Tsa'chila* occupy an enclave on the main route between the mountains and the coast.
12. The indigenous peoples of Ecuador cover a diverse range in respect of ethno-cultural characteristics, population size, habitat, economy, lifestyles and degree of integration into national life. Generally speaking, those that live in rural areas are at the bottom of the index of development indicators, mainly owing to severe shortages of basic services and a growing stock of unsatisfied needs.
13. All these indigenous peoples show great strength of organisation, enabling them to maintain high levels of social cohesion, to defend their languages and traditional forms of authority, culture and tradition, and to manage effective relations with national organisations. Their status within the State administrative structure has improved over recent years, culminating in the establishment of a set of indigenous territorial subdivisions under the 1998 Constitution.⁷
14. Putting a precise figure on the current indigenous population in Ecuador is difficult, because of insufficient census data and the continuous broadening of the criteria used in the assignment and self-attribution of ethnic status. Thus, estimates of the indigenous population vary from 12.5 per cent, if strictly linguistic criteria are applied, to the forty per cent claimed in recent years by the Confederation of Indigenous Nationalities of Ecuador (CONAIE).⁸
15. In the mid-1990s, the National Secretariat for the Affairs of Indigenous Peoples and Ethnic Minorities (SENAIME) and the World Bank estimated that approximately 2,300 rural indigenous communities received assistance under the PRODEPINE development project, together constituting some fifteen per cent of the national population.⁹ That estimate can be doubled to thirty per cent if one includes the indigenous people living in the chief towns of cantons and in provincial capitals, and those who have migrated to Quito and Guayaquil.

⁷ This process dates back to 1930, when industrial action taken by peasants and indigenous people on State-owned ranches provided a model for agrarian trade unionism. That in turn gave rise to the 1937 Communes Act, the legal basis for a movement which struggled for agrarian reform in the 1960s and 1970s and then became strong enough to found the indigenous organisations in operation today.

⁸ The widening of the criteria for self-attribution has been an important part of the indigenous movement's strategy to achieve greater visibility.

⁹ For more information on this project see: van Nieuwkoop, Martien and Jorge Uquillas, Defining ethno-development in operational terms, The World Bank (Sustainable Development Paper No. 6), 2000, Washington DC.

16. Finally, in recent years, in the context of actions led by CONAIE in opposition to neoliberal measures, new farming groups on the coast have assumed the historical indigenous identities of the areas where they live.¹⁰

THREE SYMBOLIC EXAMPLES¹¹

The world of the Shuar: from racial discrimination to the establishment of an ethnic boundary¹²

17. Deep in the jungles of eastern Ecuador used to live the *jibaros*, an indomitable group of warriors famous for shrinking the heads of their enemies – which they then called *tzanzaza* – and displaying them as trophies of war. Curiosity shops – which fifty years ago were handicraft emporia – offered such heads accompanied by terrifying stories of missionaries being sacrificed and explorers being boiled alive; several European ethnographical museums were proud to have authentic *tzanzaza* in their collections.
18. A border conflict between Ecuador and Peru led to an armed skirmish in 1942, which brought these people to the attention of both countries for the first time. They were the only inhabitants of that inaccessible area, moving about as extended families and scattered among the rivers and mountains either side of the disputed border. Each government claimed them for itself, sent a military force and began colonising their territory. The Government of Ecuador agreed with the Salesian Church that the latter would be responsible for ‘civilising’ them, and authorised it to set up schools and begin the process of establishing a more centralised way of life.
19. By the time the first *jibaros* had completed secondary studies in Salesian colleges in the mid-1960s, several villages contained the majority of families, and territorial competition and the abduction of women had ceased being major problems. Maize, rice and fruit trees were cultivated, cattle breeding was introduced successfully, and groups of settlers (peasants and *quichua* from the mountains) moved in. To take care of the still non-delimited territory’s defence needs, more garrisons were set up, small landing strips and interior roads were built and, naturally, commerce, the sale of hunting rifles, and religion all prospered.
20. In addition to learning Spanish and becoming literate, the first school-leavers trained by the Salesians also found out that they were not *jibaros*, but *shuar*, this being the word in their language that applies to them as man and woman, as families and as a people, binds them to others of the same stock with whom they live, and differentiates them from others foreign to them and their environment.
21. The first association of *shuar* students undertook to restore and disseminate what they considered to be their true traditions. Their activities included collecting and documenting the sayings of their elders (which the anthropologists called myths), encouraging the use of their own language and making the first efforts to alphabetise it, and establishing, together with their Salesian

¹⁰ The use of different criteria for determining proportions of the indigenous population and for the purposes of self-attribution reflect different ways understanding the indigenous condition, whether in terms of ethnic boundary (as defined by F. Barth in *Los grupos étnicos y sus fronteras* – Mexico, Fondo de Cultura Económica) or of cultural identity (as does G. Bonfil, in “La teoría del control cultural en el estudio de procesos étnicos” in *Papeles de la Casa Chata*, Year 2, No. 3, Mexico, CIESAS, 1987, Mexico DF).

¹¹ See table in Annex II showing national human development indicators compared with those for the three peoples discussed in this section. These data also give an idea of the typical situation of indigenous peoples in Ecuador.

¹² The *Mundo Shuar* series, published initially by the Salesian Mission (Sucua) and later by the Federación Shuar y Editorial Abya Yala (Quito) contains a collection of articles about the efforts made by this nationality to restore its identity and construct its own ethnic boundary within Ecuador. All the editions in the series list abundant bibliographical references.

teachers, a radio station broadcasting in the *shuar* language and transmitting a bilingual educational programme. In every village they established a *Shuar* Centre under the authority of a council of elders, and set up associations attached to the centres which later formed the basis of the *Shuar* Federation.

22. At a very early stage, the *shuar* relieved the Salesians of their 'civilising' mission. They successfully opposed military service on the grounds that it uprooted young men from their communities and traditions, they campaigned to restore and legalise the names and surnames in their own language, and they conducted an extensive awareness campaign designed to make the rest of society aware of the stigmatisation they had suffered in the past.
23. Beginning in the early 1970s, a significant number of *shuar* men completed university studies in Quito, but did not forget their roots. Together with other university students of indigenous origin whom they met in the capital, they adapted and promoted the notion of 'indigenous nationality,' interpreting it not in the mere denominational sense but much more as more a programme for restoring the identities and strengthening the political standing of their societies. From among these students came the leaders and experts who have guided the national indigenous movement to the present day.
24. The *Shuar* Federation still maintains its radio station and bilingual system of distance learning. It is responsible for its region's schools by arrangement with the ministry of education, operates several developmental and health projects, and also has a small air transportation service. Flexible arrangements have been reached with the armed forces in respect of compulsory military service; young *shuar* people may carry out such service without leaving their own territory and are not forced to adopt the military practices they see as a threat to their identity and tradition (such as short hair and the wearing of uniform).
25. For around a decade there has existed a *shuar* battalion specialised in jungle combat, known as the *arutam*. These men served with great distinction in the engagements on the Cenepa River and at Tiwinza. In 1999, following the signing of the peace accord between Ecuador and Peru, the *shuar* were the first to promote meetings, programmes and projects with the *shuar* living in Peru (known in that country as *Awarunas*).
26. The case of the *shuar* people or nationality provides possibly the clearest example of the replacement, in the minds of Ecuador's people, of the concept of race by the concept of ethnic boundary. The *shuar* occupy a relatively continuous and identifiable territory, they speak and write in their own language with little or no Spanish influence, they have developed organisational structures which both preserve the traditional extended family (as a class) and constitute a quasi-administrative component of the national political system,¹³ they combine forms of subsistence typical of hunter-gatherers in the moist tropical forests with farming and stockbreeding practices adapted to their environment, and they have an economic system that operates as well in terms of barter exchanges as in the conventional economy.
27. One of the most important factors in establishing this boundary has been the revitalisation, strengthening and protection of *shuar* identity, outlook and practice in the minds and actions of men and women, as the basis for self-managed educational and development programmes.
28. The ending of the old racist attitudes towards the *shuar* in Ecuador has not been the only factor in improving their economic and political status. Rather, the growing strength of this small society has created the conditions for developing economic, cultural and environmentally

¹³ This characteristic will be strengthened even further once the indigenous territories established under the 1998 Constitution come into being and such territories then form a link in the chain of decentralisation – a process now that is already under way.

sustainable alternatives. This is a people able to boast a successful record of project achievement over the past few years, and which has also attracted considerable direct investment from national and international sources.¹⁴

29. Also noteworthy are the progress the *shuar* have made in taking local government posts (elected and appointed), their capacity to negotiate with governmental bodies and political parties and their great influence on the national indigenous movement and social movements in general.

Craftsmen and traders of Otavalo: identity as value¹⁵

30. The *quichua-otavalo*, a people that traditionally inhabited the slopes of the Imbabura and the shores of Lake Imbabura (now San Pablo) were *mindalacuna*, a kind of expert in the trading of goods over long distances, and also skilled weavers, or *cumbicamayuc*. During the colonial period, these traditions gave rise to a sizeable textile industry, based partly on production and partly on payment in textiles that survived well into the twentieth century. The indigenous otavalo people have retained their technical traditions and trading mentality, as well as the distinctive clothing that makes them easily recognisable all over the world.
31. As noted in the article “Los *quichua-otavalo*: economía y identidad” (see footnotes), between 1940 and 1970 many families moved from their rural homes to the town of Otavalo and encouraged their children to dress like *mishu* (half-castes) and to speak Spanish – two indications of Ecuador’s shift towards modernity during the middle of the century. Some families struggled in order to send their children to university in the capital, where they dressed as *mishutucushca*.¹⁶ Such measures were seen at the time as a way to tackle discrimination and create opportunities.
32. However, in some small communities with a strong tradition of craftsmanship, such as Peguche and Quinchuqui, the end of the 1970s saw a movement to restore and re-evaluate quichua-otavalo culture, including the promotion of indigenous dance and music and the revitalisation of textile production. This process led to a rapid expansion of national and international trading contacts, thus re-establishing another ancient otavalo tradition that now extends to many parts of the world.
33. In the words of the authors of the above-mentioned article:

The economic success achieved by the early groups encouraged many others, who are now to be found in all our communities. Attempts are under way to professionalise the musicians and to establish their music as a source of income...This relative success achieved as craftsmen and musicians away from their homelands by the *quichua-otavalo* while retaining their identity, combined with a growing emphasis on educational development and greater participation by their young people in the struggle for cultural restoration, has generated an atmosphere in which indigenous identity has ceased being something to hide and is now a matter of pride and fundamental rights (op. cit. pp. 170-71).

¹⁴ The Co-ordinating Committee of the Indigenous Organisations of the Amazon Basin and Oxfam America have published the results of an extensive evaluation of their economic development experience with all the countries of the region. They highlight the success achieved by *shuar* communities and associations. The IDB has successfully invested half a million dollars in the Shuar Federation for the purpose of developing self-management of productive resources (Small Projects Programme).

¹⁵ For a more complete account of the events described in this chapter, written by the protagonists themselves, see the article by M. Conejo, J. Yamberla and I. Chachiguango: “Los *quichua-otavalo*: economía y identidad” in T. Carrasco, D. Iturralde and J. Uquillas (eds.): *Doce experiencias de Desarrollo Indígena en Latina America*; Fondo para el Desarrollo de los Pueblos Indígenas de America Latina y El Caribe, 2000, La Paz.

¹⁶ Word used to describe someone who dressed as a white person, cut off his traditional shoulder-length braids and renounced his family and community. This policy was in fairly common use until the 1980s as a means of avoiding discrimination at school and work.

The majority of *mishbutucusbea*, in rediscovering their roots, have reasserted their identity [...]. In the physical sense, they now wear their own clothes again and have let their long hair grow back; most importantly, they have re-forged their links with the families and communities from where their ancestors came....The sense of ethnic and cultural pride being experienced by our people strengthens our economy, which in turn has helped further to deepen that pride (ibid.).

34. The economy of Otavolo's families of craftsmen and traders has benefited greatly from this restoration of identity, which has intensified their sense of independence and related business acumen. As a result, they are demonstrating their great capacity to adapt to larger markets, such as the world trade in craft goods, and to embrace innovative approaches to design and technology and the challenges of a competitive and constantly expanding market. They have ensured that the family and the community retain a significant level of control over production and marketing.
35. Indigenous traders and craftsmen have bought back most of the urban sites and buildings in the town of Otavolo, an area of symbolic importance to their people. Several families own semi-industrial workshops producing textiles and craft goods in cities such as Barcelona, New York and Tokyo. Musicians or traders from Otavolo are in almost every capital city. They are invariably to be found wearing their traditional costume and speaking their own language.
36. As can be seen in Annex II, Otavolo's higher education attendance rate is equal to the national average. More and more of its professionals are filling important posts in local and national administration.
37. This progress has not come without drawbacks. As the above-mentioned study mentions on several occasions, economic differences are emerging among the *quichua-otavolo* which threaten their solidarity, and selfish attitudes are taking root; the needs for technological innovation and business diversification are conspiring against tradition. However, their capabilities are such that it is impossible to rule out a situation in which a part of the population, particularly young people with access to education, will develop, re-focus and propagate their culture within their own communities and at the national level.
38. As Zubrinski¹⁷ observed during the 1970s, the *quichua-otavolo* people have all the characteristics of a complete society, including a class system, but retains key features of its identity, such as economic organisation based on intra-familial solidarity, which help it to function in the international market without having to use the national economic system. By contrast, it does not possess the independent political machinery that would allow it to become a separate entity from the Ecuadorian State. These characteristics, which led Zubrinski to classify them as an indigenous autonomous region (like those in the former Soviet Union), have given them the strength to overcome the economic isolation in which they had languished since colonial times, and to reaffirm their cultural roots, which have now been converted into something that has value both in everyday life and in the markets.
39. Finally, it is worth pointing out that in the past twenty years, Ecuadorian society has come to accord due respect to this interesting history of an indigenous people, which is now presented as a symbol of the national effort to achieve economic advancement.

¹⁷ Yuri Zubrinski: "La nacionalidad indigena de Otavolo," Revista Sarance, Instituto Otavoleno de Antropologia, 1970, Otavolo.

Guamote: from the rebuilding of communes to an indigenous municipality¹⁸

40. In 1970, Guamote was the poorest canton (municipality) in Ecuador (1,223 km², five thousand inhabitants, 6.4% urban population). With a ninety-five per cent indigenous population (*quichua-puruha*), it also had the worst indicators with regard to equality of land distribution. Owing to a chain of historical factors¹⁹, Guamote and its neighbouring canton of Chunchi contained the largest ranches in the province of Chimborazo; these had become notorious for the harsh treatment shown by 'white' owners and 'half-breed' managers towards their indigenous labourers and *huasipungueros*.
41. Following the adoption of the Agrarian Reform Act (1964), Guamote experienced a long and complex process of redistribution of landowners' holdings. The first stage was the hand-over of the convenience plots occupied by indigenous people (the *huasipungo*); the second stage saw the expropriation and hand-over of land held under other tenuous arrangements (tenancy, allowances, share-cropping, temporary household members (*arrimados*), and in the final stage, in the 1980s, virtually all agricultural lands were recovered and returned to predominantly pastoral use. By 1998, some ninety-two per cent of cultivable land was owned by indigenous farmers.²⁰
42. This process, not completed without a degree of tension and violence, was based on the revival of the indigenous communes which since 1937 had belonged as legal entities to the small groups of rural settlers in Ecuador's mountainous areas, and which had thus served as the formal repository of the communal tradition.
43. The Catholic and Protestant Churches and the Ecuadorian Federation of Indian Peoples stepped up their efforts in the region from the earliest years after the Agrarian Reform. The Catholic Church, following the guidelines established by the Conference of the Latin American Episcopal Council (CELAM) which had met in Medellin to initiate the reforms of the Second Vatican Council, played a crucial role at the outset by making the local community the basic unit of its pastoral activity, thus helping to strengthen the function of the traditional indigenous authority (the *cabildo* or town council), and also by opting to use a liturgy spoken in the indigenous language (*quichua*). This 'indigenous pastoralism' was introduced in several regions of Latin America, such as Chiapas, granting the poor preferential treatment and aiding their struggle against injustice and efforts to restore the independence and dignity of their communities.²¹
44. The evangelical churches also based their pastoral strategy on the traditional communities in developing their programmes against poverty, which were mainly aimed at improving the economic circumstances of families and individuals. They introduced mutual credit systems tied to output, basic medical services, and primary and secondary schooling for young indigenous people.

¹⁸ For the viewpoint of those involved, see the article by R. Naula, A. Chimbo and E. Quishpe: "Participacion y gestion indigenas en los poderes locales: el caso de Guamote" in T. Carrasco, D. Iturralde and J. Uquillas (eds.): Doce experiencias de Desarrollo Indigena en America Latina; Fondo para el Desarrollo de los Pueblos Indigenas de America Latina y El Caribe, 2000, La Paz. For a description of the situation throughout the 1970s see D. Iturralde: Guamote: peasants and communes; Instituto Otavaleño de Antropología, 1980, Quito.

¹⁹ The first indigenous uprising in the early colonial period, and others throughout Ecuador's history, occurred in Guamote, which is famous for the courage of its indigenous population and for the government's frequent acts of suppression, always in support of the landowners.

²⁰ In a certain sense, and in a manner more evident than in other parts of the country, this process concerned not so much the redistribution of land as a movement to recover the traditional territories (real and symbolic) of indigenous communities.

²¹ This pastoral strategy was inspired by the bishop of the Riobamba diocese, Leonidas Proano, acting in the name of the Church of the Poor and the Indigenous Church. His anthropological ideas were influenced strongly by the theories of Gonzalo Aguirre Beltrán in Regiones de Refugio (Instituto Nacional Indigenista, Mexico DF, various editions).

45. The Ecuadorian Federation of Indian Peoples (FEI), led since 1945 by the Communist Party, provided the communes with legal assistance in support of their land claims, and generally introduced a more combative tendency and the beginnings of an organisational strategy to land struggles throughout the country.
46. In Guamote and other highland cantons, an army of indigenous (or pro-indigenous) catechisers, pastors, deacons and priests, together with officials from governmental or non-governmental²² development projects and indigenous students with secondary or university diplomas, provided twenty years of active support – all the while helping to preserve the political momentum – for this process of reviving and strengthening rural/indigenous communities.
47. The organisational dictates of the basic communities and the demand for development programmes gradually led them to form unions and sectorial associations, from which emerged an organisational network at the cantonal level; more recently, these have generated networks at provincial and national levels, gradually preparing the way for the Indigenous Movement of Chimborazo (MICH) and CONAIE.²³
48. Three factors stand out in the context of the process to strengthen the indigenous people of Guamote: (1) re-organisation of community life and inter-communal links on the principle of territoriality; (2) promotion of the commune as the legally established starting point for tackling relations with the State and its agencies; and (3) restoration of the purpose and functions of the traditional indigenous authority, conceived as a collective entity (the *cabildo*).
49. Until 1990, all forms of organisation in Guamoto strongly opposed electoral participation, membership of political movements (including indigenous nationalities), census taking and the use of intermediaries in dealings with public agencies. The indigenous families were also famous for their more or less universal reluctance to sell their agricultural produce on local markets, preferring instead to seek non-commercial exchange alternatives or to sell direct to the consumer. All these factors, which may now be seen as strategies aimed at internal strengthening, were at one time or another criticised as characteristic forms of behaviour.
50. During the national indigenous uprising of 1990 the organisations in Guamote, in common with others in the highland indigenous areas, took action to “seize the towns” and block communication routes. They set up an Indigenous Cantonal Assembly which forced negotiations on the local authorities (municipalities and police force), assigned teams to take part in activities at provincial and national level, and sent representatives to meetings with the President of the Republic and his cabinet.
51. In 1992 the indigenous organisations of Guamote, fighting a part-time campaign, participated in the municipal elections and captured all the seats on the town council. The new council elected as its mayor an indigenous professional chosen by the population, established a cantonal parliament formed by the presidents of the 114 communes, and brought together the secondary and non-governmental organisations (including the churches) to form a local development committee.

²² The region was the target of innumerable development initiatives, the most notable being the projects implemented by the Development Fund for Isolated Rural Areas of the Central Bank of Ecuador (FODERUMA) and the Guamote Integrated Rural Development Project implemented by the Secretariat for Integrated Rural Development (SEDRI).

²³ From that time, the churches, the development programmes and other interested parties lost their control over the communities and secondary organisations, and were powerless to prevent - as they had in the past - the indigenous people of Guamote from joining the national indigenous movement.

52. In 1996 and in May 2000, re-formed into the Pachakutik-New Land Movement for Multinational Unity, the indigenous organisations repeated their electoral triumph and consolidated the standing of the indigenous cantonal parliament and the local development committee, actions which were emulated in the ten other municipalities won by indigenous parties in 2000.
53. This participatory municipal structure, which is still exceptional in Ecuador but made legally possible by the Act on Regulation of Municipalities, has enabled the indigenous representatives in Guamote to prepare a long-term municipal development plan, which has a dedicated annual budget and is supervised regularly by the cantonal parliament. Public works and services are implemented by the community organisations themselves or by local co-operatives, with technical support provided by the local development committee.
54. The *indigenous municipality*, a new feature on the Ecuadorian political landscape, was born out of this experiment in Guamote. It presents several advantages for tackling the exclusion that indigenous peoples (and Ecuadorians of African origin) have suffered and continue to suffer, and already has some lasting achievements to its name: (1) it incorporates the most basic level of social organisation (the commune and other similar entities) into decision-making and control affecting the use of public resources; (2) it distributes public investment and the benefits of public administration equally throughout the region and among the entire population; (3) it co-ordinates (and in a sense subordinates to the long-term plan) the activities of public bodies and non-governmental organisations in the municipality; (4) it assures improved tax collection and control over the budget and external resources; (5) it regulates land sales; (6) it mobilises local resources as a counterpart to social investment; and (7) it helps resolve disputes in a world which has always been scarred by competition for scarce resources and religious differences.
55. The indigenous municipalities of Guamote and Cotacachi (those with longest experience) and the others that emerged from the 2000 elections have recently announced their support for the decentralisation process and indicated their willingness to move gradually towards assuming responsibility for health and education services. Their policy is intended as a counter to the autonomist leanings of the provincial élites, and they also seek to moderate the objections that the national indigenous movement and the social movements have raised against neoliberal measures.
56. Once again, the “empowerment” of an indigenous people is helping to close the inequality gaps in the distribution of public goods and services and winning respect from the Ecuadorian people and Government.

THE DEVELOPMENT OF THE NATIONAL INDIGENOUS MOVEMENT AND THE STRUGGLE AGAINST DISCRIMINATION

57. The building of a national indigenous movement started in 1975 with the establishment of *Ecuador Runacunapac Richarimui* (ECUARUNARI) to represent the indigenous population of the Andean highlands, and of the Confederation of Indigenous Nationalities of the Ecuadorian Amazon (CONFENIAE), which brought together the Federation of Associations of Shuar Centres and other bodies from peoples of the Amazon region. In 1980, these two organisations formed a co-ordinating council that followed a joint programme focussing on the recovery of ethnic identities, the promotion of self-managed development activities, the winning of State legal recognition for its peoples, and measures to tackle discrimination. In 1985, the co-ordinating council formally established the Confederation of Indigenous Nationalities of Ecuador (CONAIE). Over the next few years, CONAIE organised the peoples from the western side of the Andes and helped establish the Confederation of Indigenous Nationalities of the Ecuadorian Coast (COINCE).

58. Since its foundation, CONAIE has mainly concentrated on developing its capacity to co-ordinate the varying demands of indigenous peoples and communities and explain them to Ecuador's government and people, while remaining abreast of a situation in which the state has started its shift towards modernisation. CONAIE has also been working to establish concepts such as indigenous nationality, territory and autonomy as tools for construction of a joint discussion platform addressing all these factors.
59. Between 1980 and 1990 this approach brought together increasing numbers of indigenous bodies sharing an increasingly complex (and comprehensive) platform. An organisational network was developed whose every outpost could be activated simultaneously, enabling reports to be received on the specific grievances of individual or all (at least in representational terms) indigenous peoples, which were then pursued in the courts.
60. The uprising of 1990 (and the subsequent events led by CONAIE) established this complex organisation as a political player well able to express indigenous aspirations, conduct negotiations with the Government and bring about change in public institutions and legislation, always by using the methods of the pressure-group.
61. In the past ten years the indigenous movement's capacity to mobilise and negotiate has appealed to other social groupings of a similar nature (temporary workers, rural social security claimants, etc.) or to those who are losing the means of democratic participation and resent being excluded from the modernisation process (farmers, public sector trade unionists, non-governmental organisations, churches). Their alliance with CONAIE offers them an effective pressure and negotiation mechanism for presenting their claims.²⁴
62. Recently, the combination of this wide spectrum of demands and organisational pressures has led to the formulation of a *Political Project* and the establishment of a political party (the *Pachacutik Movement*) and constitutional reform programme, all of which have been relatively successful; they place CONAIE at the centre (symbolically) of an extremely varied collection of social sectors and organisations, all calling themselves social movements.
63. The impact of the economic, political and social crisis of recent years has accelerated this synergic tendency among social groups, uniting them around a mainly political-ideological platform that enables them to mobilise against the government and ensures them of a voice in the negotiations over the extent of adjustment measures and the direction of the new economic model.
64. By the 1999 uprising, the CONAIE-Social Movements arrangement mainly comprised: (1) an extensive country-wide network of indigenous organisations; (2) rural benefit claimants who feared that the service was under threat; (3) coastal farmers in debt to the Bank for Development Credit and without the resources to plant any more crops; (4) small traders from the main cities suffering the effects of changes in fiscal regulations; (5) trades union federations attached to public enterprises that had undergone modernisation and privatisation; and (6) various associations and responsible individuals representing old-age pensioners and public service claimants affected by the banking crisis and the adjustment measures.
65. Under the process which has been described, the initial policies of the indigenous movement gradually became more politicised up to the point where, in the uprising of January 2000, it

²⁴ I examine this development in the indigenous movement in an article entitled "Nacionalidades Indigenas y Estado Nacional en Ecuador," in *Nueva Historia del Ecuador*: vol. XIII, Corporacion Editora Nacional, 1998, Quito. On the most recent events, see the articles by F. Burbano "Cuando todos saltan al vacio," T. Bustamente "Fuerza y limite de los simbolos" and D. Iturralde "Lucha indigena y reforma neoliberal;" the three may be found in *ICONOS, Revista de Flacso-Ecuador*, No. 9, April 2000, Quito.

repudiated the established authorities (executive, legislative and judicial) and called for their replacement by socially approved mechanisms such as popular parliaments and an emergency assembly.

66. The development of the indigenous movement over the past quarter century has brought several lasting achievements: (1) the establishment of a national system of bilingual and intercultural education, including its own university; (2) official health programmes that incorporate traditional knowledge by legalising indigenous practices; (3) development projects largely planned and implemented by and for indigenous beneficiaries; (4) the introduction of independent representation to certain public organisations; (5) the capture of popularly elected posts, including the vice-presidency of the National Congress and a large number of municipal seats; and (6) the adoption, aided by direct input from indigenous representatives, of constitutional laws establishing Ecuador's multicultural nature and recognising important rights of indigenous peoples.
67. Naturally, these achievements have brought gradual changes in governmental policy and conduct;²⁵ however, in the case of Ecuador it should be pointed out that such changes have occurred much later and are more directly linked to the progress of the indigenous movement, as compared with the situation in other countries in recent years, where change has been brought about by the dynamics of modernisation or the pressures of international co-operation.
68. Throughout the ten years that passed between the first indigenous uprising (1990) and the last, which ended the term of President Mahuad (2000), every public action taken by the indigenous movement saw increasing support and sympathy from the public, the church and other social organisations, and some municipal authorities. Only the last-mentioned event drew a critical response, since it was mistaken for a military-led disturbance and was followed by highly ambiguous incidents such as calls for a referendum and a fresh uprising, neither of which was followed up. To a certain extent, the self-criticism and policy corrections adopted by the leaders of the indigenous movement assured them the support of public opinion, which contrasted their behaviour favourably with the poor responses of the other political players involved.
69. Over the course of these years, the mindset that equated ethnic differences with racial differences virtually disappeared, and with it the prejudices and stereotypes that had fed the many forms of racism and racial discrimination used against indigenous people until the 1960s.²⁶ Increasingly frequently, it is being acknowledged that poverty and historical isolation were the objective causes of the indigenous peoples' plight, and that their claims are justified.
70. Despite the progress I have described, it must be stated clearly that discriminatory practices against indigenous people in Ecuador still exist. Moreover, such attitudes and practices are still based on prejudice that seeks to exclude and stigmatise those who are different.²⁷ This is particularly serious in the context of the exercise of authority; prejudice and stereotypes still have deep roots in Ecuador's public institutions.
71. I believe that the growth of the indigenous movement and the resulting scenario have significantly changed people's perceptions of social differences in Ecuador, which were

²⁵ In 1979 the first National Office for Indigenous Affairs was set up to liaise between the Government and the indigenous organisations, and the first steps were taken to modernise the Communes Act. Constitutional reform took another twenty years, but established this Office as a public institution, with direct representation, and control over policies affecting the indigenous sector, as the indigenous movement had been proposing since 1980.

²⁶ The book by Emilio Bonifaz, *Los indígenas de altura en el Ecuador*, (1970?) is probably the last publication with academic pretensions which uses this type of argumentation.

²⁷ In practice, the boundary of identity established by indigenous people is repeatedly assumed by other sectors of the population in the same way as racial boundary was taken up. This type of recurrence still persists in some aspects of education (concealed curriculum), in the communication media and among the judiciary.

characterised by racist perspectives until well into the second half of the twentieth century and by a kind of social Darwinism in the later decades dominated by development. More recent interpretations view ethnic and cultural diversity as a matter of boundaries of identity resulting from contemporary social structures, and thus unrelated to any notions of race or evolution.

REFLECTIONS ON DISCRIMINATION, INEQUALITY AND EXCLUSION AND HOW TO DEAL WITH THEM

72. My studies of the situation in Ecuador lead me to suggest that there are three interconnected features which harm relations between ethnic peoples and the national societies in which they live, namely ethnic discrimination, economic inequality and political exclusion, and that these form a vicious circle.
73. It is important to acknowledge the specific nature of each of these features and its capacity to function independently. Also, although discriminatory practices serve to maintain economic inequality and political exclusion and help to strengthen and justify them, they are not the root cause. Accordingly, the fight against discrimination cannot be seen as the sole or main weapon in rolling back inequality and exclusion. What is needed is a combined strategy that tackles the three features at the same time, each in its own sphere of influence.
74. While discrimination can still be rooted in racism, today what is most commonly found is intolerance towards ethnic and cultural differences – albeit with the latter no longer seen as racial differences. This approach predominates among political interest groups and the public. It consists in denying the right of those who are different to participate in the national project (i.e., its structure and benefits) on the grounds of their particular characteristics, while allowing a reasonable degree of independence and retention of control over the resources and social and cultural processes in their territories.²⁸ From this viewpoint, it would seem that discrimination amounts to explicit and intentional non-recognition of differences.²⁹
75. Economic inequality is basically an issue relating to the distribution of goods, services and opportunities; in this regard, the development indicators reveal a disparity between indigenous peoples and other sections of the population. This disparity is a deficit that has accumulated over time, but it always tends to widen in response to general growth in society.³⁰ Evidently, this accumulation has generated a structural incapacity to assimilate growth (a phenomenon which functions in a similar manner to chronic malnutrition syndrome), and the fact that the disparities are increasing shows that enlarged provision of basic services of the conventional type does not help to solve the problem.
- 76.

²⁸ The arguments made against indigenous proposals regularly refer to the need to preserve the unity of the nation and territorial integrity as the basis for global competition, and express opposition to a system of exceptions or exemptions in the context of liberalisation. These arguments are not used when it comes to provincial or municipal self-government promoted by the groups most deeply involved in neoliberal adjustment policies or globalisation. Opinions about indigenous proposals tend to feature biased notions such as indigenous people trying to break up the country, indigenous supremacy, technological stagnation, etc., down to the stereotype which makes indigenous people akin to internal enemies of State security.

²⁹ On the contrary, racial discrimination is based on pointing to such differences and applying differentiated treatment.

³⁰ The Mapa de Desarrollo Humano Etnico de Genero y Generacional de Bolivia, (an electronic library of indicators produced on CD by the government of that country: UDAPSO, 1998, La Paz), analyses household data in relation to language spoken (indigenous, bilingual, Spanish) and determines the disparities between these categories in relation to a set of 24 indicators of development and poverty. This resource is the basis of the opinions expressed in this paragraph. There are no similar sources in other countries.

77. Political exclusion arises in a democracy that is nevertheless inadequate on account of its low capacity to incorporate social and cultural diversity. Owing to the nature of our societies' democratic development, traditional indigenous systems of representation and social organisation, based on cultural, ethnic and regional links, have been left out of the reckoning. However, in order to control its own culture, which is essential to maintaining both culture and specific cultural identity, each people must be able to take its own decisions.
78. In the context of the transformations brought by globalisation, intolerance to multiculturalism, inequality and exclusion all form part of an economic and political order now different from the one which made such changes necessary in an earlier period. Now, the system operates as a mechanism for reinforcing homogenisation, its principal tools being communications and unfettered markets. The ongoing modernisation programmes involve dismantling the social policies and developmental agencies belonging to the State apparatus and transferring a certain amount - more rhetorical than real - of their responsibilities to private sector organisations (understood as a set of entrepreneurial interests rather than as a component of civil society). As has been pointed out, one of the weak-points of these organisations is their poor capacity to carry out programmes and projects concerned with social and material development. The space between these two realities is occupied by a great variety of private institutions (NGOs) which have concerned themselves with administration and technical and financial intervention. However, in the long run, although the NGOs have helped change the style of interventions, they have not created any lasting capacities among beneficiaries, whose representatives they frequently supplant, and whose basic demands they have a tendency to modify.
79. In this situation, several aspects of the relations between the State and the indigenous peoples demand to be changed: (1) the lack of a national system guaranteeing these dissenting groups access to and control of the space and resources they need to ensure material and cultural continuity; (2) the fact that ethnic and cultural communities are excluded from decision-making, planning, administration and project implementation relating to their own development, and are also denied access to the technical and financial resources needed to promote it; neither may they share in the management or benefits of national development; (3) the exclusion of peoples, ethnic groups, regions, communities and cultural groups in general from access to the machinery of power based on their own forms of organisation, and the impossibility of their being assured the political independence to develop their own capacity for self-administration and self-government; (4) the continuing existence of an inadequate judicial system, which is unable to guarantee equitable access to all the population, takes no account of ethnic and cultural factors, allows no self-regulation, and will not ratify appropriate mechanisms for settling disputes.³¹
80. The solution to the tensions surrounding the system of access to territorial resources will have to take account of two considerations: greater feasibility of demands, beyond their current essentially ideological scope, and legal reform that extends beyond ownership considerations. Recent amendments to the constitutional tradition in relation to indigenous territories and land in Brazil, Colombia, Ecuador, Mexico, Nicaragua and Paraguay, as well as some of the experience gained in the administration of natural resources, forest reserves and protected areas in Brazil and Bolivia, offer a possible way forward.
81. Any solution to territorial demands must at the same time satisfy demands for self-government by effecting changes in the distribution of powers. The indigenous peoples and other groups demanding self-government must come to regard it as a possibility within the framework of state realignment and re-organisation, and develop the necessary capacities to adopt it on that basis. Several possible ways exist to change the central systems of distributing and exercising power in

³¹ I have written extensively on these unresolved matters in "La gestion de la multiculturalidad y la multiethnicidad en America Latina;" *MOST, Documentos de debate-No. 5*, Paris, UNESCO, 1995.

favour of regions, local organisations and indigenous bodies, but to date there have been no critical assessments made of their scope or application.

82. Development which is perceived as a process of replacing traditional practices and values by others more adapted for building a homogeneous nation is, by definition, incompatible with the strengthening of individual identities and the maintenance of diversity, and the methods which have long been used to promote participation do not in themselves dispel this contradiction. The tensions relating to development derive from the manner of its definition, whose material result is the exclusion of the beneficiaries from future advancement and responsibility.
83. The multi-ethnic and multicultural character that we now recognise in the make-up of countries calls for a new concept of development as an expression of the cultures, interests and ways of living of communities, a redefinition of the roles played by the various local, national and international actors, and finally a secure environment for resources, democratic decision-making and fair distribution. A substantial improvement is needed in the quality and type of goods and services delivered, enabling organisations to plan development requirements based on the social and cultural characteristics of indigenous peoples.
84. As CEPAL recently stated in formulating its strategy “Productive Transformation on the Basis of Equality” (TPE), development is linked to growth, but also to distribution and to “*social integration of the system on the basis of active modern citizenship which, on the one hand, permits diversity and multiculturalism and, on the other, allows the various social groups that make up a region to enjoy fully the right to determine their own identities.*”³² This modern citizenship implies “*the existence of social interest groups who have the possibility to achieve self-determination, represent their interests and demands, and to enjoy the full exercise of their legally recognised individual and collective rights?*” (Ottone quoted by Bello and Rangel).
85. The task, then, is to build a democratic model that protects human rights effectively and promotes the participation of society as a polyarchy, i.e., a system in which power is distributed, and such distribution has significance for all citizens, in the sense that it enables them to exercise their rights to take part in decisions affecting the community, to demand that their claims are duly addressed, to participate in the control of laws and the exercise of authority (calling to account), and to organise and act freely as a civil society.³³
86. Access to justice and a solution to the apparent contradiction between indigenous rights and national rights will help solve problems in the spheres of territorial regulations (definition of jurisdictions) and self-governance (determination of powers) and in the judicial system (establishment of proceedings). Recent constitutional reforms in Mexico, Bolivia, Paraguay, Colombia and Ecuador acknowledge a certain value in traditional systems of justice or in voluntary subjection to customs and traditions. The constitutions of Colombia and Ecuador permit a combination of territory-authority-justice, but this has not yet been put into practice. A great deal of effort is required before a solution based on the pluralist perspective becomes viable.
87. In the field of economic, social and cultural development, ethnic diversity poses many challenges that have yet to be tackled. In the context of modernisation and in the depths of the crisis, the challenge of development based on identity is pivotal to the reorganisation of all the elements caught up in the tensions between social diversity and the homogeneous model: territories, self-government, justice and identity. Managing the transformations in a way that might bring a

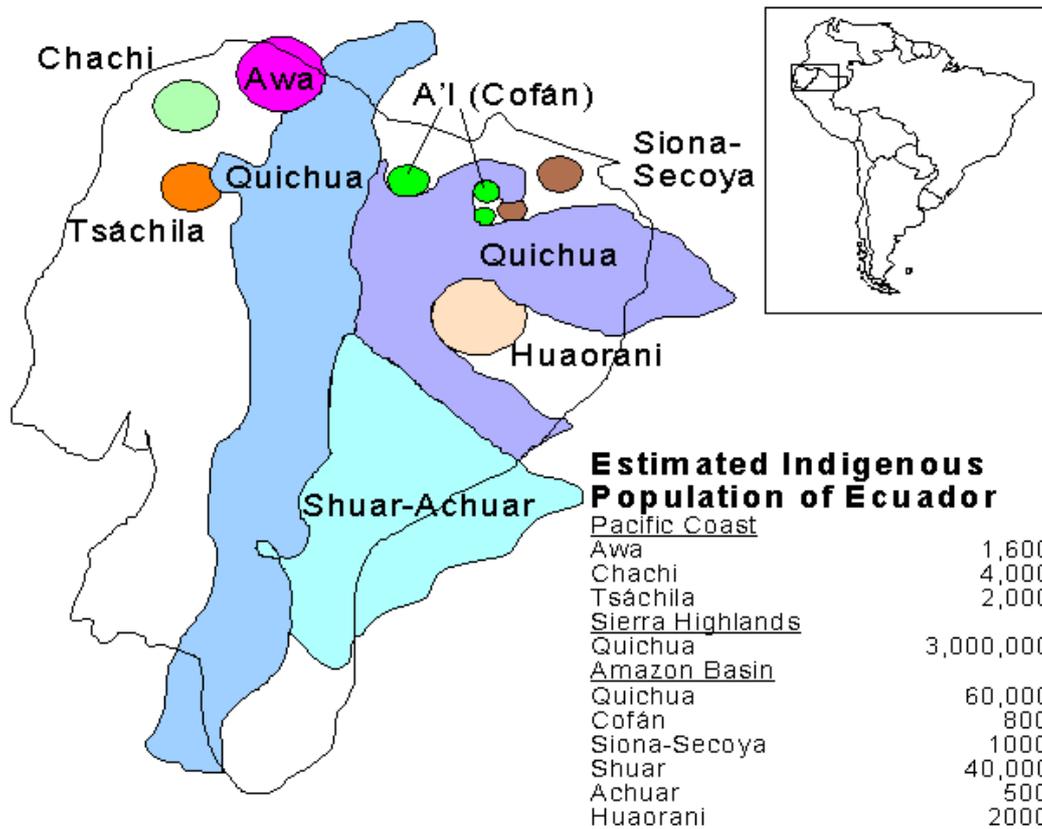
³² A. Bello and M. Rangel, *Etnicidad, Raza y Equidad en América Latina y el Caribe*, CEPAL, March 2000, Santiago.

³³ These last two paragraphs are inspired by the paper prepared by R. Cuellar (Executive Director of IIDH) for the Expert Seminar on Racism (Santiago, October 2000), entitled Una política de Estado para combatir la discriminación y promover los derechos humanos, in which he proposes a number of measures for tackling political exclusion and the problems of access to justice.

glimpse of possible solutions will require extensive revision of the attitudes and practices that led to these problems in the past.

ANNEX I

INDIGENOUS NATIONALITIES OF ECUADOR



Source: Confederation of Indigenous Nationalities of Ecuador (CONAIE), *Las nacionalidades indígenas en el Ecuador: Nuestro proceso organizativo*, 2nd ed., (Quito: Ediciones Abya-Yala, 1989), 284.

ANNEX II

HUMAN DEVELOPMENT INDEX 1999: NATIONAL, SHUAR, OTAVALO, GUAMOTE.

Indicator	National	Shuar**	Otavolo*	Guamote*
Educational development	58.5	47.7	49.4	33.3
Health	57.7	48.6	48.9	30.2
Housing	56.1	44.5	51.8	35.8
Incidence of poverty	58.4	63.0	76.5	89.3
Poverty gap	23.6	25.1	41.0	55.9
Social development	57.4	48.3	47.3	29.8
Illiteracy: W	13.8	16.2	36.5	54.3
M	9.5	8.5	22.8	33.1
Schooling: W	6.3	4.5	3.8	1.3
M	7.1	4.8	5.0	2.7
Attendance rates: primary	89.2		88.6	77.6
		83.4		
secondary	43.3	27.6	39.2	10.8
higher	10.9	1.1	10.0	1.4
Access to higher ed.	14.1		8.9	2.6
		5.6		
Infant mortality /1000	53.2	60.9	66.3	122.6
Chronic malnutrition under age 5	45.1		61.1	70.3
		42.9		
Public health personnel per 10,000 inhab.	11.7		5.5	0.7
		5.2		
Private health personnel per 10,000 inhab.	17.9	2.7	6.7	0.6
Total health personnel per 10,000 inhab.	29.6		12.2	1.3
		7.9		
% housing with potable water	38.2	45.0	43.1	9.9
% h/h with basic sanitation	65.9		52.5	26.9
		41.7		
Poverty: incidence	58.4		76.5	89.3
		63.0		
deficit	23.6	25.1	41.0	55.9
severity	12.6	13.0	26.5	39.1
Deprivation:				
incidence	21.4	22.2	46.1	68.3
deficit	6.6	63.5	19.2	31.1
severity	3.0	2.8	10.4	17.7
Source: UNDP Human Development Report on Ecuador, 1999		Data at canton (municipality) level ** average for three cantons		

ANNEX III

Notes on a public action strategy for the indigenous peoples of Ecuador

1. A minimum strategy of public action must seek to provide the poorest sectors of the population, and particularly the indigenous peoples, with the combined resources and services needed to: reduce the impacts of the crisis and the resulting economic measures; reactivate production under the new market conditions; and establish the legal, political and administrative mechanisms needed to further the exercise of rights in the climate of decentralisation and establish a system of self-government.
2. Such actions must be based on a combination of: (a) co-ordination and concentration of interventions by public bodies and development projects, and (b) promotion of participation by local actors. They must take full account of four critically important requirements: (1) social protection; (2) public investment; (3) reactivation of productive development; and (4) the applicability of constitutional laws.
3. This combination of factors must be achieved through dialogue with the national indigenous organisations; that dialogue would be extended gradually to embrace intermediate and local organisations (from each people and region), and be geared to: (a) information on adjustment processes at the national level and identification of their impact on indigenous interests; (b) agreements on applying an action plan; and (c) arrangements designed to ensure that the beneficiaries and their organisations participate in applying measures and implementing projects.
4. In order for this strategy to prosper, the institutions responsible for taking public action and the entities implementing the projects must be restructured; in the long term, this strategy must help generate new types of indigenous organisations along the lines of the territorial subdivisions established by the Constitution.
5. Public action taken to further indigenous interests must overcome the traditional problems of dispersion and lack of co-ordination. There are currently several bodies working in the indigenous sector with little co-ordination among themselves, as well as a great number of externally funded development projects scattered far and wide, well away from institutional influence; they all use different methods.
6. To overcome this dispersion and gradually build a pattern of intersectorial co-ordination, I recommend combining the actions of several entities and projects into *local development plans*. These plans need to be developed in areas that can be clearly defined and supported as units from the viewpoint of planning, execution, exercise of authority and social control (villages, community sets, parishes and municipalities). Such is the situation of the 10 smallest indigenous peoples in the tropical forests (nationalities of Amazonia and the coast), the *shuar* and *quichua* peoples of Amazonia, and certain others that can be defined as belonging to the *shuar* of the Andean highlands on the basis of historical, geographical and environmental criteria and contemporary economic and organisational events (approximately twenty-five people).
7. Several experiences of recent years demonstrate the possibilities and advantages of formulating local development plans in collaboration with the beneficiaries, and of involving them in implementation. There is disagreement as to what constitutes the most effective size for these units of planning and participation, with a tendency to favour communities, but good experience has been gained with larger units of multi-communal, regional, parochial and municipal dimensions. Disagreement also exists about the role of secondary and tertiary organisations. In this regard, the range of indigenous organisations can be seen as a broad and complex multi-purpose network housing the most diverse kinds of structure and type of representation.

8. There is a dominant trend towards a territory-based concentration of leadership and organisational links (by peoples and/or nationalities), to reflect the constitutional norms and the processes of decentralisation and self-government. Strong competition for leadership exists among the national organisations (and among their affiliated institutions at every level), with respect to promoting various organisational models, participating in public bodies and controlling programme and project resources.
9. Not without difficulty, the last few years have seen the abandonment of the Government's practice of granting participation quotas and sinecures to indigenous organisations in exchange for a certain degree of political moderation, which tended to favour CONAIE and exclude other organisations. This practice did not produce satisfactory results, as shown by the frequent demonstrations and strikes.
10. The objective of this strategy is to establish and strengthen the indigenous territorial subdivisions introduced under the Constitution as planning, developmental and organisational units under the authority of individual indigenous peoples and nationalities. Such a legal arrangement, which is consistent with the processes of decentralisation, self-government and state modernisation, will help align the indigenous peoples' development with the socio-demographic and organisational tendencies that have emerged over the past twenty years, and will also pave the way for the fulfilment and exercise of the collective rights the indigenous movement has won from the State.