

**The double movement in the Andes: land reform,  
land markets, and indigenous mobilisation in  
Highland Ecuador (1964-1994)**

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I, Geoff Bryant Goodwin confirm that the work presented in this thesis is my own. Where information has been derived from other sources, I confirm that this has been indicated in the thesis.

## Abstract

This thesis explores land reform, land markets and indigenous mobilisation in Highland Ecuador (1964-1994) through the lens of Karl Polanyi's concept of the "double movement". The concept suggests modern capitalist societies comprise two forces: the movement towards the creation, expansion and liberalisation of markets (commodification) and the countermovement towards the regulation of markets, the strengthening of the state, and the promotion of non-market forms of organisation (decommodification). The thesis adopts a radical reading of the concept which sees the double movement as a fundamental contradiction in modern capitalist societies. The empirical investigation offers support for this reading and provides fresh insights into the use of the concept. The value of narrowing the lens of the double movement to examine struggles that emerge around specific economic issues and involve particular social groups is also demonstrated.

The thesis also sheds new light on Ecuadorian land reform and the role indigenous peoples performed in the process. Greater clarity is provided on the impact of land reform in the highland region and the land redistributed to indigenous families and communities. One of the central points to emerge from the analysis is that the collective organisation and mobilisation of indigenous peoples were required to secure land through agrarian reform. The relationship between indigenous peoples and land markets is also explored. A new concept is developed which provides insights into the opportunities and threats land markets created for indigenous peoples. The thesis places the 1990 and 1994 indigenous *levantamientos* within a long-term struggle over land which contrasts with accounts that interpret the uprisings as reactions to structural adjustment and neoliberal reform.

The contemporary relevance of the research is demonstrated through the analysis of recent developments in Ecuador, concentrating on indigenous and peasant attempts to bring the use and distribution of land under social control.

## Table of contents

### **Chapter 1: The use of Karl Polanyi's concept of the "double movement" to explore social, political and economic change**

1. Introduction	18
2. Double movement, fictitious commodities and forms of integration	20
3. Double movements in the wake of Polanyi	30
4. Methodology	43
5. Thesis structure	65

### **Chapter 2: Ecuadorian land reform (1964-1994): existing state of knowledge and new contributions**

1. Introduction	67
2. Political struggles over the design of land reform	68
3. Implementation of land reform	82
4. Wider impacts of land reform	90
5. Summary: new contributions to our understanding of Ecuadorian land reform	94

### **Chapter 3: Indigenous peoples in the traditional rural highland economy and the land reform debate of the early 1960s**

1. Introduction	96
2. The highland indigenous population in the early 1960s	97
3. Indigenous peoples in the rural highland economy in the decade before the start of land reform	99
4. The land reform debate of the early 1960s and the drafting of the Ley de Reforma Agraria y Colonización	107
5. Summary: empirical and theoretical findings	119

### **Chapter 4: Movements toward and against reform: political struggles over the design of land reform (1964-1979)**

1. Introduction	121
2. The evolution of Ecuador's political economy in the 1960s and 1970s	122
3. Commodification and decommodification dimensions of the Ley de	

Reforma Agraria y Colonización	127
4. The indigenous countermovement and indigenous and peasant efforts to transform land reform	132
5. Commodification and decommodification dimensions of the Ley de Reforma Agraria	145
6. Weakening the decommodification potential of the Ley de Reforma Agraria: the state's retreat from land reform	149
7. Summary: empirical and theoretical findings	153
<b>Chapter 5: Land redistribution and indigenous peoples (1964-1979)</b>	
1. Introduction	156
2. Snapshot of land redistribution in the 1960s and 1970s	156
3. Huasipungo	161
4. State-owned land	165
5. Privately owned land	171
6. Summary: empirical and theoretical findings	176
<b>Chapter 6: Land markets and indigenous peoples: activation and development (1964-1979)</b>	
1. Introduction	179
2. The parameters of land markets in the 1960s and 1970s	180
3. Land markets: activation and development	185
4. Land distribution in the 1960s and 1970s	194
5. Summary: empirical and theoretical findings	199
<b>Chapter 7: Movements toward and against reform: political struggles over the design of land reform (1979-1994)</b>	
1. Introduction	201
2. The evolution of Ecuador's political economy in the 1980s and 1990s	202
3. Commodification and decommodification dimensions of the Ley de Reforma Agraria-Ley de Fomento y Desarrollo Agropecuario	206
4. The evolution of the indigenous countermovement	209
5. Indigenous and peasant efforts to transform land reform	213

6. Summary: empirical and theoretical findings	231
<b>Chapter 8: Land redistribution and indigenous peoples (1979-1994)</b>	
1. Introduction	234
2. Snapshot of land redistribution in the 1980s and 1990s	234
3. Land claims, conflicts and redistribution	238
4. Overview of land redistribution between 1964 and 1994	245
5. Summary: empirical and theoretical findings	251
<b>Chapter 9: Land markets and indigenous peoples: activation and development (1979-1994)</b>	
1. Introduction	253
2. The parameters of land markets in the 1980s and 1990s	253
3. The activation and development of land markets under structural adjustment and neoliberalism	256
4. FEPP assisted land purchase scheme (1990-1995)	261
5. Land distribution in the 1980s and 1990s	269
6. Summary: empirical and theoretical findings	278
<b>Chapter 10: Conclusion: empirical, theoretical and methodological dimensions</b>	
1. Introduction	280
2. Land reform, land markets and indigenous mobilisation	281
3. The reading and use of the double movement	285
4. Implications of the research for contemporary developments in Ecuador: countermovements under Rafael Correa	289
<b>Bibliography</b>	301
<b>Appendices</b>	332

## Tables, figures and appendices

### Tables

<b>Table 1.1</b>	Summary of principal source materials	56
<b>Table 3.1</b>	Land tenure, Highland Ecuador, 1954	100
<b>Table 3.2</b>	Land distribution, Highland Ecuador, 1954	102
<b>Table 3.3</b>	Size distribution of huasipungos, Highland Ecuador, 1954	104
<b>Table 3.4</b>	Geographic distribution of huasipungos, Highland Ecuador, 1954	105
<b>Table 3.5</b>	Huasipungo-arrimado-apegado population distribution on two haciendas in Highland Ecuador in the 1960s	106
<b>Table 3.6</b>	Private redistribution of huasipungos prior to the start of land reform, Highland Ecuador, 1959-1964	112
<b>Table 4.1</b>	Commodification and decommodification dimensions of the Ley de Reforma Agraria y Colonización, 1964	131
<b>Table 4.2</b>	Comparative analysis of the Ley de Reforma Agraria and the FURA land reform proposal, 1973	146
<b>Table 4.3</b>	Commodification and decommodification dimensions of the Ley de Reforma Agraria, 1973	149
<b>Table 5.1</b>	Land redistributed via agrarian reform by province, Highland Ecuador, 1964-1979	157
<b>Table 5.2</b>	Comparison of huasipungos redistributed under MPST & IERAC, Highland Ecuador, 1959-1979	162
<b>Table 5.3</b>	Asistencia Social land redistributed via agrarian reform, Highland Ecuador, 1964-1979	166
<b>Table 5.4</b>	Privately owned land redistributed via negotiation, reversion & expropriation, Highland Ecuador, 1964-1979	172
<b>Table 6.1</b>	Land tenure, Highland Ecuador, 1974	181
<b>Table 6.2</b>	Changes in land distribution between 1954 & 1974, Highland Ecuador	194
<b>Table 6.3</b>	Land distribution, Highland Ecuador, 1974	197
<b>Table 7.1</b>	Commodification and decommodification dimensions of the Ley de Reforma Agraria-Ley de Fomento y Desarrollo Agropecuario, 1979-1994	208
<b>Table 7.2</b>	Overview of principal changes to the Ley de Desarrollo Agrario, June-July 1994	226
<b>Table 7.3</b>	Comparative analysis of the Ley de Desarrollo Agrario and the CAN agrarian proposal, 1993-1994	228
<b>Table 8.1</b>	Reversion, expropriation & protection of privately owned	

	land, Highland Ecuador, August 1988 to July 1990	238
<b>Table 8.2</b>	Land redistributed via agrarian reform by province, Highland Ecuador, 1964-1994	246
<b>Table 8.3</b>	Land redistributed via agrarian reform by type of intervention, Highland Ecuador, 1964-1993	249
<b>Table 8.4</b>	Asistencia Social land redistributed via agrarian reform, Highland Ecuador, 1964-1994	250
<b>Table 8.5</b>	Redistribution of huasipungos, Highland Ecuador, 1964-1994	251
<b>Table 9.1</b>	Land tenure, Highland Ecuador, 2000	254
<b>Table 9.2</b>	FEPP assisted land purchases, Highland Ecuador, April 1990-July 1995	264
<b>Table 9.3</b>	Land distribution, Highland Ecuador, 2000	272
<b>Table 9.4</b>	Prevalence of minifundia & microfundia, Highland Ecuador, 1974 & 2000	273
<b>Table 9.5</b>	Indigenous producers by size of landholding, Highland Ecuador, 2000	276
<b>Table 10.1</b>	Summary of principal mobilisations related to land, food, and natural resources, Ecuador, 2009-2014	291

#### **Figures**

<b>Figure 3.1</b>	Geographic distribution of the highland indigenous population in the early 1960s	98
<b>Figure 4.1</b>	Peasant communities registered in Highland Ecuador, 1960-1973	135
<b>Figure 5.1</b>	Land redistribution & indigenous peoples, Highland Ecuador, 1964-1979	158
<b>Figure 5.2</b>	Land redistributed via agrarian reform by year, Highland Ecuador, 1964-1979	160
<b>Figure 6.1</b>	Changes in landholdings by size between 1954 & 1974, Highland Ecuador	195
<b>Figure 6.2</b>	Minifundia & indigenous peoples, Highland Ecuador, 1974	199
<b>Figure 7.1</b>	Peasant communities & indigenous peoples, Highland Ecuador, 1993	211
<b>Figure 8.1</b>	Land redistribution by type of intervention, Highland Ecuador, 1964-1979 & 1980-1993	235
<b>Figure 8.2</b>	Land redistributed via agrarian reform by year, Highland Ecuador, 1980-1994	236
<b>Figure 8.3</b>	Reported land conflicts, Highland Ecuador, 1990	244



<b>Figure 8.4</b>	Indigenous peoples & land redistribution, Highland Ecuador, 1964-1994	247
<b>Figure 8.5</b>	Páramo & land redistribution, Highland Ecuador, 1964-1994	248
<b>Figure 9.1</b>	Flower plantations by size of landholding, Cotopaxi, Imbabura & Pichincha, 2000	259
<b>Figure 9.2</b>	Changes in landholdings by size between 1974 & 2000, Highland Ecuador	269
<b>Figure 9.3</b>	Growth of smallholdings between 1974 & 2000, Highland Ecuador	270
<b>Figure 9.4</b>	Medium-size landholdings, Highland Ecuador, 2000	271
<b>Figure 9.5</b>	Minifundia & indigenous peoples, Highland Ecuador, 2000	274
<b>Figure 9.6</b>	Medium-size landholdings & indigenous peoples, Highland Ecuador, 2000	274
<b>Figure 10.1</b>	Episodes of heightened conflict and debate over land laws in Ecuador, 1960 to date	296
<b>Figure 11.1</b>	Economically active population, Ecuador, 1962 & 1974	334
<b>Figure 11.2</b>	Economic growth & inflation, Ecuador, 1970-1979	334
<b>Figure 11.3</b>	Economically active population, Ecuador, 1982 & 1990	334
<b>Figure 11.4</b>	Real economic growth, Ecuador, 1970-2000	335
<b>Figure 11.5</b>	Consumer price inflation, Ecuador, 1980-2000	335
<b>Appendices</b>		
<b>Appendix 1</b>	Physical map of Ecuador	332
<b>Appendix 2</b>	Administrative map of Ecuador	333
<b>Appendix 3</b>	Economic trends - Ecuador	334-5

## Acronyms

ALBA	<i>Alianza Bolivariana para los Pueblos de Nuestra América</i> (Bolivarian Alliance for the Peoples of Our America)
AMSL	Above Mean Sea Level
API	<i>Áreas Predominantemente Indígenas</i> (Predominantly Indigenous Areas)
APM	<i>Áreas Predominantemente Mestizas</i> (Predominantly Mestizo Areas)
AS	<i>Asistencia Social</i> (Social Welfare) previously known as <i>Junta Central de Asistencia Pública</i> (Public Welfare Coordinating Council)
BCE	<i>Banco Central del Ecuador</i> (Central Bank of Ecuador)
BNF	<i>Banco Nacional de Fomento</i> (National Development Bank)
CAN	<i>Coordinadora Agraria Nacional</i> (National Agrarian Coordinator)
CCA	<i>Consejo de Coordinación Agraria</i> (Agrarian Coordinating Council)
CEDOC	<i>Confederación Ecuatoriana de Obreros Católicos</i> (Ecuadorian Confederation of Catholic Workers) renamed in 1972 to <i>Central Ecuatoriana de Organizaciones Clasistas</i> (CEDOC) (Ecuadorian Federation of Classist Organisations)
CEE	<i>Conferencia Episcopal Ecuatoriana</i> (Ecuadorian Episcopal Conference)
CEPE	<i>Corporación Estatal Petrolera Ecuatoriana</i> (Ecuadorian State Petroleum Corporation)
CEOSL	<i>Confederación Ecuatoriana de Organizaciones Sindicales Libres</i> (Ecuadorian Confederation of Free Trade Union Organisations)
CEPAL	<i>Comisión Económica para America Latina</i> (Economic Commission for Latin America) renamed in 1984 to <i>Comisión Económica para America Latina y el Caribe</i> (CEPAL) (Economic Commission for Latin America and the Caribbean)
CESA	<i>Central Ecuatoriana de Servicios Agrícolas</i> (Ecuadorian Centre for Agricultural Services)

CFP	<i>Concentración de Fuerzas Populares</i> (Concentration of Popular Forces)
CIA	Central Intelligence Agency
CIAP	<i>Comité Interamericano de la Alianza para el Progreso</i> (Inter-American Committee for the Alliance for Progress)
CIDA	<i>Comité Interamericano de Desarrollo Agrícola</i> (Inter-American Committee for Agricultural Development)
COICE	<i>Coordinadora de Organizaciones Indígenas de la Costa Ecuatoriana</i> (Coordinator of Indigenous Organisations of the Ecuadorian Coast)
COMICH	<i>Confederación del Movimiento Indígena de Chimborazo</i> (Confederation of Indigenous Movements of Chimborazo)
CONACNIE	<i>Consejo Nacional de Coordinación de las Nacionalidades Indígenas del Ecuador</i> (National Council for the Coordination of Indigenous Nationalities of Ecuador)
CONAIE	<i>Confederación de Nacionalidades Indígenas del Ecuador</i> (Confederation of Indigenous Nationalities of Ecuador)
CONFENIAE	<i>Confederación de Nacionalidades Indígenas de la Amazonia Ecuatoriana</i> (Confederation of Indigenous Nationalities of the Ecuadorian Amazon)
CORPUKIS	<i>Coordinadora de Organizaciones del Pueblo Kichwa de Saraguro</i> (Coordinator of Organisations of the Kichwa People of Saraguro)
CRA	<i>Comités Regionales de Apelación</i> (Regional Appeal Committees)
CTC	<i>Comisión Técnica-Consultora</i> (Technical-Consultant Commission)
CTE	<i>Confederación de Trabajadores del Ecuador</i> (Confederation of Ecuadorian Workers)
DINEIB	<i>Dirección Nacional de Educación Intercultural Bilingüe</i> (National Directorate of Bilingual Intercultural Education)
ECUARUNARI	<i>Ecuador Runacunapac Riccharimui</i> (Awakening of the Ecuadorian Indians)
FADI	<i>Frente Amplio de Izquierda</i> (Broad Leftist Front)
FAO	Food and Agriculture Organization

FEI	<i>Federación Ecuatoriana de Indios</i> (Ecuadorian Federation of Indians)
FENOC	<i>Federación Nacional de Organizaciones Campesinas</i> (National Federation of Peasant Organisations) renamed in 1988 to the <i>Federación Nacional de Organizaciones Campesinas-Indígenas</i> (FENOC-I) (National Federation of Peasant-Indigenous Organisations) and in 1999 to the <i>Confederación Nacional de Organizaciones Campesinas, Indígenas y Negras</i> (FENOCIN) (National Confederation of Peasant, Indigenous and Black Organisations)
FEPP	<i>Fondo Ecuatoriano Populorum Progressio</i> (Ecuadorian Populorum Progressio Fund)
FETEP	<i>Federación Ecuatoriana de Trabajadores Agropecuarios</i> (Ecuadorian Federation of Agricultural Workers)
FISS	<i>Federación Interprovincial de Indígenas Saraguros</i> (Interprovincial Federation of Indigenous Saraguros)
FLACSO	<i>Facultad Latinoamericana de Ciencias Sociales</i> (Latin American Faculty of Social Sciences)
FNV	<i>Federación Nacional Velasquista</i> (National Velasquista Federation)
FODERUMA	<i>Fondo de Desarrollo de Sector Rural Marginal</i> (Marginal Rural Sector Development Fund)
FONADE	<i>Fondo Nacional de Desarrollo</i> (National Development Fund)
FRN	<i>Frente de Reconstrucción Nacional</i> (National Reconstruction Front)
FTA	Free-Trade Agreement
FTAL	<i>Federación de Trabajadores Agrícolas del Litoral</i> (Federation of Coastal Agricultural Workers)
FULCI	<i>Frente Unico de la Lucha Campesina e Indígena</i> (United Front for Peasant and Indigenous Struggle)
FURA	<i>Frente Unido de Reforma Agraria</i> (United Front for Agrarian Reform)
FUT	<i>Frente Unitario de Trabajadores</i> (United Workers Front)
ID	<i>Izquierda Democrática</i> (Democratic Left)
IDB	Inter-American Development Bank

IDEA	<i>Instituto de Estrategias Agropecuarias</i> (Institute of Agricultural Strategies)
IERAC	<i>Instituto Ecuatoriano de Reforma Agraria y Colonización</i> (Ecuadorian Institute of Agrarian Reform and Colonisation)
IERA	<i>Instituto Ecuatoriano de Reforma Agraria</i> (Ecuadorian Institute of Agrarian Reform)
IESS	<i>Instituto Ecuatoriano de Seguridad Social</i> (Ecuadorian Institute of Social Security)
ILO	International Labour Organization
IMF	International Monetary Fund
INDA	<i>Instituto Nacional de Desarrollo Agraria</i> (National Institute of Agrarian Development)
INEC	<i>Instituto Nacional de Estadística y Censos</i> (National Institute of Statistics and Censuses)
IRD	Integrated Rural Development
ISI	Import-Substituting Industrialisation
JUNAPLA	<i>Junta Nacional de Planificación y Coordinación Económica</i> (National Council of Planning and Economic Coordination)
LATPA	<i>Ley de Abolición del Trabajo Precario en la Agricultura</i> (Abolition of Precarious Agricultural Employment Law)
LDA	<i>Ley de Desarrollo Agrario</i> (Agrarian Development Law)
LFDA	<i>Ley de Fomento y Desarrollo Agropecuario</i> (Agricultural Promotion and Development Law)
LRA	<i>Ley de Reforma Agraria</i> (Agrarian Reform Law)
LRAC	<i>Ley de Reforma Agraria y Colonización</i> (Agrarian Reform and Colonisation Law)
MA	<i>Ministerio de Ambiente</i> (Environment Ministry)
MAE	<i>Misión Andina del Ecuador</i> (Andean Mission of Ecuador)
MAG	<i>Ministerio de Agricultura y Ganadería</i> (Ministry of Agriculture and Livestock) renamed to <i>Ministerio de Agricultura, Ganadería, Acuacultura y Pesca</i> (MAGAP) (Ministry of Agriculture, Livestock, Aquaculture and Fisheries)

MIT	<i>Movimiento Indígena de Tungurahua</i> (Indigenous Movement of Tungurahua)
MICC	<i>Movimiento Indígena y Campesino de Cotopaxi</i> (Indigenous and Peasant Movement of Cotopaxi)
MPD	<i>Movimiento Popular Democrático</i> (Popular Democratic Movement)
MPST	<i>Ministerio de Previsión Social y Trabajo</i> (Ministry of Social and Labour Welfare)
NGO	Non-Governmental Organisation
ORIT	<i>Organización Regional Interamericana de Trabajadores</i> (Regional Inter-American Organization of Workers)
OSG	<i>Organización de Segundo Grado</i> (Second Grade Organisation)
PCE	<i>Partido Comunista Ecuatoriano</i> (Ecuadorian Communist Party)
PSC	<i>Partido Social Cristiano</i> (Social Christian Party)
PSE	<i>Partido Socialista Ecuatoriano</i> (Ecuadorian Socialist Party)
PUR	<i>Partido Unión Republicana</i> (Republican Union Party)
RAN	<i>Red Agraria Nacional</i> (National Agrarian Network)
RO	<i>Registro Oficial</i> (Official Register)
SAP	Structural Adjustment Programme
SEDRI	<i>Secretaria de Desarrollo Rural Integral</i> (Secretary of Integrated Rural Development)
TGC	<i>Tribunal de Garantías Constitucionales</i> (Tribunal of Constitutional Guarantees)
UCSP	<i>Unión de Campesinos de San Pablo</i> (Peasant Union of San Pablo)
UNOCIZ	<i>Unión de Cabildos de Zumbahua</i> (Union of Councils of Zumbahua)
UNOPAC	<i>Unión de Organizaciones Populares de Ayora y Cayambe</i> (Union of Popular Organisations of Ayora and Cayambe)
UNOCC	<i>Unión de Organizaciones de Campesinas Indígenas del Cantón Cayambe</i> (Union of Indigenous Peasant Organisations of the Canton of Cayambe)

UPA	<i>Unidad de Producción Agropecuaria</i> (Agricultural Production Unit)
USAID	United States Agency for International Development
WTO	World Trade Organization

## **Acknowledgements**

I was five hours into the ascent of Chimborazo when I started to question why I had decided to climb the mountain. The feelings of wonder and excitement that had gripped me when I left Quito had been replaced by exhaustion and trepidation. I glanced upward. My heart sunk as I saw the path climb into the clouds. Five hours of climbing and still no sign of the summit. I'm shattered. I can't continue. Why did I decide to climb the mountain? How could I have been so stupid to start something I couldn't finish?

Similar thoughts struck me while I was writing this thesis. I would not have been able to complete it without the help of a great number of people. First and foremost I would like to thank Diego Sánchez-Ancochea for his academic supervision and personal support. He was a constant source of encouragement and inspiration. I am particularly grateful to Diego for staying with me until the end of the journey. I would also like to thank Graham Woodgate for his academic supervision and emotional support, especially toward the end of the process. I am indebted to Maxine Molyneux for her encouragement, especially in the most testing times. My thanks also go to Bill Booth and Elisa Botella-Rodríguez for reading sections of earlier drafts of this thesis and providing very useful feedback. The Institute for the Study of the Americas at the School of Advanced Study, University of London provided me with valuable financial assistance while I was researching and writing this thesis.

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I marvelled at the view when I reached the summit of Chimborazo. A feeling of elation came over me as I saw the Andes stretch out in front of me. But the feeling of satisfaction was fleeting. The task was not complete. I took a deep breath and braced myself for the long descent...

*In loving memory of my sister Claire who tragically passed away before she had the opportunity to realise all of her own academic dreams.*

## Chapter One

### The use of Karl Polanyi's concept of the "double movement" to explore social, political and economic change

#### 1. Introduction

Over the last thirty years Latin America has moved towards and against the market. The introduction of structural adjustment policies and neoliberal reforms accelerated commodification on the one hand and generated widespread social and political opposition on the other. The scale of resistance prompted most governments to reform or reject the neoliberal model. Some countries have seen modest revisions (e.g. Brazil, Chile) while others have witnessed considerable changes (e.g. Ecuador, Venezuela). The experiences of individual countries have varied enormously but the general trend has seen a break with the extreme market fundamentalism of the 1980s and 1990s and a movement towards a more heterogeneous mix of social and economic policies in which market regulation, redistributive mechanisms, and state activism perform more prominent roles.

Karl Polanyi's "double movement" concept provides a rich framework to investigate the change in Latin America's social, political and economic landscape.<sup>1</sup> The concept suggests modern capitalist societies comprise two forces: the movement towards the creation, expansion and liberalisation of markets (commodification) and the countermovement towards the regulation of markets, the strengthening of the state, and the promotion of alternative forms of organisation (decommodification). Hence Latin America appears to have followed a path that is consistent with the double movement. The bulk of studies that have explored or noted this phenomenon see the double movement start when governments introduce structural adjustment policies and neoliberal reforms. This thesis offers a different perspective by considering whether the double movement can be seen as a phase in a longer-term struggle over the role markets perform in societies. This approach comes from reading the double movement as a basic contradiction in modern capitalist societies. Viewed through this lens capitalism evolves through a continuous and simultaneous

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<sup>1</sup> Polanyi develops the double movement in *The Great Transformation: the Political and Economic Origins of Our Time* which was first published in 1944.

process of commodification and decommodification, movement and countermovement.

The basic theoretical aim of the thesis is to demonstrate the merit of this reading of the double movement and identify aspects of the concept that require refinement. The double movement is combined with Polanyi's "fictitious commodities" and "forms of integration" concepts to create a richer theoretical framework. The exploration and elaboration of Polanyi's concepts is undertaken through the investigation of land reform, land markets and indigenous mobilisation in Highland Ecuador (1964-1994).

Exploring these issues through a Polanyian lens provides a number of empirical and theoretical insights. The thesis casts fresh light on the role indigenous peoples performed in agrarian reform.<sup>2</sup> One of the central points to emerge from the analysis is that the collective organisation and mobilisation of indigenous peoples were required to secure land through agrarian reform. Greater clarity is also provided on indigenous and peasant attempts to transform land reform and the extent to which land reform legislation reflected indigenous and peasant demands. The thesis sheds new light on the links between land reform and land markets and indigenous peoples and land markets. The commodification and decommodification dimensions of land reform are explained and the opportunities and threats land markets created for indigenous peoples are explored through a new concept developed within this thesis. Fresh insight is also provided into indigenous mobilisation. The thesis places the 1990 and 1994 indigenous *levantamientos* - two of the most potent expressions of popular protest seen in Latin America in recent times – within a long-term struggle over land which contrasts with accounts that interpret the uprisings as reactions to structural adjustment and neoliberal reform.

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<sup>2</sup> Agrarian reform involves the redistribution and regulation of agricultural and pastoral land and the provision of credit, technical assistance etc. to peasants and small-scale farmers. While land reform and agrarian reform are often conflated, strictly, the former relates to measures geared towards changes in land tenure and distribution and the latter refers to measures aimed at changes in land tenure and distribution as well as the supply of credit, technical assistance etc. (El-Ghonemy 2003 p. 34-5) This thesis concentrates on the use, control, and distribution of land (i.e. land reform). However, I use the terms "land reform" and "agrarian reform" interchangeably to reduce repetition.

The empirical investigation provides support for reading the double movement as an essential contradiction in capitalist societies. Commodification and decommodification and movement and countermovement took place simultaneously throughout the period under investigation. The brief analysis of contemporary developments in Ecuador offered in this thesis suggests similar forces remain in operation.

The thesis also illustrates the value of narrowing the lens of the double movement to examine struggles that emerge around specific economic issues and involve particular social groups. One of the benefits of this approach is that careful attention can be paid to the design *and* implementation of laws and policies. The thesis also draws attention to some of the limitations of Polanyi's concepts. The failure of the double movement to capture the complexity of state-society relations is highlighted throughout. Extending the historical analysis of land to current conflicts over water, the thesis also highlights tensions within the concept over the relationship between communal and state control of natural resources.

The remainder of this chapter is divided into four sections. The second section explains Polanyi's concepts of the double movement, fictitious commodities, and forms of integration. The third section outlines two alternative readings of the double movement and examines the recent change in the direction of economic policies in Latin America through a Polanyian lens. The methodological approach of the thesis is explained in section four and the structure of the thesis is outlined in section five.

## **2. Double movement, fictitious commodities and forms of integration**

The concepts of the “double movement”, “fictitious commodities”, and “forms of integration” are central components of the wider theoretical framework Polanyi develops to explore the changing place of the economy in society.<sup>3</sup> This section outlines the principal features of the three concepts and explains the

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<sup>3</sup> The analysis of the double movement, fictitious commodities, and forms of integration presented in this section is based on Polanyi's principal published work as well as a collection of unpublished materials sourced from the Karl Polanyi Archive, Concordia University, Montreal (archive materials are marked with an asterisk). For valuable insights into the life and work of Karl Polanyi see Dalton (1968), Humphreys (1969), Stanfield (1986), Polanyi-Levitt (1990), Trigilia (2002), McRobbie & Polanyi-Levitt (2006), and Dale (2010).

relationship between them. The strengths and weaknesses of Polanyi's framework are highlighted and the contemporary relevance of his concepts is discussed.

### **2.1. Double movement: simultaneous movements toward and against the market**

Polanyi develops the "double movement" to explain the breakdown of liberal capitalism in the 1930s and the transformation of economies, societies and politics in the decades that followed.<sup>4</sup> He argues two opposing forces emerged under liberal capitalism: the movement towards the creation, expansion and liberalisation of markets (commodification) and the countermovement towards the regulation of markets, strengthening of the state, and expansion of non-market forms of organisation (decommodification). Efforts to reconcile the two sides of the double movement proved impossible under liberal capitalism, forcing states to develop alternative forms of social, political and economic organisation in the 1930s.

The state's establishment of the market as the dominant form of economic organisation marked the start of the double movement. The decisive step, according to Polanyi, was the integration of land and labour into markets. "The rise of the market to a ruling force in the economy", he explains, "can be traced by noting the extent to which land and food were mobilized through exchange, and labor was turned into a commodity free to be purchased in the market." (1957 p. 255) The commodification of land and labour, the incorporation of isolated markets into market systems, and the idea markets should be free to operate with minimal outside interference provided the platform for the market to become the dominant form of economic organisation. But the market's dominance was contested. The exposure of societies to the whims of markets triggered protective responses which aimed to increase market regulation and protect and expand alternative forms of organisation. The "impulse for social protection" came from all quarters: workers, farmers, peasants, landowners, and even industrialists mobilised to restrict the market at one time or another. (Putzel 2002 p. 2) (Dale 2010 pp. 58-62) Polanyi conceptualises these multiple and

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<sup>4</sup> Polanyi focuses on the English and European cases. He places the start of the double movement in England in the 1830s.

diverse responses as a “countermovement” which was unified by a basic, if unarticulated, objective: to limit the influence of markets over societies.

“Precisely because not the economic but the social interests of different cross sections of the population were threatened by the market, persons belonging to various economic strata unconsciously joined forces to meet the danger.” ([1944] 2001 p. 162)

How were the decommodification demands of the countermovement translated into laws, policies and institutions? Polanyi, as numerous authors have noted, does not provide an adequate answer to this question (e.g. Martinelli 1987; Topik 2001; Munck 2004; Levien 2007; Winders 2009; Burawoy 2010). He claims universal suffrage transformed the state into the “organ of the ruling million” and social and political actors were able to force changes where representative democratic institutions were established, respected, and retained.<sup>5</sup> (Polanyi [1944] 2001 p. 216) Yet, the mechanisms through which pressure from social and political actors were converted into laws, policies, and institutions are not explained. The complex relationships that developed between states and societies and the tactics states employed to weaken social and political movements within democratic settings are also undeveloped. Moreover, precisely how sectors of society organised and mobilised is unexplored. (Levien 2007 pp. 120-1) The lack of attention Polanyi pays to these issues leads him to overlook or understate the fact that “even if a movement against the market emerges, it may not succeed in gaining protections unless it has adequate political power.” (Winders 2009 p. 321)

The inadequacy of the relationship Polanyi posits between the state and the countermovement must be taken into account when investigating social and political responses to commodification, especially in the Global South where imbalances in economic and political power are considerable.<sup>6</sup> My analysis of the attempts of indigenous and peasant movements to increase the regulation and redistribution of land in Highland Ecuador demonstrates this point.

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<sup>5</sup> See also Polanyi (1935 p. 367).

<sup>6</sup> I use the terms “Global South” and “developing countries” interchangeably in this thesis. The word “developing” relates here to human development in the broadest sense. No fixed path or destination is implied. See Polanyi-Levitt & Mendell (1987 p. 125) and Sandbrook (2011 p. 423) for insights into Polanyi’s view of development.

One other issue that Polanyi overlooks is the implementation of laws and policies and the role countermovements can perform in this part of the decommodification process.<sup>7</sup> I show that the sustained and collective pressure of highland indigenous communities, organisations and movements was required to implement land reform (albeit partially). In short, the thesis shows that countermovements have important roles to perform in the design *and* application of laws and policies.

The basic outcome of the struggle between the two sides of the double movement under liberal capitalism was the establishment of political economies that simultaneously promoted commodification and decommodification. (Polanyi [1944] 2001 pp. 136-9) (Neale 1994 p. 154) However, according to Polanyi, these regimes were not sustainable, leading to the stalling then collapse of liberal capitalism in the early 1930s. As the Great Depression spread, states abandoned the central tenets of liberal capitalism (e.g. free trade, gold standard, laissez faire) and organised their political economies in radically different ways. The rupture involved the expansion of freedom and the promotion of human development within democratic settings (e.g. Great Britain, United States) and the restriction of freedom and the repression of progressive social and political movements within totalitarian regimes (e.g. Germany, Spain). The outcome of the double movement was therefore regressive as well as progressive. The general trend was towards the escalation of state intervention, the increase of market regulation, and the gradual expansion of state redistributive mechanisms. (Polanyi [1944] 2001 pp. 231-56)

## **2.2. Fictitious commodities: the corollaries of the commodification of land and labour**

The significance Polanyi attributes to the incorporation of land and labour into markets rests on the numerous and diverse functions they perform in societies. Land “invests man’s life with stability; it is the site of his habitation; it is a condition of his physical safety; it is the landscapes and the seasons.” ([1944] 2001 p. 187) Labour, meanwhile, “is only another name for a human activity which goes with life itself”. ([1944] 2001 p. 75) The wider significance of land

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<sup>7</sup> The lack of attention Polanyi pays to the enforcement of laws and policies leads him to exaggerate their decommodification potential in some cases (see Section 4 below).

and labour and the fact neither is produced for sale on the market leads Polanyi to classify them as “fictitious commodities”.<sup>8</sup> The principal objective of the countermovement was to prevent, manage or reverse “the transformation of land and labour into commodities.” (Li 2007 p. 3)

The fictitious commodities concept has multiple dimensions.<sup>9</sup> Three are particularly important for this investigation. First, the intrinsic characteristics of land and labour mean fictitious commodities will not perform like genuine commodities (i.e. items that can be stored, transported, and distributed in accordance with changes in market conditions). Labour cannot be separated from its owner who herself is enmeshed within a complex web of social relations (e.g. family, community) and is dependent on the market price of her labour (i.e. wage) for her economic survival and social standing. (Polanyi [1944] 2001 p. 75) The fact individuals are embedded within social relations means wage labourers will not meekly follow where markets lead. Labour markets therefore exhibit certain rigidities which are not intrinsic to markets for genuine commodities. The same is also true of land markets.<sup>10</sup> Their most fundamental distinguishing characteristic is the supply and location of land is fixed which implies, at the limits, they cannot meet increases in demand. The rigidity this instills is accentuated by the deep and complex relationship that exists between human groups and physical environments and the crucial non-economic functions (social, cultural, spiritual etc.) land performs for individuals, families, communities, and societies. This aspect of the fictitious commodity concept has important implications for the analysis of land reform and land markets. The links between humans and habitats mean attempts to overcome local supply limits by expanding the agricultural frontier via colonisation – a key agrarian policy in twentieth century Latin America - will not necessarily satiate increases in demand (i.e. individuals, families, and communities will not necessarily uproot to secure land in new areas even if the economic potential is greater). Rural actors with long associations with specific regions and cultural practices

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<sup>8</sup> Polanyi also classifies money as a fictitious commodity. See Polanyi ([1944] 2001) pp. 201-9 and Dale (2010) pp. 64-7.

<sup>9</sup> For a recent extension of Polanyi’s fictitious commodities concept see Fraser (2012).

<sup>10</sup> Polanyi’s fictitious commodity view of land is not limited to land itself. The concept also encompasses food, natural resources and nature. This section and thesis focus on the integration of land itself into markets. The other dimensions are touched upon but only perform a marginal role in the analysis. The decision to focus explicitly on land is outlined in Section 4.



linked to land will fight for the redistribution of land where they live rather than settle in new zones. Taking into account the social, cultural, spiritual etc. roles land performs for some rural actors is important for understanding the development and operation of land markets. Even where individuals are permitted to exchange land and private ownership is the dominant form of tenure, land will not necessarily be universally integrated into markets and distributed in accordance with changes in market prices. Non-economic factors will influence the decisions of some landowners and the circulation of land among these actors will follow a different logic to the distribution of land within price-making markets. Tensions emerge between actors who have competing understandings of land and political struggles develop as these actors mobilise to attempt to impose their vision of land on the state.

Second, the fictional status of land and labour as commodities ensures states perform central roles in the creation and regulation of land and labour markets i.e. states and markets are interwoven. States are required to dismantle laws, policies, and institutions that restrict market expansion and replace them with ones that promote market development. Once land and labour markets are established, states are compelled to introduce measures to restrict and regulate commodification even on the most basic of levels. Chang, who draws on Polanyi, identifies a variety of forms of state intervention. (2003c pp. 53-4) States determine which actors can participate in markets (e.g. proscribing the foreign ownership of agricultural land); which objects are legitimate items of exchange (e.g. prohibiting the transfer of communal land); and, stipulate the rights and obligations of property owners (e.g. social and environmental functions of agricultural land). The synchronicity of the double movement comes sharply into focus from this angle. Even on the most basic of levels commodification and de-commodification take place at the same time. Struggles emerge as social and political actors contest the boundaries between the two sides of the double movement. States become the focal points of these political struggles.

Third, the incorporation of land and labour into markets involves the reconfiguration, dissolution or marginalisation of the redistributive and reciprocal mechanisms that regulate the use of land and labour in societies or

settings in which markets have not become the dominant form of economic organisation. In such settings land and labour, Polanyi explains, “are tied up with the organizations of kinship, neighbourhood, craft, and creed – with tribe and temple, village, guild, and church.”<sup>11</sup> ([1944] 2001 p. 187) (Triglia 2002 pp. 98-99) The types of regimes Polanyi refers to were often exploitative and repressive but even in these contexts fictitious commodification still caused social, cultural, and environmental dislocation as traditional systems were marginalised or replaced. More generally, as Harvey notes, the expansion of markets sees long-term struggles emerge around “the ways in which commodification affects the web of life”. (2006 p. 114)

Building on the concepts of the double movement and fictitious commodity, I construct a new concept to examine the relationship between indigenous peoples and land markets in Highland Ecuador. The concept draws an analytical line between the “activation” and “development” of land markets. The former refers to the occasional engagement of actors within markets to secure land while the latter relates to the establishment of price-making markets through which the continuous circulation of land between various actors is channelled. Spaces widened for indigenous peoples to secure land through activation but narrowed through development. Collective pressure was required to broaden the spaces open for indigenous peoples to obtain land. I show that while land markets presented numerous problems for indigenous peoples they also generated opportunities for them to obtain land. The concept therefore supports and challenges Polanyi.

### **2.3. Forms of integration: market, redistributive and reciprocal mechanisms**

Polanyi’s critique of the role markets were entrusted to perform in the organisation of land and labour under liberal capitalism raises the question of how fictitious commodities were organised in earlier societies. Or, as Schaniel & Neale rhetorically ask: “If not exchange, what else could there have been?” (2000 p. 91 fn. 4) Polanyi answers this question through the concept of “forms of integration”. The concept is not only important for understanding political

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<sup>11</sup> For specific comments in relation to land see Polanyi ([1944] 2001) p. 73.

economies of the past but also for comprehending and imagining political economies of the present and future. Providing a schema to analyse social, political and economic organisation across time and space, the forms of integration indicate the very broad alternative mechanisms through which economic processes and land and labour can be organised. The concept therefore provides an indication of how the double movement can be assuaged or transcended.

Polanyi's analysis of historical and anthropological studies of primitive, archaic, feudalist, and capitalist societies leads him to conclude that political economies are only organised around three broad patterns: reciprocity, redistribution, and market exchange.<sup>12</sup> (Polanyi [1944] 2001) (Polanyi *et al.* 1957 p. xviii) (Polanyi 1957 pp. 250-6) (Dalton 1968 pp. xiv-xv) (Schaniel & Neale 2000) Each form of integration involves a distinct distribution process. Reciprocity, Polanyi explains, involves "movements between correlative points of symmetrical groupings", redistribution entails "appropriational movements toward a center and out of it again", and exchange relates to "vice-versa movements taking place as between 'hands'". (1957 p. 250)

Theoretically and empirically, the three forms coexist but one pattern dominates – or "integrates" economic life at the wider level (e.g. national). To become integrative, the particular form of integration requires specific social, political and economic institutions or "supporting structures". (1957 p. 252) Reciprocity necessitates symmetrically arranged social groups; redistribution requires a central authority; and exchange needs a system of price-making markets. (1957 p. 252) Stopping short of stipulating a precise measure, Polanyi provides a broad indicator to gauge changes in the forms of integration and determine when one pattern dominates another. He states the supremacy of one form of integration over another is "manifested in the provision of the daily necessities of life". (1947\*) That is, the principal mechanism through which people secure food; clothing; shelter; income; land etc. indicates the extent to which one particular pattern integrates the economy. I use this indicator to gauge the impact of the dissolution of the traditional hacienda complex on indigenous

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<sup>12</sup> Polanyi classifies householding as a separate form of integration in *The Great Transformation* but incorporates it into redistribution in his later work. See Schaniel & Neale (2000) and Dale (2010).

peoples in Highland Ecuador in the 1960s and 1970s. The analytical link Polanyi establishes between forms of integration and supporting structures indicates that the reconfiguration or transformation of the forms of integration implies the reconfiguration or transformation of the social, political, and economic institutions that underpin them. (Trigilia 2002 pp. 98-9) Changes in the forms of integration therefore entail profound shifts in relations between individuals, families and communities as well as between states and societies.

A crucial point to note about Polanyi's schema is "emotional" or "attitudinal" characteristics must not be affixed to forms of integration *a priori*. (Schaniel & Neale 2000 p. 89 & p. 100) For example, redistributive mechanisms or regimes should not be automatically associated with specific attributes or objectives (e.g. "equality"). (Dale 2010 pp. 116-7) The redistributive form of integration involves the movement of goods, services and resources to and from central authorities (e.g. states, community councils). Outcomes may or may not promote equity and human development. Undesirable results may also occur. The centralisation of power and the expansion of clientilism are two issues associated with redistributive mechanisms in modern political economies. Polanyi, as Martinelli notes, understates these issues.

"In the case of redistribution, Polanyi overlooks problems resulting from the centralization of power, which this mode of integration promotes. Redistribution can, in fact, degenerate into arbitrary despotism and autocratic centralization. It can also encourage the development of paternalistic attitudes which do not respect the autonomy of the recipients of redistributed goods and create patron-client networks." (1987 pp. 145-6)

The need to avoid affixing labels to particular forms of integration is also true of market exchange. The ferocity of the critique Polanyi launches against markets in *The Great Transformation* obscures the fact he also recognised the role regulation can perform in alleviating problems associated with commodification.<sup>13</sup> He makes this point clearly in the plan of the book.

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<sup>13</sup> Polanyi adopts a similar position in his polemic *Our Obsolete Market Mentality*. ([1947] 1968)

“There is no reason to regard a regulated market-system as utopian. While interference with a self-regulating system must lead to the loss of self-regulation and to a new interference, there is no reason why the market should not discharge its unique functions in the framework of a set of regulations.” (1943\*)

Here Polanyi hints at the varieties of capitalism which fit within the market exchange bracket, ranging from lightly to heavily regulated market economies, with reciprocal and redistributive mechanisms performing minor or major supporting functions.<sup>14</sup> Though Polanyi devotes little attention to the issue, the mechanisms through which markets are regulated and the extent to which regulation is enforced come sharply into focus from this angle. Leaning on Polanyi, Harriss-White stresses the importance of taking these factors into account when analysing markets in developing countries. She warns that researchers must be cognizant of “differences between procedure and practice – of the existence of incomplete, inconsistent and/or inconsistently amended law, and of the varying scope for improvisation in the practice of regulation, such that regulation takes on a local character moulded by interests of political and social elites.” (2003 p. 487) The analysis I offer in this thesis indicates that careful attention must also be paid to the structure and functioning of regulatory bodies. The attempt to create space for the involvement of indigenous and peasant representatives within the agencies charged with the task of regulating and redistributing land in Ecuador was central to the concerns of indigenous and peasant movements throughout the period under investigation. The issue, as I will explain in the concluding chapter, remains central to indigenous and peasant concerns in Ecuador.

One final point about Polanyi’s concept that is important for this investigation is how the forms of integration interact. The tensions and contradictions that can emerge between the different forms are not fully explored by Polanyi, particularly in capitalist societies. My analysis sheds some light on this issue. I show land reform performed an important role in extending private property and expanding land markets in Highland Ecuador. The expansion of private property

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<sup>14</sup> Polanyi-Levitt argues one of Polanyi’s key insights was his “insistence on reciprocity and redistribution as mechanisms of economic integration which both sustain and contain the play of market forces”. (2006a p. 11)

rights did not automatically translate into the expansion of land markets and the redistribution of land supported communal rather than private control of land in some cases. Yet land reform still performed a crucial role in stimulating land commodification. The finding presents some challenges to Polanyi's framework as redistribution accelerated as well as contained commodification. The complexity and contradictions of land reform emphasise the importance of investigating the operation and impact of decommodification mechanisms.

### **3. Double movements in the wake of Polanyi**

Polanyi hints the double movement ceased as liberal capitalism collapsed. ([1944] 2001 p. 136) (Dale 2010 p. 226) He does not posit the concept as a law that rigidly applies to capitalist societies across time and space (Section 4 below). Yet, as numerous authors have noted, forces similar to the ones Polanyi identifies have been discernible since the demise of liberal capitalism. Broadly, two alternative readings of the double movement have emerged.<sup>15</sup> The first sees the double movement as a sequential process which starts when states embark on programmes of economic liberalisation. The second reads the concept as a simultaneous process which is a basic contradiction in modern capitalist societies. The former suggests problems associated with commodification can be overcome through reforms while the latter proposes more radical solutions. This thesis, as previously noted, follows the second reading. The aim of this section is not to refute the first reading of the double movement but to explain the two broad interpretations of the concept and indicate the value of examining social, political and economic issues through a radical Polanyian lens.

The rest of this section is divided into two parts. The first explains the alternative readings of the double movement that have emerged since Polanyi first developed the concept. In doing so, the section creates a dialogue between various authors who have considered, evoked or applied the double movement in a variety of contexts. The second briefly examines the recent change in the direction of economic policies in Latin America through a Polanyian lens,

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<sup>15</sup> While based on a different literature, I broadly follow the "soft" and "hard" categories Szelenyi (1991) develops to classify alternative readings of Polanyi, with the first reading of the double movement falling within the "soft" camp and the second sitting within the "hard" group (see Dale 2008a pp. 14-27). Szelenyi's classification is not employed here because of the potentially pejorative interpretation of the term "soft" (e.g. weak, invalid).

returning to some of the theoretical issues discussed in the previous section and signalling some of the contributions this thesis makes to the literature.

### **3.1. Alternative readings of the double movement**

The reading of the double movement which has been most widely applied or evoked in the Global South sees the process kick into gear when states embark on programmes of economic liberalisation (e.g. Robinson 1999; Stewart 2006; Silva 2009; Sandbrook 2011).<sup>16</sup> The authors included within this group offer their own particular twists on the double movement but follow a broadly similar reading of the concept. The liberalisation of markets and the intensification of commodification cause widespread socioeconomic dislocation and environmental destruction. Countermovements emerge which attempt to (re) regulate markets, strengthen non-market forms of organisation, and bolster the state. Their basic aim is to temper and manage capitalism. Effective countermovements force states to break with economic liberalisation and introduce laws, policies and institutions that promote decommodification. Countermovements then dissipate only to re-emerge if states dismantle protective mechanisms and liberalise markets. Hence when the full cycle of the double movement is completed political economies pass through distinct stages of commodification and decommodification. One side of the double movement (commodification) follows the other (decommodification) in a successive pattern.

Three very broad interrelated stages are discernible when the historical evolution of capitalism is viewed through this lens: commodification (c. 1830-1930); decommodification (c. 1930-1980); and commodification (c. 1980-).<sup>17</sup> The first corresponds with the period of liberal capitalism that collapsed in the early 1930s. The second relates to the stage of state-directed capitalism that emerged in the wake of the breakdown of liberal capitalism. The third refers to the phase of neoliberal capitalism that began to develop in the late 1970s. Indicating that there is nothing predetermined about the outcome of the double

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<sup>16</sup> This section engages with studies which investigate social, political and economic issues through a Polanyian – or Neo-Polanyian – lens (e.g. Silva 2009; Sandbrook 2011) as well as those which only make passing reference to Polanyi's ideas and concepts (e.g. Almeida 2007; Acre 2010).

<sup>17</sup> For a similar but alternative Polanyian historical classification see Burawoy (2010) pp. 307-12.

movement, the final phase remains open.<sup>18</sup> The decommodification stage only comes into effect if social and political opposition to commodification is sufficiently powerful to force states to change the direction of economic policies. While some authors within this group see a new wave of decommodification emerging (e.g. Silva 2009), others are less sanguine (e.g. Fraser 2013).

Taking up where Polanyi left off, Stewart, who examines broad changes in economic policies and socioeconomic conditions in developing countries through a Polanyian lens, captures the broad mix of policies introduced during the first wave of decommodification (c. 1930-1980).<sup>19</sup>

“The state was given a major role in determining economic priorities via price and import controls, investment planning and sometimes as a producer, with the adoption of a strategy of import-substituting industrialisation. Formal sector labour markets were subject to regulations, including minimum wages...Thus developing countries virtually skipped Polanyi’s unregulated market phase, moving straight into a situation of extensive regulation and a large public sector, with markets, again, playing a subordinate role.” (2006 p. 6)

Silva, who uses the double movement to investigate social and political responses to neoliberalism in Latin America, casts the “national populist” regimes that emerged in the region during this period in similar light. However, he sees them as reactions to “the original experiment with market society in the region during the long nineteenth century”, implying Latin America passed through an earlier phase of commodification. (2009 p. 19) Silva acknowledges national populist states were limited in numerous areas but argues they were broadly successful in promoting decommodification.<sup>20</sup> (2009 pp. 19-23) Focusing on Argentina, Bolivia, Ecuador and Venezuela, he contends the

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<sup>18</sup> Polanyi’s epistemology is discussed in Section 4.

<sup>19</sup> Stewart focuses on Polanyi’s notion of the “Great Transformation” which she equates with the countermovement. (2006 p. 22) She notes that Polanyi actually describes two transformations: the establishment of liberal capitalism in the 1800s and the break with the liberal capitalism in the 1930s. Stewart describes this second transformation (i.e. the countermovement) as “the succession of changes that were provoked by the predominance of the market model.” (2006 p. 2)

<sup>20</sup> For non-Polanyian accounts of the political economies that emerged in Latin America during this period see Thorp (1998) and Bulmer-Thomas (2003). See Love (1994) for insight into the economic ideas that underpinned these regimes.



regimes “decommodified labor and land for urban and rural popular sectors and many middle-class social groups”. (2009 p. 41)

Neoliberalism marked the end of this wave of decommodification and the start of new phase of commodification (c. 1980-). The first major step in this direction in Latin America came in the wake of the 1982 debt crisis when governments across the region introduced structural adjustment programmes (SAPs) under the aegis of the International Monetary Fund and the World Bank.<sup>21</sup> The programmes sought to reduce public debt, balance government budgets, alleviate balance-of-payments problems, reduce inflation, and create conditions conducive for the repayment of overseas debt to international institutions and investors.<sup>22</sup> Viewing the impact of SAPs through a Polanyian lens, Udayagiri and Walton, who examine the cases of Mexico and India, claim the programmes contributed to the unravelling of the “moral economy” of the previous regimes. (2003 pp. 314-5) Silva offers a more precise assessment, contending the introduction of SAPs constituted the “first step toward the recommodification of labor and land because they dismantled or weakened institutions and bargaining mechanisms that protected people, especially the popular sectors and the middle classes, from the market.” (2009 p. 24) That is, SAPs caused a rupture in the historical evolution of markets for fictitious commodities in Latin America. Neoliberal reforms, which overlapped with structural adjustment, then accelerated the move to the market. Silva sees the overall shift as analogous of the attempt to construct “market society” in the late nineteenth and early twentieth centuries. (2009 pp. 16-19) He claims Latin American states “sought to build an entire new order that, as in market societies, subordinated politics and social welfare to the needs of an economy built on the logic of free-market economics.” (2009 p. 3) Robinson draws a similar conclusion, contending neoliberalism enabled the market to become the “sole organizing power in the economic and social sphere” in Latin America. (1999 p. 43-4) Stewart sees a similar shift take place on a global scale.

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<sup>21</sup> Chile was the clearest exception to this general trend. The country embarked on a widespread, though far from universal, programme of economic liberalization in the 1970s under the conservative dictatorship of Augusto Pinochet. See Cypher (2004) and Silva (2009) for insights into the historical trajectory of the country from a Polanyian perspective.

<sup>22</sup> The extent to which Latin American governments implemented SAPs varied significantly. See Thorp (1998) and Bulmer-Thomas (2003) for details on SAPs in Latin America and Conaghan & Malloy (1994) in the Andean region. See also Kaplan (2013).

“Interpreting and analysing these changes in Polanyist-terms, we can see that in developing countries, the changes might be best interpreted as being parallel to the move to the market in Europe in the nineteenth century...it was not so much, therefore, the reintroduction of a market for labour or land, or money, but the introduction of these markets in more-or-less pure form for the first time.” (2006 p. 8)

The authors within this camp agree that neoliberalism created the conditions for the emergence of countermovements but offer different interpretations of their strength, character, and objectives.<sup>23</sup> The defensive nature of the countermovements that emerged during this period is frequently, though not universally, highlighted. For example, extrapolating from the cases of Mexico and India, Udayagiri and Walton claim:

“The case studies suggest a pattern in these global countermovements. Actors are confronted abruptly with threats to their well-being; typically economic threats (jobs, wages, subsidies, protections) but also environmental, political, and symbolic threats...The threatened value in each case is a former entitlement, typically a form of protection ensured by the state (e.g. food subsidies, labor legislation, environmental protection).” (2003 pp. 335-6)

Countermovements are therefore characterised as defensive reactions to the breakdown of the political-economic regimes that preceded neoliberalism. Almeida, who uses the double movement to frame his analysis of popular protests in Latin America, offers a similar interpretation.<sup>24</sup> He claims the transition to neoliberalism “creates a countermovement of social forces that mobilize to protect groups whose safety nets are threatened and contest the pace and logic of the transition process.” (2007 p. 127) Silva casts Latin American countermovements in similar light.<sup>25</sup> He describes the waves of social and political mobilisations that engulfed Argentina, Bolivia, Ecuador and Venezuela as “Polanyian defensive reactions to the imposition of market society or the

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<sup>23</sup> Compare, for example, Robinson (1999), Stewart (2006) and Levien (2007).

<sup>24</sup> See Eckstein ([1989] 2001) for theoretical and empirical insights into the popular protests/social movements that occurred/developed in Latin America during the 1970s, 1980s and 1990s. See also Escobar & Alvarez (1992), Foweraker (1995), Potero & Zamosc (2005) and Foweraker (2005).

<sup>25</sup> On “Polanyi-like” defensive mobilisations in Latin America see also Acre (2010).

threat of doing so.” (2009 p. 18) Elaborating on the nature of these mobilisations in a later study, he explains:

“The point...is not to defend the economic inefficiencies and political instability of the national populist period...Instead, it is to establish a benchmark of protections from the market (decommodification) created by national populist governments, for much mobilization against market liberalization was a defensive reaction to recommodification of those protected spaces.”<sup>26</sup> (2012 p. 8)

Silva claims the countermovements that emerged in these countries forced regimes to break with the neoliberal orthodoxy, increase the regulation of markets, and expand the role of the state. He sees a new phase of decommodification emerging in Latin America, echoing the earlier cycle he claims the region passed through after the collapse of liberal capitalism (the current conjuncture is discussed in the next section).

The second reading of the double movement offers a different version of events (e.g. Bernard 1997; Lacher 1999; Polanyi-Levitt 2006b). This interpretation, which is implicit or explicit in the writings of the small group of authors who take a radical view of Polanyi, suggests capitalism evolves through a continuous and simultaneous process of commodification and decommodification, movement and countermovement. Capitalist societies perpetually reinvent themselves but without resolving the underlying contradiction between the two sides of the double movement. Viewing the concept as a contradiction stresses commodification and decommodification take place at the same time, emphasises basic continuities in capitalist development, and points toward long-term struggles over the role markets perform in societies. The reading therefore offers a different interpretation of the historical evolution of capitalism and provides an alternative lens through which to explore contemporary social, political and economic issues. Polanyi-Levitt – the daughter of Karl Polanyi – captures the basic thrust of this take on the double movement. In effect, she extends the contradiction Polanyi saw in liberal capitalism to the variants of capitalism that followed in its wake.

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<sup>26</sup> Here Silva (2012) refers only to Argentina, Bolivia and Ecuador.

“A longer historical perspective reveals that Polanyi’s ‘double movement’ is not a self-correcting mechanism to moderate excesses of market fundamentalism but an existential contradiction between the requirements of a capitalist market economy for unlimited expansion and the requirements of people to live in mutually supportive relations in society.” (2006b p. 385)

Lacher adopts a similar position. He claims Polanyi’s thesis should be seen as “a social and cultural contradiction between the disembedded market and the conditions which make society, and social relations between human beings, possible.” (1999 p. 315) Restricting his argument to advanced capitalist economies, he argues the capitalist political economies that emerged after the breakdown of liberal capitalism failed to resolve the fundamental problems associated with fictitious commodification. (1999 pp. 323-6) Bernard, who approaches Polanyi from a political ecology perspective, makes this point forcefully, arguing that it was “precisely in the world order characterised by ‘embedded liberalism’ in the advanced capitalist world that ecological disembedding increased exponentially in intensity and came to subsume literally all corners of the planet.”<sup>27</sup> (1997 p. 87) These authors therefore question the degree of decommodification achieved during the state-directed cycle of capitalism (c. 1930-1980) and suggest some of the conflicts that emerged under neoliberalism (c. 1980-) were phases in longer-term struggles over the role markets perform within societies. Cast in this light some of the countermovements that emerged or evolved under neoliberalism can be seen as “offensive” (i.e. aimed at establishing laws, policies, and institutions that were never implemented) rather than “defensive” (i.e. aimed at protecting laws, policies, and institutions that were introduced during earlier stages of capitalism). I use this offensive/defensive framework to analyse indigenous mobilisations in Ecuador and consider the implications of these past struggles for contemporary developments in the country.

Different policy implications flow out of the two readings of the double movement. From a radical perspective, Bernard demands “a reorganisation of

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<sup>27</sup> Drawing loosely on Polanyi, Ruggie (1982) develops the “embedded liberalism” concept to analyse the political economies that emerged in the advanced capitalist world in the post-1945 period.

work, a democratisation of state structures, and the socialisation of decision making about technology and the relationship between economic activity and local, regional and national ecological carrying capacities.”<sup>28</sup> (1997 p. 87) The need to break decisively with existing forms of political, social and economic organisation is also advocated by Adaman *et al.* who claim “a system of participatory democratic planning, based on negotiated coordination, provides the most developed and promising framework for reinstating economic activity and embedding the economy in society”. (2007 pp. 108-9) Lacher, meanwhile, argues the problems Polanyi identifies in relation to fictitious commodities demand nothing less than “some form of socialism in which land, labour and money are no longer thought of as commodities”. (1999 p. 325) From a less radical standpoint, Sandbrook also emphasises the importance of establishing laws, policies and institutions that promote the decommodification of fictitious commodities but argues less dramatic changes are required. Sensitive to the historical experiences and current realities of countries in Africa, Asia and Latin America, he frames his proposals as “dilemmas” rather than providing rigid solutions to varied and complex issues. (2011 pp. 417-8) He expresses a preference for social democracies over socialist solutions, arguing the former regime types “have shown themselves to be far more astute in handling the contradiction between market efficiency, on the one hand, and social equity, justice, and stability, on the other, than Polanyi foresaw.” (2011 p. 417) Sandbrook acknowledges, however, that the establishment and maintenance of social democratic regimes may be impossible in countries “with fragile states, mass poverty and societies driven by ethnic, religious or regional cleavages.” (2011 p. 433) Silva offers less concrete proposals but claims the principal movements that emerged in Argentina, Bolivia, Ecuador and Venezuela “sought to *reform* neoliberal capitalism, demanding a return to the mixed economy and a larger welfare role for the state, rather than replace it with an alternative ‘socialist’ or other model”.<sup>29</sup> (2009 p. 3, emphasis retained) Stewart points in a similar direction but is more forward looking, proposing a number of policies that have never been properly or partially implemented in developing countries

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<sup>28</sup> He goes on to assert: “But none of this is possible without a shift in power relations and ideologies at the local and global levels.” (1997 p. 87)

<sup>29</sup> Silva discusses very broad policy alternatives in the conclusion of his book. (2009 pp. 266-84)

(e.g. universal welfare provision, universal minimum income guarantees). (2006 p. 12) Viewed through the defensive/offensive framework elaborated above Stewart therefore casts effective countermovements in largely offensive rather than primarily defensive light.

The discussion of the policies and regimes the literature see emerge out of the double movement provide a useful benchmark to consider recent political and economic changes in Latin America.

### **3.2. The shift in Latin America's social, political and economic landscape through a Polanyian lens**

Over the last fifteen years Latin American governments have clearly, if not universally, broken with the “extreme liberal policy stance” of the 1980s and 1990s.<sup>30</sup> (Taylor 2000 p. 26-7) The changes individual countries have experienced have varied enormously but three broad groups have emerged.

The first group, which includes Bolivia, Ecuador, and Venezuela, has seen significant revisions to their political economies. New constitutions have revised political systems and granted new social, political, environmental, and economic rights; states have taken more active roles in regulating markets and directing economic change; free-trade agreements have been eschewed (especially with the United States); participation in new regional political and trade agreements and forums has been encouraged (e.g. ALBA); and, state redistribution, underpinned by revenues from non-renewable natural resource extraction, has performed prominent roles in public spending and social provisioning.

The second camp, which includes countries like Brazil, Chile, and Uruguay, has seen more modest breaks with neoliberalism. Working within existing constitutions, governments have expanded welfare programmes (e.g. cash transfer schemes), retained or expanded full or partial state control of strategic sectors (e.g. oil, mining), and promoted a somewhat larger role for the state in regulating markets and directing economic change.

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<sup>30</sup> Taylor foresaw this policy shift. Echoing the first reading of the double movement presented above, he posits “the initial outcomes of liberalization suggest that a ‘double movement’ á la Polanyi, first towards and then away from an extreme liberal policy stance, could be forthcoming in the not-so-distant future.” (2000 pp. 26-7)

The third group, which includes countries like Colombia, Mexico, and Peru, has remained true to the central tenets of neoliberalism. No serious attempts have been made to extend the role of states in regulating markets and directing economic change; free-trade agreements with the United States, European Union, and other countries and custom unions have been retained or agreed; new regional political and trade agreements and forums have been eschewed; and, the expansion of state redistribution has been modest or non-existent.

Viewing these developments through a Polanyian lens, Silva posits the changes that have taken place in Argentina, Bolivia, Chile, Ecuador and Venezuela “suggest the dawning of a Polanyian countermovement to contemporary market society in Latin America.” (2009 p. 267) “This countermovement”, he continues, “reasserts the legitimacy of principles that decommodify labor and land and advocates a greater degree of state intervention to achieve those goals.” (2009 p. 267) What degree of decommodification has actually been achieved? While a full answer to this question is outside the boundaries of this investigation, a cursory glance at developments within the countries that have experienced the most substantive reforms (i.e. Bolivia, Ecuador and Venezuela) provides some indication.<sup>31</sup>

Limiting the discussion to land, one of the most contentious aspects of the economic and political programmes that have emerged in these countries has been non-renewable natural resource extraction (e.g. oil, minerals).<sup>32</sup> No serious attempt has been made to stop extraction. Indeed, states have generally moved in the opposite direction and accelerated the development of extractive industries. The principal changes have come in revisions to the ownership and regulation of the companies that operate within these sectors. In general, state-owned enterprises have taken on a larger role and governments have been able to obtain a greater share of revenues. The most innovative scheme to emerge within this sphere was the Yasuní/ITT environmental initiative. Under the agreement, the Correa government pledged not to extract approximately 850 million barrels of oil located under the Yasuní National Park on the condition the international

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<sup>31</sup> The following governments have overseen reforms in Bolivia, Ecuador and Venezuela: Morales (2005 to date); Correa (2007 to date) and Chávez-Maduro (1998 to date).

<sup>32</sup> To recall, Polanyi’s fictitious commodity concept includes land, food, natural resources and the environment. This section touches on these various dimensions.

community provided substantial compensation for leaving the oil underground. In Polanyian terms, the scheme aimed to prevent the commodification of the national park, preserve the natural habitat, and protect the indigenous communities who live in the region. With the initiative failing to secure significant financial backing from overseas governments and international agencies, President Rafael Correa axed the programme in 2013. The government has announced the development of the oil fields will be undertaken by the national state-owned enterprise Petroamazonas.<sup>33</sup>

Some efforts have been made to decommodify land through changes in agrarian policies and practices. However, progress has been mixed. The most significant changes have come in Bolivia where the Evo Morales government has developed a new agrarian reform programme and provided indigenous and peasant communities with greater control over natural resources (excluding non-renewable resources which remain the preserve of the state).<sup>34</sup> Land reform has also been undertaken in Venezuela. The regulation and redistribution of land has increased. However, little space has been created for social involvement in the reform and the programme has been only partially implemented.<sup>35</sup> No serious attempt has been made to transform the agrarian structure in Ecuador. Although the Correa regime has promised to unleash a “*Revolución Agraria*”, it has failed to deliver on its pledge.<sup>36</sup> The failure of the government to support indigenous and peasant calls for the introduction of a law to bring land under social as opposed to market control is one example of the lack of interest it has shown in substantive reforms. Some effort has been made to support small-scale farmers but the agricultural model remains overwhelmingly orientated towards export production and little progress has been made on enhancing food sovereignty.<sup>37</sup> I assess the struggle over the land law and explain the contributions this thesis makes to current agrarian debates in Ecuador in the concluding chapter.

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<sup>33</sup> See *Pleno declaró de interés nacional la explotación petrolera responsable de los bloques 31 y 43*, Asamblea Nacional, 03/10/2013.

<sup>34</sup> On land reform in Bolivia under Evo Morales see Bottazzi & Rist (2012) and Fabricant (2012).

<sup>35</sup> See DeLong (2005), Wilpert (2006), Page (2010) and Kappeler (2013) for analyses of land reform under Hugo Chávez.

<sup>36</sup> See Herrera (2007) and Brassel *et al.* (2008) for contemporary debates over land reform in Ecuador.

<sup>37</sup> On food sovereignty in Ecuador see Clark (2013) and Peña (2013).



While the overall change in direction of economic policies in Latin America over the last fifteen years provides basic support for Polanyi's thesis, developments in Bolivia, Ecuador and Venezuela also presents some challenges to his framework and the way it has been applied. One area is the role the state. Silva sees the bolstering of the state as a central feature of the countermovements that he claims have emerged in these countries. (2009 p. 267) Yet the strengthening of the state has been problematic on numerous levels. The role states agencies and enterprises have performed in undertaking and promoting extractivism has been a source of tension, especially in Bolivia and Ecuador where the Morales and Correa governments have repeatedly clashed with environmental organisations and indigenous and peasant movements and communities.<sup>38</sup> The bolstering of the state has caused conflicts linked to natural resources in other areas. The attempt of the Correa government to establish a new water regime in Ecuador is one example. Indigenous and peasant organisations and movements launched a series of mobilisations against the proposal in 2009 and 2010, forcing the government to undertake a prelegislative consultation on the issue. While the possible privatisation of water was a fear for indigenous and peasant organisations and movements, the increased role the state was expected to perform in the regulation and redistribution of water was the more immediate concern as this threatened communal control of the resource. One of the central solutions to the market within Polanyi's framework was therefore one of the principal problems for indigenous and peasant organisations. The issue is not that Polanyi does not recognise the importance of communities. Indeed, he is often criticised for reifying communal customs, practices and life. But the interface between the state and the community is not clear within the double movement. The water case illustrates increasing state control and protections can undermine as well as support communal customs and practices. I come back to these issues in the concluding chapter of the thesis.

The conflict draws attention to the simplistic way in which the relationship between the state and the countermovement is presented in the double movement and the need to scrutinise the mechanisms through which decommodification is

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<sup>38</sup> See Bebbington (2012) for insights into extractive industries in the highland and lowland areas of the Andean region.

attempted or achieved. My analysis of the relationship between land reform and indigenous peoples casts further light on these issues. I show indigenous and peasant organisations and movements attempted to bring the use and distribution of land under social and communal control throughout the period under investigation. The aim was not so much to bolster the state but to transform the relationship between the state and society. The issue remains central to the concerns of social movements in Bolivia, Ecuador and Venezuela.<sup>39</sup> The potential for social involvement in directing and regulating the economy has increased in some directions. For example, Ecuador's 2008 constitution enables organised groups within society to submit legislative proposals directly to the legislature and demand plebiscites on particular issues (e.g. Yasuní/ITT). However, the strengthening of the state has also restricted spaces for social participation in other areas. Viewing changes in Venezuela through a Polanyian lens Sandbrook claims the Chávez regime has exhibited “a continuing top-down orientation with evident authoritarian tendencies”. (2011 p. 428) The Correa government has also demonstrated authoritarian traits, overseeing the criminalisation of social protest and restricting the spaces for social movements to operate.<sup>40</sup> The active role the state performed in preventing a referendum on Yasuní/ITT also demonstrates the limitations of the mechanisms the 2008 constitution established for social participation in regulating and directing economic change.<sup>41</sup> Recent events in Ecuador show that democratic states can react positively as well as negatively to social mobilisation over commodification. The simple relationship Polanyi posits between the countermovement and the state does not capture the complexity of state-society relations in contemporary capitalist societies. I return to these points later in this thesis.

If nothing else, recent events in Bolivia, Ecuador, and Venezuela illustrate the difficulties regimes have faced in attempting to accommodate the demands of

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<sup>39</sup> On the relationships between states and social movements in contemporary Bolivia, Ecuador and Venezuela see Prevost *et al.* (2012).

<sup>40</sup> See Amnesty International (2012). See also, for example, *La sentencia contra Pepe Acacho*, Hoy, 14/08/2013 and *Se inició juzgamiento a siete indígenas por sabotaje y terrorismo*, El Universo, 16/07/2013.

<sup>41</sup> For an indication of the role the government and state institutions performed in preventing a referendum on Yasuní/ITT see *¿Por qué los Yasunidos dejaron de creer en el CNE?*, Hoy, 04/05/2014. See also *Firmas de Yasunidos superan las requeridas, según estudio*, El Universo, 29/05/2014.

the various and diverse social and political movements that have challenged the direction of economic change during earlier phases of capitalist development. This calls into question Silva's assertion that the demands of the principal movements that emerged in Argentina, Bolivia, Ecuador, and Venezuela were limited to the reform of neoliberalism and the (re) establishment of state-directed capitalist economies. While measures introduced over the last decade have been broadly successful in discouraging the (re) formation of broad-based countermovements, struggles over commodification have continued.<sup>42</sup> Echoing radical readings of Polanyi, the interpretation of the double movement I adopt within this thesis suggests that this will remain the case until more fundamental changes are made to tackle problems associated with the incorporation of fictitious commodities into markets.

#### **4. Methodology**

The discussion in the previous section indicates the double movement has been generally evoked or applied at the global (e.g. Stewart), regional (e.g. Almeida), and multi-country (e.g. Silva) levels to explore changes across entire economies, societies and regions.<sup>43</sup> Moreover, the vast majority of the existing literature has followed the first reading of the concept, which sees contemporary double movements start when states introduce structural adjustment policies and neoliberal reforms. Hence there is a gap in the literature for a study that narrows the lens of the double movement to explore a specific economic issue within a single country while following a radical reading of the concept. This thesis aims to fill that gap by investigating the evolution of land reform, land markets, and indigenous mobilisation in Highland Ecuador between 1964 and 1994. The value of extending the time period and narrowing the topic is that it allows for the analysis of the long-term evolution of land reform and land markets and the detailed investigation of a particular economic issue and specific social group. The approach allows for close attention to be paid to the design *and* application of laws and policies, continuities and discontinuities between different phases of

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<sup>42</sup> Events in the opening years of this decade have called into question the extent to which reforms undertaken in Latin America have been sufficient to prevent widespread social mobilisation. Mass popular protests, while not strong enough to topple regimes, have taken place in a number of countries in the region. Brazil, for example, witnessed a series of mass mobilisations in 2013 and 2014. See Singer (2014) for a detailed analysis of the 2013 protests.

<sup>43</sup> Exceptions include Neale (1994) and Levien (2007).

capitalism, the impacts of economic changes on specific social groups, and the role particular actors perform in supporting and challenging commodification.

Taking a radical reading of Polanyi, I argue the double movement operated throughout the period under investigation. The laws and policies introduced in Ecuador in the decades prior to neoliberalism failed to resolve the issues at the heart of the double movement and the countermovement that emerged around land reform, land markets, and indigenous peoples was largely offensive (i.e. attempting to transform the existing framework) rather than primarily defensive (i.e. attempting to protect the existing framework).

The remainder of this section explains the methodological approach I have adopted to undertake the research and produce the thesis. The initial sections explain the origins of the thesis, the limits of the case, and the role of Polanyi's concepts within the project. The later sections outline the principal source materials I have used and the steps I have taken to elaborate and analyse the data.

#### **4.1. Evolution of argument, case selection and research question**

The original idea for this thesis came in 2005 when I first read Karl Polanyi's *The Great Transformation*. I was in Ecuador as the Lucio Gutierrez government began to unravel. Protests, demonstrations, and street battles were the backdrop of everyday life. Discontent with the president and the government was palpable. Taxi drivers, shopkeepers, teachers, and students told me the president had reneged on his promise to follow a different economic path and instead continued with the neoliberal policies of discredited past regimes. *The Great Transformation*, as Joseph Stiglitz notes in the foreword to the 2001 edition of the book, appeared to speak directly to current issues and events. The idea that social and political struggles would emerge around the creation, expansion, and liberalisation of markets seemed particularly apposite. The decision of Lucio Gutierrez to turn to the IMF – the global cheerleader of free-market economics – was one of the principal factors behind the widespread discontent with his regime. I appeared to be witnessing another phase in protests against neoliberalism. The victory of Rafael Correa at the 2006 presidential elections seemed to reinforce this interpretation of events. The president pledged to end

Ecuador's "long dark night of neoliberalism". The tide appeared to be turning. The double movement seemed like the perfect framework to explore Ecuador's predicament.

On returning to England, I searched for studies that had drawn on Polanyi's ideas and concepts to explore issues in developing countries and discovered that I was not alone in noting the contemporary relevance of his ideas and concepts. Yet there was a gap in the literature for a thorough investigation of the double movement at the country level. I decided to fill that gap by using Ecuador as a case study to explore Polanyi's thesis. My original aim was to contribute to the emerging double movement debate and examine problems associated with the introduction of structural adjustment and neoliberal policies. My initial hypothesis therefore coincided with the bulk of the literature that uses or evokes the double movement in developing countries i.e. I saw the double movement emerge in Ecuador as structural adjustment and neoliberalism advanced.

I began to question this position, however, as I delved deeper into Polanyi's work, the Polanyian literature, and Ecuador's social, political, and economic history. Insights from authors who espouse a radical reading of Polanyi contributed to this shift (e.g. Bernard 1997; Lacher 1999). Their claim that the capitalist states which emerged under embedded liberalism did little to resolve problems associated with the commodification of land and labour seemed to extend to Ecuador. The insight prompted me to examine the historical development of land and labour markets in Ecuador in greater depth. Economic, historical, and anthropological sources pointed towards the acceleration of land and labour commodification in the 1960s as the traditional hacienda complex unravelled and the capitalist modernisation of agriculture accelerated. The change was most dramatic in the highland region where traditional haciendas continued to dominate the social, political, and economic landscape in the 1960s. The impact of the transformation of the agrarian structure was particularly great on indigenous families and communities as they were widely, if not universally, enmeshed within the traditional hacienda complex. The investigation of the relationship between land and labour commodification and highland indigenous peoples appeared to provide fertile ground to explore whether the roots of the double movement I initially believed had started in the 1980s extended further

back into Ecuador's social, political, and economic history. Focusing on indigenous peoples was particularly appealing as indigenous movements performed a pivotal role in the protests that swept across Ecuador from the 1980s onwards. Through a closer reading of Polanyi's thesis and Ecuador's history, the central research question became: was it possible that some of the double movements witnessed in the 1980s and 1990s were phases in longer-term struggles linked to the role markets perform within societies?

Moving the starting point of the investigation back to the 1960s demanded narrowing the focus of the empirical investigation to answer this question. My decision to focus on land reform, land markets, and indigenous mobilisation was based on three basic factors. First, issues related to the use, control, and distribution of land are central to indigenous peoples and movements. I decided to focus on these issues rather than the other dimensions of land commodification (e.g. food, agriculture) because of the primordial importance of land to agricultural production and indigenous livelihoods. Second, land reform, land markets, and agrarian issues are underanalysed in the existing double movement literature.<sup>44</sup> Three, issues related to land are central to academic and political debates about development in Ecuador, Latin America and elsewhere in the Global South. The time period of the investigation – 1964 to 1994 – was selected to enable the investigation of the entire period of agrarian reform and the transition to neoliberalism in historical perspective. While the research is situated within Ecuador's past, the thesis is orientated towards improving our understanding of the country's present and future.

#### **4.2. Peculiarities of the case and limits of the claims and contributions of the thesis**

The previous section indicated Ecuador became the setting for this investigation through a personal journey rather than a careful consideration of possible cases. The country was not selected as a "typical" or "extreme" case to explore the double movement. (Blaikie 2000 pp. 222-3) However, the peculiarities of the case must be taken into account when considering the claims and contributions made within this thesis. With this in mind, this section very briefly outlines the

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<sup>44</sup> Exceptions include Neale (1994), Levien (2007) and Li (2007).

trajectory of Ecuador's political economy in the twentieth century, highlighting some of the principal similarities and differences with other Latin American countries, with emphasis given to dimensions related to the topic under investigation. The objective of the section is strictly methodological. No attempt is made to provide a detailed or comparative historical analysis of Ecuador's political economy.<sup>45</sup>

One basic characteristic Ecuador shares with other Latin American countries is the centrality of primary export production to its political economy.<sup>46</sup> The country has been heavily reliant on the export of primary goods for economic growth, government revenues, and foreign exchange since the nineteenth century. The primary export model has important implications for the use and distribution of land as well as for economic performance, political stability and human development. Following the general trend in Latin America, Ecuador experimented with import substituting industrialisation (ISI) in the 1960s and 1970s but, contrary to the experience in Brazil and the Southern Cone, the model, which was only very loosely implemented, failed to break the country's reliance on primary exports. The introduction of neoliberal reforms embedded and extended primary export production, as was the case elsewhere in the region.

The path Ecuador followed to neoliberalism resembled the route taken by other Latin American nations. SAPs, which were introduced in the aftermath of the 1982 debt crisis, provided the foundation for neoliberal reforms, which were implemented in the 1980s and 1990s. However, the pace and extent of neoliberal restructuring was less pronounced than in some other cases (e.g. Bolivia). Moreover, the limited progress Ecuador made in terms of socioeconomic development in the 1960s and 1970s ensured the country experienced a less dramatic rupture in the 1980s and 1990s than some other Latin American countries (e.g. Mexico).

The waves of popular protest that swept across Ecuador in the 1980s and 1990s were among the largest in Latin America. One element which

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<sup>45</sup> The historical evolution of Ecuador's political economy is discussed in greater depth in Chapters 4 and 7.

<sup>46</sup> See Thorp (1998) and Bulmer-Thomas (2003).

distinguished Ecuador from most other Latin American countries was the prominent role indigenous movements performed in the protests.<sup>47</sup> On the most basic of levels this reflected a) the relative size of the indigenous population; b) the strength of ethnic identity; and, c) the capacity of indigenous organisations and movements. These factors supported indigenous efforts to mobilise against the state from the 1960s onwards.

Like in most other Latin American countries, land reform performed a prominent role in Ecuador's social, political and economic history.<sup>48</sup> Broadly speaking, the reform was at the lower end of the spectrum in terms of the amount of land redistributed and the number of households involved. The relative weakness of the reform suggests it decommodified land to a lesser extent than the reforms implemented in some other Latin American countries. While a detailed comparative analysis would be required to draw firm conclusions, this suggests it is easier to detect long-term struggles linked to land markets in Ecuador than it is in countries that experienced comprehensive reforms.

The peculiarities of the historical trajectory of Ecuador's political economy have important implications for the theoretical contributions and claims made within this thesis. The extent to which it is possible to theorize from single case studies has been long-debated in the social sciences. (Blaikie 2000 pp. 213-25) Some authors propose the use of "extreme" or "deviant" cases to evaluate or modify concepts and theories. Others posit the use of "typical" cases, claiming if cases exhibit a number of common characteristics the likelihood of similar processes and outcomes materialising in other settings is greater. However, gauging the extent to which cases are typical or extreme is highly problematic, especially when investigating meso or macro events. Social scientists do not work in "laboratory-like conditions" and cases "vary on many dimensions of relevance". (Dobbin 2005 pp. 28-9) The position I adopt is that the case at the heart of this thesis is "appropriate" rather than typical or extreme. (Blaikie 2000 p. 222) While following this approach allows the thesis to make theoretical

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<sup>47</sup> See Potero & Zamosc (2005) for an overview of indigenous movements in Latin America.

<sup>48</sup> See Thiesenhusen (1989) and Dorner (1992) for overviews of state-directed land reforms undertaken in Latin America in the twentieth century. Ecuadorian land reform is discussed at length in Chapters 2-9.



claims, the peculiarities of the case set clear limits on the scope and strength of these assertions. The limitations of the source materials, which I will explain below, should also be taken into account.

### **4.3. The role of Polanyi's concepts within the research and thesis**

Polanyi does not propose the double movement as a universal law that rigidly applies to capitalist societies across time and space. He believed, as Dale explains, “the quest for a formal, rule-governed economic theory was a futile enterprise, that the economy is determined not by given and unchanging natural laws but by social norms and conventions that are malleable over time”.<sup>49</sup> (2010 p. 14) The reading of the concept I adopt in this thesis suggests double movements are basic contradictions in modern capitalist societies but are contextually and historically contingent. Social, political, and economic conditions influence actors and processes and outcomes are multiple and mutable. (Neale 1994 p. 165)

The specific roles Polanyi's concepts perform in the investigation are fourfold. First, I use the double movement concept to examine the commodification and decommodification dimensions of land reform legislation introduced in Ecuador between 1964 and 1994. The wider analysis focuses on the social and political struggles that emerged around these two dimensions. I also examine the indigenous-peasant legislative proposals tabled in 1973 and 1993 through a Polanyian lens. Second, I draw on the forms of integration concept to examine the changes in the mechanisms used to distribute land in the highland region. The analysis concentrates on market and redistributive mechanisms which simultaneously expanded under land reform. Third, I use the countermovement concept to analyse indigenous struggles over the use, control and distribution of land. The activities of the countermovement are split into three interconnected groups: i) attempts to transform land reform legislation; ii) efforts to enforce existing land reform legislation; and iii) attempts to force landowners to sell land to indigenous families and communities. Fourth, I draw

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<sup>49</sup> Echoing Dale, Polanyi-Levitt & Mendell assert Polanyi “passionately rejected deterministic theories of sociology and economics, warned of the ‘fateful error’ of belief in a science of the future, and denied the existence of scientific laws of human development.” (1987 p. 125) Polanyi highlights this in his book plan of *The Great Transformation* in which he states that he started “to liberate himself from the positivist-determinism of Marxism” in the 1910s. (Polanyi 1943\*)

on the double movement and fictitious commodity concepts to construct a new conceptual framework to analyse the relationship between indigenous peoples and land markets. I call the concept the activation/development framework. In addition, I use the defensive/offensive framework I elaborated through the review of the Polanyian literature to analyse indigenous mobilisations and demands.

#### **4.4. Primary and secondary source materials: collation, elaboration and analysis**

I draw on a wide range of primary and secondary source materials published in English and Spanish as well as seventeen interviews I conducted during two fieldwork trips to Ecuador (the source materials are summarised in Table 1.1 below).<sup>50</sup> This section explains the source materials; the roles these materials performed within the thesis; the problems I encountered undertaking the research; and the steps I took to overcome or mitigate these problems.

##### **4.4.1. Land reform data, archives and reports**

*Instituto Ecuatoriano de Reforma Agraria y Colonización* (IERAC) data sourced from *Instituto Nacional de Desarrollo Agrario* (INDA) in Quito are utilised to analyse land redistribution in the highland region of Ecuador. The raw data were supplied in Microsoft Excel spreadsheets. The figures, which cover the period 1964-1994, include the amount of land redistributed and the number of recipients. The data are reported at the provincial, regional, and national levels. IERAC-INDA divide the aggregate data into five categories: 1) privately owned land (land transferred to IERAC via reversion, negotiation, and expropriation and redistributed to beneficiaries (peasant families, communities, cooperatives etc.); 2) state owned land (*Asistencia Social* land transferred to IERAC and redistributed to beneficiaries (peasant families, communities, cooperatives etc.); 3) liquidation of *huasipungo* (land redistributed to peasants who worked under the outlawed semi-feudal practice of *huasipungo*); 4) liquidation of precarious forms of employment (land redistributed to peasants who worked under proscribed “forms of precarious employment”); and, 5) liquidation of *arrimado*

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<sup>50</sup> I undertook fieldwork in Ecuador between November 2009 and August 2010 and October and December 2011. I was based at FLACSO, Quito during the first trip.

*lojano* (land redistributed to peasants who worked under the outlawed semi-feudal practice of *arrimado lojano*).

In the first instance, I took two steps to transform the raw data. First, I used the amount of land and the number of beneficiaries to calculate the average amount of land redistributed per recipient. Second, I calculated the amount of land, the number of beneficiaries, and the average amount of land per recipient for three periods: i) 1964-1979; ii) 1980-1994; and iii) 1964-1994. Dividing the data into different time periods enabled me to examine the reach and composition of land redistribution during the different phases of capitalist development under investigation as well as during the entire period of land reform. The dataset also includes details of land transferred via colonisation at the provincial, regional and national levels. I used these figures to gauge the impact of colonisation on the land distribution reported in the 1974 and 2000 agricultural censuses. Having access to these data also enabled me to evaluate the claims politicians made about land reform during the 1990 *levantamiento* (land reform and colonisation were conflated to exaggerate land redistribution).

The main limitations of the IERAC-INDA data in relation to this thesis are threefold. First, the ethnicity of the recipients of land is not disclosed. Second, the type and quality of redistributed land are not revealed. Third, the relative scale of redistribution at the provincial and regional levels is not indicated. I mitigated these problems by taking the following steps. To gauge the amount of land redistributed to indigenous peoples, I cross-referenced indigenous demographic and land redistribution data. Estimates of the size of the indigenous population in each of the highland provinces were sourced from Zamosc (1995). The analysis provided an approximation of the links between indigenous peoples and land redistribution at the provincial level. To obtain some indication of the type and quality of land redistributed, I consulted a wide range of secondary sources and unpublished official documents (these sources also provided insight into the ethnicity of beneficiaries in some cases). I also cross-referenced the amount of land redistributed and the prevalence of *páramo* (high altitude grassland) within each highland province. Examining these two variables was valuable because of the amount of *páramo* distributed through land reform and the strong links between indigenous peoples and the high-altitude grassland. To

gauge the relative impact of land redistribution, I combined land redistribution and agricultural census data. This provided an indication of the proportion of the agriculture land surface redistributed at the provincial and regional levels.

Over and above these limitations the IERAC-INDA data are likely to include numerous errors as a result of inputting mistakes, deliberate misreporting etc. The analysis presented in this thesis therefore provides a rough approximation rather than a precise measurement of land redistribution.

To gain insight into the application of land reform at the local level, I reviewed reports, letters, and documents related to the division and redistribution of *Hacienda Pesillo*, a state-owned estate located in the northern highland canton of Cayambe. I accessed the information at the IERAC archive at the MAG head office in Quito. I selected this particular case as I was able to connect the archive materials with anthropological and historical studies related to the division of the hacienda (e.g. Crespi 1971) and published and unpublished materials related to land redistribution in Cayambe (e.g. MAG 1977c; Martínez 1995). The workforce of the hacienda was also primarily indigenous which made it particularly relevant to this investigation. I had planned to examine the archives of two other haciendas located in different highland zones. However, the entire IERAC archive was being rehoused and renovated while I was undertaking fieldwork and access to materials was very limited.<sup>51</sup>

I mitigated the impact of not being able to gain full access to the archive by sourcing a number of published and unpublished reports on land reform at the INDA and MAG head offices in Quito. These materials, which were produced by the IERAC and MAG, include official figures related to the division of specific haciendas (e.g. hectares of land redistributed, number of recipients, price of land) as well as aggregate data on land redistribution in different regions (e.g. cantons, provinces). The reports also include detailed qualitative analysis of the division of a small number of haciendas in the provinces of Chimborazo and Pichincha.

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<sup>51</sup> I had secured provisional agreement to access the IERAC archive during my first fieldwork trip. However, the entire collection was moved from the INDA to the MAG head offices between 2010 and 2011.

#### 4.4.2. Legislation and legislative proposals

I examine the principal pieces of land reform legislation issued between 1964 and 1994. These include large and complex laws that established the overriding legal and institutional framework for agrarian reform as well as smaller pieces of legislation that modified or extended existing laws. I used three main sources to identify reforms to existing laws. First, the librarians at the National Assembly in Quito provided me with lists of reforms to agrarian legislation from the 1960s onwards. Second, I consulted numerous historical editions of the Food and Agriculture Organization (FAO) publication *Land Reform* which lists reforms introduced in specific countries in particular years. Third, I consulted printed press coverage of legislative changes and secondary literature on agrarian reform. In addition to legislation passed into law, I also analysed land reform proposals tabled by indigenous and peasant movements, including the *Frente Unido de Reforma Agraria* (FURA) in 1973, *Coordinadora Agraria Nacional* (CAN) in 1993 and the *Red Agraria Nacional* (RAN) in 2012. The laws I consulted were sourced from the *Registro Oficial* archives at the National Assembly in Quito. The CAN and RAN legislative proposals were also sourced from the National Assembly. The FURA proposal was taken from Barsky (1988).

The main advantages of examining the content and evolution of agrarian legislation are threefold. First, the laws provide a detailed picture of the legal and institutional frameworks established to regulate and direct land reform. Second, the legislation provides a window into the state's position towards agrarian reform. Third, focusing on legislation allows for the precise comparison of the proposals tabled by indigenous-peasant movements and the laws introduced by governments. This enabled me to gauge the extent to which the demands of the indigenous countermovement were translated into law.

There are pitfalls, however, with focusing on the legislative dimension of land reform. Legislation, though vital for understanding the evolution of land reform, only provides one part of a bigger story. I gained insight into the wider land reform programme by analysing numerous documents and reports published by IERAC and MAG as well as consulting a wide range of secondary literature. Furthermore, laws have to be enforced to become effective. The temptation is to

“read-off” actual changes from legal changes or assume once laws are passed they are enforced. I avoided this problem by paying very close attention to the implementation of land reform, particularly the redistributive component.

In addition to land reform legislation, I reviewed the 1968, 1979, 1998, and 2008 constitutions, paying particular attention to declarations on agrarian issues and indigenous peoples. I also consulted laws related to agricultural cooperatives, peasant communities, water, and labour, including the *Ley de Cooperativas* (1966), *Ley de Comunas* (1937), *Ley de Aguas* (1972), and the *Código del Trabajo* (1961). These materials supported my analysis of land reform, indigenous organisation, and the wider political economy. These laws were also sourced from the *Registro Oficial* archive at the National Assembly in Quito.

#### **4.4.3. Agricultural censuses**

I utilised the 1954, 1974 and 2000 national agricultural censuses to analyse the evolution of the agrarian structure of the highland region, focusing on land distribution, tenure, and use.<sup>52</sup> I sourced the data from the *Instituto Nacional de Estadística y Censos* (INEC) in Quito. The 1954 and 1974 censuses were supplied in printed format. The 2000 census data were provided in Microsoft Excel spreadsheets. I gained insight into the methodology and content of the censuses by interviewing INEC employees who were responsible for compiling and reporting official agricultural data. I also secured from INEC unpublished notes on the 2000 agricultural census which provided valuable insight into the classification of land formally distributed via agrarian reform and colonisation. The level of detail varies between censuses but each survey reports figures for most categories at the provincial, regional, and national levels.<sup>53</sup> I digitised the censuses then analysed the data through descriptive statistics. I also cross-referenced agricultural census and indigenous demographic data to estimate the positions indigenous peoples occupied within the land distribution.

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<sup>52</sup> The 1954, 1974 and 2000 agricultural censuses are the only complete censuses undertaken in Ecuador.

<sup>53</sup> The 2000 census only reports a small amount of data at the regional level. I calculated many of the regional values by combining the totals of the ten highland provinces. The INEC employees I interviewed confirmed this would provide a reliable estimate of regional totals.

In addition to agricultural census data, I also used population censuses to analyse the evolution of the economically active population. The information was also sourced from INEC in Quito.<sup>54</sup>

Censuses incorporate a vast array of information. Their focus is often whole sectors of economies or entire populations. The data provide researchers with the opportunity to investigate a wide range of social and economic phenomena at the meso and macro levels. The range of the data makes them particularly useful for a study of this type which aims to identify and explain broad social and economic patterns. Yet censuses only provide fleeting and partial glimpses of complex and evolving pictures. The census data I have utilised do not fully reflect Ecuador's social and economic reality. This is especially true of the agricultural data.<sup>55</sup> I was advised during the interview I conducted with INEC employees that landowners frequently tried to misreport facts during the 2000 census (e.g. the size of landholdings). (Interview 13) Similar incidents undoubtedly took place during earlier surveys when landowning elites exerted considerable influence over public officials. The geographic categories used within the censuses are also problematic. Broadly, the censuses follow the administrative division of Ecuador.<sup>56</sup> During the period under investigation the highland region comprised ten provinces but these provinces included land located in the sierra as well as in subtropical zones situated at lower elevations on the western and eastern slopes of the Andes. The administrative highland region does not therefore correspond with the geographic highland region. I make every effort to highlight the impact of the inclusion of land located outside of the sierra on the analysis. However, the census data do not allow for precise estimates. Differences in coverage and methodology also present challenges. Technological advancements and methodological differences between the censuses reduced the comparability of the data.<sup>57</sup> Two countervailing trends further complicated matters. On the one hand, the colonisation of the subtropical lowland regions of highland provinces expanded the agricultural frontier. On the other, the amount of land removed from the agriculture sector and converted into

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<sup>54</sup> The data are reported in Appendix 3.

<sup>55</sup> See Borrás (2007) pp. 37-8 for brief comments on the weaknesses of official agrarian data.

<sup>56</sup> Physical and administrative maps of Ecuador are reproduced in Appendix 1 and 2.

<sup>57</sup> The principal differences between the censuses are discussed in greater depth in Chapters 7 and 9.

urban land increased as towns and cities expanded and the commodity view of land spread. In short, the agricultural frontier simultaneously expanded and contracted between 1950s and the 2000s. Wherever possible I highlight the impact of these changes on the data and analysis.

**Table 1.1 – Summary of principal source materials**

<b><u>Type</u></b>	<b><u>Brief description</u></b>	<b><u>Primary use</u></b>
IERAC-INDA data	Official land reform data reported at the provincial, regional and national levels.	Estimate the location, extent, and timing of land redistribution in the highland region.
IERAC and MAG reports	Official details and reports on the application of land reform at the local and regional levels.	Deepen analysis of agrarian reform and the links between land redistribution and indigenous peoples.
Agrarian reform archive	Official documentation on the division of Hacienda Pesillo.	Strengthen investigation of the division and redistribution of state-owned haciendas and indigenous involvement in land reform.
Agrarian legislation	Principal agrarian reform and development laws and reforms introduced between 1964 and 1994.	Investigate the evolution of the legal framework of agrarian reform and the wider reform programme.
Agrarian legislative proposals	Legislative proposals tabled by indigenous and peasant movements in 1973, 1993 and 2012.	Examine indigenous and peasant visions of land reform and the extent to which agrarian legislation reflected indigenous and peasant demands.
Agricultural censuses	Official agricultural data from 1954, 1974 and 2000 reported at various levels.	Analysis of the evolution of land tenure and land distribution in the highland region.
Newspaper archives	Printed news coverage of land reform and indigenous and peasant mobilisation.	Examination of the political struggles that emerged around agrarian reform and indigenous and peasant mobilisations and demands.
Interviews	Interviews with indigenous and peasant organisations, indigenous communities, NGOs and state agencies.	Detailed and background information on land reform, land markets and indigenous organisation, mobilisation and development.
Socioeconomic data	Economic growth, inflation, and labour market indicators.	Report broad socioeconomic trends.
Secondary literature	Economic, historical, political and anthropological studies.	Support empirical analysis of land reform, land markets and indigenous mobilisation and enable the construction of the activation/development concept.
Karl Polanyi archive	Lecture notes, unpublished notes, letters and book plans written by Polanyi and materials related to his work.	Insight into Karl Polanyi's method, theory and intellectual mission.



#### 4.4.4. Newspaper archives

The investigation draws on printed press coverage of land reform and indigenous mobilisation between 1960 and 1994. To facilitate the analysis I focused on three timeframes: i) 1960-64; ii) 1970-74 and iii) 1990-94. I selected these periods so I could follow the conflicts and debates that emerged around the introduction of agrarian laws in 1964, 1973 and 1994. Important indigenous mobilisations also took place during each of these periods. Reviewing press coverage of the mobilisations enabled me to gain insight into grievances and demands of indigenous peoples as well the tactics indigenous and peasant movements used to influence agrarian debates.

I consulted the archives of four Ecuadorian newspapers: *El Comercio*, *Hoy*, *El Mercurio* and *El Espectador*. *El Comercio*, *Hoy* and *El Espectador* were reviewed at municipal libraries in Quito and Riobamba while *El Mercurio* was consulted at the head office of the newspaper in Cuenca.

The publications perform different roles in the research. *El Comercio*, one of Ecuador's leading daily newspapers, features most prominently. I selected the newspaper because of the important role it performed in influencing public opinion and political debates during the period under investigation. I consulted various editions of the publication, focusing on the three periods outlined above. *Hoy*, which entered into circulation in the 1980s, was used to provide additional information on the 1990 and 1994 indigenous *levantamientos* and the agrarian debate that took place during that period. The paper provided a different perspective on these events and issues than *El Comercio*. Whereas *El Comercio* was overtly biased towards landowning elites, *Hoy* was more balanced in coverage and opinion. *El Mercurio* and *El Espectador* perform less prominent roles. *El Mercurio* was used to provide information on the 1960-64 agrarian reform debate. I selected the publication as it focused on news and debates in the southern and central highland region. Furthermore, the newspaper is not widely used in the existing literature so I was also able to gain fresh insight into the agrarian debate. *El Espectador* was used to secure information on land reform and indigenous mobilisation in the central highland province of Chimborazo, the geographic focus of the newspaper. Due to gaps in the archive and time pressures I was only able to review a relatively small number of editions of the

paper in the 1970s. In addition to the printed press archives, I also consulted the online editions of *El Comercio*, *El Telégrafo*, *El Universo*, *Hoy*, and *La Hora*. The information I derived from these sources was used to analyse contemporary developments in Ecuador, focusing on agrarian debates and conflicts.

One of the principal problems with using press reports to analyse social, political and economic issues is the bias of the coverage and the distortion of details and facts. The issue is particularly problematic in Latin America as the mainstream private press is often closely associated with elites.<sup>58</sup> Wherever possible I corroborated incidents and events with other sources and contrasted the coverage of one newspaper with another to obtain a more balanced interpretation of events. Yet the bias towards elites remained and the extent to which the newspaper coverage I consulted reflected the demands and concerns of indigenous peoples was limited, especially during the 1960s and 1970s.

In terms of referencing, the name and date of the publication and the page number of the article are provided for information sourced from printed press archives. The name and date of the publication and full title of the article are provided for information secured from online editions.

#### **4.4.5. Interviews and discussions**

I conducted seventeen interviews with four main groups of actors: 1) indigenous and peasant organisations; 2) indigenous communities; 3) non-governmental organisations, 4) and state agencies.<sup>59</sup> The basic aim of this aspect of the research was to augment the information I was able to derive from primary and secondary source materials and identify areas that warranted additional investigation. The roles the interviews perform within the thesis vary. In some cases they provide crucial primary information (e.g. interviews conducted with FEPP and INEC). In others they provide useful background material (e.g. interviews with MAG and Heifer).

The first group includes representatives of local, provincial and national indigenous and peasant organisations. I conducted six interviews within this group. I had planned to interview representatives of organisations in the

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<sup>58</sup> On the elite bias of the Ecuadorian press see Benavides (2004) pp. 161-78.

<sup>59</sup> All interviews were conducted in Spanish unless otherwise stated.

highland provinces of Azuay, Cañar, Cotopaxi, Chimborazo, Imbabura, and Pichincha as well as leaders of the principal highland and national indigenous movements. However, I was only able to secure interviews with representatives of organisations in Pichincha, Chimborazo, and Loja and one of the principal national indigenous-peasant movements, the *Confederación Nacional de Organizaciones Campesinas, Indígenas and Negras* (FENOCIN). Despite numerous visits, letters, and phone calls over a two-month period (November-December 2011), I was unable to arrange interviews with representatives of the principal highland indigenous movement, Ecuarrunari, or the national indigenous movement, *Confederación de Nacionalidades Indígenas del Ecuador* (CONAIE). Upon reflection, I underestimated the importance of developing trust and building relationships with indigenous leaders and organisations prior to seeking interviews. My task was complicated by the tense relationship that existed between indigenous organisations and the Correa government and the internal problems indigenous movements faced when I was undertaking fieldwork. These factors are likely to have made indigenous leaders more wary of giving interviews to academic researchers.

Despite the small number of interviews I conducted within this group, I still extracted some valuable information. On a general level, I was able to gain insight into the historical evolution, organisational structure, functions and objectives of local-level indigenous organisations. The interviews I conducted in the northern highland canton of Cayambe provided important information on the role indigenous organisations have performed in the regulation of high-altitude grassland (*páramo*) and the problems the expansion of flower exporters have posed for indigenous peoples. I was also able to secure important information from the interview I conducted with the president of the powerful local-level water committee, CODEMIA. The interview provided insight into indigenous and peasant concerns over the changes the Correa government proposed to the water regime and the role water committees performed in mobilising against the initiative. These insights also helped me to identify tensions in Polanyi's framework between state and communal control and between the state and the countermovement. The CODEMIA interview also illustrated the need to take careful consideration of the composition and operation of decommodification

mechanisms which supported the findings of my analysis of land reform and land markets.

The second group comprises two indigenous communities in the canton of Guamote, Chimborazo. I targeted communities in this zone because of the intensity of the struggle over land and the prevalence of indigenous peoples. The contacts I made with a local NGO (Inti Sisa) facilitated my work with the communities. The interviews comprised visits to the communities and discussions with various community members. The visits and interviews took place over a single day. The primary aim was to learn about the relationship between indigenous peoples and land reform and land markets at the local level. I had attempted to arrange group meetings with both communities but only the first interview followed this form. The discussion was conducted in Spanish and Kichwa with around 30 members of the community.<sup>60</sup> I was accompanied by a bilingual (Spanish-Kichwa) representative of the NGO who translated and facilitated the dialogue. I lost a degree of control by using a translator. I mitigated this problem by clearly explaining the nature of my research and the purpose of the interview in advance of the meeting. Over and above translating from Spanish to Kichwa, the translator performed a vital role in the interview, teasing-out additional information from participants and encouraging community members to contribute to the discussion. The interview provided fascinating insight into land reform, land markets, and indigenous mobilisation in the region. I glimpsed, for example, how land reform and indigenous mobilisation combined to prise open land markets in the zone in the early 1970s and gained some understanding of the opportunities that emerged for indigenous peoples to secure land. I then compared this information with the findings of other studies to see whether similar patterns appeared elsewhere in the region. Through this process I developed the activation/development concept to examine the relationship between indigenous peoples and land markets. The interview therefore performed a crucial role in the construction of the concept. The second interview I conducted performs a less prominent role in the thesis. It took the form of individual informal discussions with members of a nearby community

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<sup>60</sup> The recording of the interview was then translated from Kichwa into Spanish by a bilingual Kichwa speaker.

and only provided background information on indigenous access to land and indigenous development in the region.

The third group includes NGOs in different regions of the highlands. I conducted four interviews within this group. The most important interview was with a representative of the *Fondo Ecuatoriano Populorum Progressio* (FEPP), a religious NGO that has operated in Ecuador since the 1970s. I targeted the FEPP because of the important role it performed in supporting the attempts of indigenous peoples to purchase land in the 1990s. The interview enabled me to gain a better understanding of the land purchases. I was also able to gain insight into the social and political context the land purchases took place within. This was important for understanding the role indigenous pressure performed in prising open land markets in the 1990s. The interview therefore provided additional support for the construction of the activation/development conceptual framework. The interviews and discussions I conducted with representatives of Heifer in Riobamba and Cayambe and Sendas in Cuenca and Cañar perform less important roles. However, I was still able to obtain useful background information on land, agriculture and indigenous development. For example, the discussions with representatives of Heifer provided insight into the challenges the expansion of flower exporters has presented for indigenous peoples in the northern highlands. I was able to cross-reference this information with the details I secured from the interviews I conducted with indigenous organisations to obtain a better understanding of this issue.

The fourth group comprises representatives of state agencies. I conducted four interviews within this camp. Out of this group the interview with INEC was the most useful. The aim of the discussion was to provide insight into the methodology of the agricultural censuses and the principal differences between the 1954, 1974, and 2000 surveys. I was able to sharpen my analysis of land tenure and land distribution on the back of information I derived from this interview. I was also able to obtain a clearer understanding of the limits of agricultural census data. I also conducted interviews with *Ministerio de Agricultura y Ganadería* (MAG) employees who had worked on agrarian reform and land titling as well as a *Ministerio de Ambiente* (MA) representative in the canton of Cayambe. The interviews with MAG provided useful background

information on agrarian policies and agricultural development while the discussion with MA cast light on conflicts over the use of *páramo* in the northern sierra.

In addition, I also conducted an interview with an academic researcher who had worked in the canton of Guamote, Chimborazo. The interview provided additional insight into land struggles and indigenous development in the region, supporting the interviews I conducted with indigenous communities and NGOs in the zone.

I also had conversations with academic researchers who have investigated rural issues in Highland Ecuador, including Luciano Martínez, Liisa North, Emilia Ferraro, and Carmen Diana Deere. These discussions gave me valuable insights into economic, social, and political issues in Ecuador as well as guidance on how to undertake empirical research in the country.

#### **4.4.6. Socioeconomic data**

I consulted the International Monetary Fund (IMF), *Banco Central del Ecuador* (BCE), and *Comisión Económica para América Latina y el Caribe* (CEPAL) statistical databases to secure data on a range of socioeconomic phenomena (e.g. economic growth, consumer price inflation). The data were sourced from the online databases of the three organisations. Elaboration of the data was limited to grouping figures for particular periods and reporting them in charts.<sup>61</sup>

#### **4.4.7. Economic, political, historical, sociological and anthropological secondary literature**

I drew on a wide array of secondary literature on Ecuador, including economic, historical, sociological, anthropological, and demographic studies to complement the primary source materials. The analysis of a wide range of secondary literature was particularly important given the length and breadth of the investigation. Though I was able to gain valuable insight into land reform, land markets, and indigenous mobilisation by analysing the sources outlined above, I was reliant on secondary literature to provide a more rounded analysis. I was also dependent on the literature to elaborate the activation/development

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<sup>61</sup> The elaborated data are reported in Appendix 3.

conceptual framework. The investigation of a number of cases from different historical periods and geographic settings increased the robustness of the concept. The secondary literature therefore performs empirical and theoretical functions within the thesis.

Land reform, land markets, and indigenous mobilisation are often not the main focus of the studies I consulted. Hence I approached the sources from a fresh angle. For example, Lentz's (1997) illuminating anthropological investigation of migration and ethnicity in a small indigenous community in the province of Chimborazo includes details on land sales and purchases which provided considerable insight into the operation and evolution of land markets at the local level. Local level studies that place greater emphasis on land reform and land markets provided valuable insights into the struggles that emerged in different highland zones (e.g. Martínez 1985; Thurner 1989). The review of a number of local level studies enabled me to connect macro data with micro events, explore similarities and differences between cases, and develop a more complete picture of land reform, land markets, and indigenous mobilisation. The macro level studies I consulted provided greater clarity on land reform and indigenous peoples and movements. For example, Barsky's (1988) analysis of the opening decades of agrarian reform casts considerable light on the role landowning elites performed in resisting reform. Cosse's (1980) investigation of land reform in the 1960s and 1970s also sheds light on the evolution of land reform, especially on the financing of the IERAC. Zamosc's (1995) sociodemographic study of highland indigenous peoples was another valuable resource. I use his indigenous population density indicators throughout this thesis.<sup>62</sup> Sánchez-Parga's (1989; 2010) studies of highland indigenous organisations and movements were other important sources. The CEPAL annual economic surveys of Latin America (1965-1995), which include country level analysis of economic trends and policies, provided very useful background information.

The widespread use of secondary literature is not without drawbacks. The basic problem is that another layer is added between the researcher and the subject and the studies are the product of the original author's own aims,

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<sup>62</sup> Zamosc's sociodemographic data are explained in Chapter 3.

research questions, and analytical lens. Subjectivities inevitably infiltrate social inquiries. Furthermore, the researcher is often unable to access the underlying data and materials or understand the precise methodology employed to obtain and analyse the data. Hence the robustness of the analysis is not possible to determine. (Blaikie 2000 pp. 183-5) In some cases I was able to access the underlying materials or data (e.g. legislation, censuses) and thereby increase my control over the research and analysis. However, this was not possible with the majority of the secondary literature I consulted. While I went to considerable lengths to take into account the subjectivity of the studies and check the strength of the analyses, these issues remained. The empirical and theoretical claims I make in this thesis should be taken in light of these limitations as well as the shortfalls of the other source materials discussed in previous sections.

#### **4.4.8. Karl Polanyi archive materials**

The final group of materials I consulted came from the Karl Polanyi Archive at Concordia University, Montreal. I visited the archive in December 2008. The materials included letters, manuscripts, notes, and lecture plans written by Polanyi as well as materials related to his published body of work. To facilitate the collection and analysis of materials I concentrated on sources related to Polanyi's seminal works: *The Great Transformation* and *Trade and Market in the Early Empires*. Materials sourced from the archive are marked with an asterisk (\*) when cited in the thesis.

The materials cast fresh light on the ideas and concepts Polanyi develops in these books as well as the methods he employs to construct his arguments and the motivation for his academic pursuits. Three insights were particularly useful for this investigation. First, as noted in Section 2, the plan Polanyi produced of *The Great Transformation* shortly before publication provides greater clarity on his critique of markets. The regulation of markets comes into sharper focus from this angle. These insights influenced my own thinking on the relationship between land reform and land markets and the attempts of indigenous and peasant movements to bring the use and distribution of land under social control in Ecuador. Second, the detailed notes the English economic historian G.D.H Cole provides on a manuscript of *The Great Transformation* highlight the extent to which Polanyi overstates the enforcement of existing laws and policies in



nineteenth century England. Cole claims, for example, Polanyi's assertion that labour markets only really emerged after the promulgation of the Poor Law in 1834 was a "monstrous exaggeration." He notes that "there was a highly competitive labour market in the coal fields and in the textile areas long before".<sup>63</sup> (Cole 1943) Cole's insights highlight Polanyi's tendency to understate continuities in socioeconomic change and exaggerate the actual decommodification potential of laws and policies. These points are not only useful for clarifying Polanyi's claims in *The Great Transformation* but also for considering the application of his concepts and ideas in contemporary settings. Third, the notes Polanyi produced in the 1940s and 1950s on the project which resulted in *Trade and Market in the Early Empires* provide greater clarity on the forms of integration concept. The notion that the supremacy of one form of integration over another is "manifested in the provision of the daily necessities of life" was useful for understanding historical changes as well as considering current developments through a Polanyian lens. (Polanyi 1947\*)

## **5. Thesis structure**

The remainder of this thesis is divided into nine further chapters. Chapter Two summarises the existing state of knowledge on Ecuadorian land reform and explains the contributions this thesis makes to the literature. The case study is then presented in Chapters Three to Nine. The opening chapter of the study explains the positions indigenous peoples occupied in the rural highland economy prior to the start of land reform and examines the political struggle over the drafting of land reform legislation between 1960 and 1964. The next six chapters examine land reform, land markets and indigenous mobilisation between 1964 and 1994. The analysis is split between 1964-1979 and 1979-1994 with the return to democratic rule in 1979 marking the dividing line. The line is drawn to facilitate the analysis rather than to indicate a decisive break in social, political and economic change. The two periods include chapters dedicated to political struggles over the design of land reform (Chapters Four and Seven), land redistribution and indigenous peoples (Chapters Five and Eight) and land markets and indigenous peoples (Chapters Six and Nine). The main empirical

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<sup>63</sup> Elsewhere, Cole claims Polanyi treats existing labour legislation "as much more universal than it was" and makes "much too light of the country differences in wage policy". (Cole 1943) See Dale (2010) pp. 85-6 for additional comments on Cole's critique.

and theoretical contributions of the thesis are summarised in the conclusion (Chapter Ten). The concluding chapter also examines contemporary struggles over land and natural resources in Ecuador and demonstrates the contemporary relevance of the research.

## Chapter Two

### **Ecuadorian land reform (1964-1994): existing state of knowledge and new contributions**

#### **1. Introduction**

Ecuador was one of a number of Latin America nations that embarked upon land reform under the Alliance for Progress.<sup>64</sup> The United States foreign policy initiative, which was launched in 1961, provided loans to Latin American governments on the condition they introduced a series of measures, including land reform. The Alliance for Progress accelerated a debate which was well underway in Ecuador. In the late 1950s, indigenous, peasant and leftist organisations started to increase pressure on the state to redistribute land while a growing number of landowning and political elites began to see land reform as a route out of the agrarian crisis and a mechanism to accelerate capitalist development. Land reform started with the introduction of the *Ley de Reforma Agraria y Colonización* in 1964 and ended with the promulgation of the *Ley de Desarrollo Agrario* in 1994. The end of reform in Ecuador coincided with the general shift from “state-directed” to “market-based” reforms in Latin America.<sup>65</sup>

The aims of this chapter are to explain the existing state of knowledge on Ecuadorian land reform and indicate the contributions this thesis makes to the literature. Emphasis is given to studies that focus explicitly on land reform and those that consider the relationship between land reform and indigenous peoples. The indigenous focus narrows the geographic boundaries of the chapter as indigenous engagement in land reform was largely restricted to the highland

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<sup>64</sup> The Alliance for Progress was announced unilaterally by President John F. Kennedy in March 1961 and launched at a meeting of the Organization of American States in Punta del Este, Uruguay in August 1961. On the Alliance for Progress see Scheman (1988), Rabe (1999) and Taffet (2007). On the relationship between the initiative and land reform see Feder (1965) and Dörner (1992).

<sup>65</sup> The World Bank actively started to promote the market-based approach to land reform in the 1990s. See Deininger & Binswanger (1999) and World Bank (2003) for details of World Bank land policies and El-Ghonemy (1999), Courville *et al.* (2006), Borrás *et al.* ([2008] 2011) for critical reflections on the market-based approach.

region.<sup>66</sup> The bulk of the rest of the indigenous population lived in the eastern lowlands where colonisation rather than reform was implemented.<sup>67</sup> While the chapter focuses on the highland region, it provides a broad overview of the wider land reform.

The remainder of the chapter is divided into four sections. The next section examines political struggles over the design of land reform. The implementation of land reform is examined in section three. The overall reach, geographic distribution, and timing of the reform are explained and other important dimensions are discussed. The fourth section briefly considers the impact of land reform on peasant organisation, land markets, and land distribution. The contributions this thesis makes to the existing literature are explained throughout the chapter and summarised in the closing section.

## **2. Political struggles over the design of land reform**

Political debates over agrarian reform started to simmer in Ecuador in the 1930s but did not come to the boil until the 1960s. Numerous external and internal factors drove the issue up the political agenda. There is broad consensus in the literature on the principal external drivers. The start of the Cuban Revolution and the launch of the Alliance for Progress are widely cited as the main factors (e.g. Handelman 1980; Guerrero 1984a; Barsky 1988). The role the United States Central Intelligence Agency (CIA) performed in shaping political debates in Ecuador in the early 1960s is also noted in some cases (e.g. Velasco 1979; Guerrero 1984a). There is less agreement on the internal causes. Barsky, who provides the most detailed account of the opening decades of agrarian reform in Ecuador, claims the diffusion of new technology and the expansion of domestic markets encouraged some highland landowning elites to upgrade their landholdings in the 1940s and 1950s. (1988 pp. 62-87) The “modernising” landowners who emerged out of this process became less dependent on semi-

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<sup>66</sup> During the period under investigation the indigenous population of Ecuador was spread across the highland (c. 80%), Amazonian (c. 15%), and coastal (c. 5%) regions. The size and distribution of the highland indigenous population is discussed at greater length in the next chapter. See Appendix 1 and 2 for physical and administrative maps of Ecuador.

<sup>67</sup> Land reform was concentrated in the highland and coastal regions as the eastern lowlands were largely outside of the agricultural frontier when the reform commenced in the 1960s. See Rudel (1993), Perrault (2003) and Sawyer (1997; 2004) for insight into colonisation in the eastern lowlands.

feudal labour and more receptive to the idea of agrarian reform. Meanwhile, the “traditional” segment of the landowning elite failed to transform their landholdings and remained reliant on semi-feudalist practices and opposed to reform. The farms of the former were located close to expanding domestic markets in the northern highlands while the landholdings of the latter were situated in the more isolated central and southern sierra. Guerrero, by contrast, emphasises the broader social and political context of the late 1950s and early 1960s. (1984a pp. 9-25) Taking issue with Barsky’s “economistic” interpretation of events, he claims indigenous, peasant and leftist mobilisation rocked landowning and political elites and propelled land reform up the political agenda. Class struggle rather than economic forces were the primary drivers of social change. (1984a pp. 86-105) Guerrero underscores the role the Cuban Revolution performed in catalysing popular protest in Ecuador, highlighting how external and internal factors fused to create an opening for reform. Cosse, who analyses the relationship between the state and agrarian reform in the 1960s and 1970s, also stresses the importance of rural unrest in fuelling the agrarian debate but posits another internal factor: the emergence of a technobureaucratic segment of the political elite that started to push for socioeconomic reforms in the 1950s. (1980 p. 56) He therefore argues demands for agrarian reform came from inside as well as outside the state apparatus.<sup>68</sup> While Cosse fails to mention the role the *Comisión Económica para América Latina* (CEPAL) performed in orientating political elites towards reform, Blankstein and Zuvekas highlight the influence of the agency in stimulating political debates over land reform. (1973 p. 77) The change in attitude of the Catholic Church towards reform is also mentioned in some cases (e.g. Lyons 2006). Despite the widespread expropriation of ecclesiastical land in the early twentieth century, the Catholic Church remained an important landowner in the 1960s. Liberation theology, which spread across Latin America in the 1960s, encouraged progressive sectors of the Catholic Church to call for the redistribution of land to peasant families and communities.

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<sup>68</sup> See Grindle (1986) for the role “state elites” performed in shaping agrarian policies in Latin America.

Once land reform had been propelled to the top of the political agenda, highland and coastal landowning elites drew on a variety of mechanisms to influence the debate (e.g. Cosse 1980; Handelman 1980; Guerrero 1984a; Barsky 1988). Handelman highlights four: 1) regional branches of the *Cámaras de Agricultura*; 2) representation within presidential commissions; 3) influence in the Congress; and, 4) mainstream media. (1980 p. 68) He does not provide detailed empirical evidence but other studies support his claims. Barsky, for example, indicates the use the *Cámaras de Agricultura* made of newspapers (e.g. *El Comercio*) to influence political actors and shape public opinion (e.g. 1988 p. 133). He also hints at the importance of strong links with political parties (e.g. *Partido Liberal*), which afforded landowning elites the potential to submit agrarian reform proposals and influence the legislature. (1988 pp. 139-65) Cosse provides additional insight into the influence landowning elites exerted over the legislature, claiming two broad camps emerged within the military government that seized power in 1963 to oversee the promulgation of agrarian reform legislation: modernising landowners who aligned with the former liberal president Galo Plaza (*placistas*) and traditional landowners who affiliated with the former conservative president Camilo Ponce (*poncistas*).<sup>69</sup> (1980 pp. 57-61) The two groups wrestled for control over the legislature, *placistas* pushing for reforms to stimulate national capitalist development and *poncistas* attempting to minimise changes to the agrarian structure. One factor Cosse overlooks is the impact of the Alliance for Progress on the conflict between the two camps. The modernising vision of agrarian reform favoured by *placistas* chimed with the variant espoused by the Alliance for Progress which enabled them to leave a larger imprint on the legislation that emerged out of the debate: *the Ley de Reforma Agraria y Colonización* (LRAC). The prospect of securing overseas loans through the Alliance for Progress also undoubtedly supported the efforts of the military government to see off the *poncista* counter-coup which Cosse claims was launched in a desperate attempt to stop the introduction of the law. (1980 p. 59) I highlight the link between the completion of the drafting of the legislation and the disbursement of Alliance for Progress loans and provide some indication

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<sup>69</sup> See also Barsky (1980).

of the composition of the funds by drawing on press reports and other source materials.

The LRAC outlawed semi-feudal practices (e.g. *huasipungo*, *arrimado lojano*), provided the basis for the redistribution of state owned haciendas, established the grounds for the expropriation of privately owned land, and promoted the colonisation of unutilised and untitled land.<sup>70</sup> The weakness of the law is widely acknowledged in the literature (e.g. Albornoz 1971; Handelman 1980; Barsky 1988). Feder, for example, notes the weakness of the expropriation clauses and the considerable mark landowning elites were able to leave on the law. (1965 p. 659) The FAO's assessment provides a glimpse of the basic orientation of the reform in its initial phase:

“When the process of agrarian reform started, much more attention was given to those measures tending to guarantee the traditional right to private property in land than to those leading to a change in agricultural structure. Furthermore, two years after the reform started the government was changed. The government which followed was pledged to continue the reform but pressure groups and vested interests actually stopped it by simply reducing its economic support and turning over the programme to people who were not capable and did not have the desire to carry it out.” (1980 p. 92)

The inadequacies of the people placed in charge of land reform and the frequent changes in leadership at the IERAC are noted elsewhere in the literature (e.g. Blankstein and Zuvekas 1973; FAO 1980; Handelman 1980). The lack of financial support the reform received in the late 1960s is also widely recognised (e.g. Blankstein and Zuvekas 1973; Cosse 1980; Griffin 1981).<sup>71</sup> Cosse provides the clearest indication of the resources committed to reform at this stage. (1980 pp. 75-77) Using official data, he differentiates between the resources the *Instituto Ecuatoriana de Reforma Agraria y Colonización* (IERAC) was

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<sup>70</sup> The semi-feudal practices prevalent in the highland region in the 1960s and 1970s are explained in the next chapter.

<sup>71</sup> On a wider level, Dorner cites the “irregular and often inadequate financing in national budgets for agencies charged with implementing the reform” as one of the principal impediments to land reform in Latin America. (1992 p. 35) Funding also had a significant bearing on the outcomes of reforms undertaken elsewhere in the Global South. See, for example, Putzel (1992).

budgeted to receive and the resources the institute was actually allocated.<sup>72</sup> Significant differences between the former and the latter were registered throughout the period. Griffin reports similar findings. (1981 p. 214) Cosse also distinguishes between the level of funding the IERAC received and the amount of resources the institute actually spent. Clear gaps between these two variables were also evident throughout the period. That is, the IERAC failed to make full use of the economic resources it had at its disposal. Why was that the case? The control landowning elites exerted over the IERAC provides one explanation. North notes that the steering committee of the institute provided space for representatives of the *Cámaras de Agricultura* but no genuine room for representatives of the peasantry. (1985 pp. 433-43) Landowning elites, as I will indicate later, also exerted considerable influence over the local branches of the IERAC, reinforcing the control they exercised at the national level in the opening years of the reform. I also show the structure of the agencies and committees charged with the task of regulating and redistributing land became a key battle ground in the political struggle over land reform. The conflict provides insight into the application of Polanyi's concepts as well as contemporary debates over land reform in Ecuador and Latin America.

The grip landowning elites exerted over agrarian reform in the late 1960s momentarily weakened in the early 1970s as the political landscape shifted. Three main factors are posited for the change. The comprehensive land reform the Velasco military government was undertaking in Peru is cited as the primary external driver (e.g. Redclift 1978; Rosero 1983; Barsky 1988). The apparent success of the reform in Peru encouraged a growing number of political elites to call for the radicalisation of reform in Ecuador. The interest Ecuadorian politicians and technocrats showed in the Peruvian agrarian reform came at a time when oil revenues were transforming the fiscal capacity of the state (e.g. Cosse 1980; North 1985; Barsky 1988). Ecuador's new-found oil wealth provided the state with greater economic potential to radicalise reform. The upsurge of indigenous and peasant mobilisation is posited as another important factor. Numerous studies note an increase in rural unrest in the coastal and

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<sup>72</sup> The IERAC was established by the LRAC to execute agrarian reform and oversee colonisation in Ecuador. The institute remained in operation until 1994.



highland regions in the late 1960s and early 1970s (e.g. Crespi 1971; Redclift 1978; Chiriboga 1984a; Sylva 1986). There is some dispute, however, over the capacity of indigenous and peasant organisations and movements at this stage. While some authors highlight the general strengthening of indigenous and peasant organisation in the wake of agrarian reform (e.g. Bretón 1997; Zamosc 1994; Zamosc 1995; Korovkin 1997), others emphasise the basic weakness of indigenous and peasant organisations and movements (e.g. Blankstein and Zuvekas 1973; Griffin 1981; Velasco 1979; FAO 1980). I contribute to this debate by exploring the historical evolution of indigenous organisations in the highland region and providing further evidence of the pressure indigenous peoples placed on the state to accelerate land reform. The finding supports the first group of authors who draw attention to the strengthening of indigenous and peasant organisation in the opening decade of reform.

The first real indication of a change in the dynamics of reform came in 1970 when the populist Velasco Ibarra government (1968-72) brought the IERAC under the control of the *Ministerio de Agricultura y Ganadería* (MAG). Writing at the time, Blankstein and Zuvekas argue the subordination of the IERAC to the MAG had potentially negative and positive implications for reform. (1973 pp. 85-6) On the one hand, the conservative orientation of agricultural ministries in developing countries suggested the move might prevent rather than promote reform. The change also increased the potential for counterreformist presidents and governments to block reform. On the other hand, the move provided the government with greater control over the execution of reform, giving it increased potential to overcome the weaknesses of the IERAC. The Velasco Ibarra government issued three new substantive pieces of agrarian reform legislation in 1970: *Ley 255-CLP*, *Decreto 373*, and *Decreto 1001*. Only the last two receive meaningful attention in the literature.<sup>73</sup> *Decreto 373* and *Decreto 1001* were orientated towards eliminating semi-feudal relations and accelerating the capitalist modernisation of agriculture but both laws provided new opportunities for the peasantry to obtain land. The former provided opportunities for highland and coastal peasants working under semi-feudal practices to secure

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<sup>73</sup> *Decreto 373* is also known as *Ley de Abolición del Trabajo Precario en la Agricultura* (LATPA).

land, while the latter proscribed semi-feudal relations in rice producing zones in the southern lowland and coastal regions. The laws were closely related. Zevallos explains the links between the two.

“In response to *Decreto 373*, many landowners in the Guayas Basin tried to evict tenants from their estates and refused to grow rice. Faced with the prospects of a rice-production crisis and a widespread confrontation between landlords and tenants, the government issued *Decreto 1001*, a more radical and effective measure.”<sup>74</sup> (1989 p. 61)

The Velasco Ibarra government therefore showed some capacity to accelerate reform. Yet, as some studies note, landowning elites limited the impact of the measures the administration introduced by forcing regressive legislative changes (e.g. Velasco 1979; Barsky 1988). I provide additional insight into the evolution of land reform under the Velasco Ibarra government by explaining the principal features of the *Ley 255-CLP* and illustrating elite and indigenous responses to the legislation. I also indicate the amount of land redistributed in the highlands via *Decreto 373*, a segment of the reform which receives relatively little attention in the existing literature. The analysis provides further evidence of the mounting indigenous and peasant pressure that was exerted on the state to accelerate reform in the early 1970s.

The more dramatic change in the political climate came in 1972 when the Rodriguez Lara military government (1972-76) seized power and signalled its intention to transform the agrarian structure. A new land reform debate erupted as the regime announced its plans to create a new legal basis for reform. Echoing the earlier agrarian reform debate (1960-64), various groups presented reform proposals. Rosero provides insight into the competing visions of land reform that existed in Ecuador at that time by comparing the principal features of seven proposals introduced in 1972 and 1973. (1983 pp. 259-73) With landowning elites unable to use political parties to channel their proposals, the *Cámaras de Agricultura* provided the principal mechanism to transmit their demands. Two proposals were submitted by the *Cámaras de Agricultura* and another was

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<sup>74</sup> The Velasco Ibarra government’s decision to accelerate reform in rice producing regions was largely because of the economic importance of the rice sector (i.e. rice was – and remains – a vital staple good in Ecuador). For a fuller discussion see Redclift (1978).

submitted by the *Banco del Pacifico*, which was closely associated with coastal landowning elites. Three proposals were drafted by commissions within the government and one was tabled by peasant organisations. Rosero does not provide any details about the platform from which peasants launched their agenda. Becker provides greater clarity, noting indigenous and peasant organisations established a coalition in 1972 to influence the agrarian reform debate. (2008 pp. 162-3) The *Frente Unido de Reforma Agraria* (FURA) organised a series of mobilisations before submitting its proposal in 1973. In contrast to the debate of the early 1960s, indigenous and peasant organisations were therefore able to present their own programme, indicating rural social movements were not as weak in the early 1970s as suggested by some authors (e.g. Blankstein and Zuvekas 1973; Griffin 1981). Rosero's concise comparative analysis reveals significant differences between the seven proposals. (1983 pp. 259-73) For example, the FURA demanded tighter limits on the size of landholdings than the government while the *Cámaras de Agricultura* opposed limits altogether. The *Cámaras de Agricultura* also called for the repeal of *Decreto 1001* and the promotion of colonisation. Barsky provides greater detail on the political struggle over the introduction of the new agrarian reform law, showing the pressure the *Cámaras de Agricultura* exerted on the Rodriguez Lara regime to respond to its demands and incorporate aspects of its proposals into the new law. (1988 pp. 201-17)

The law that emerged out of this debate – the *Ley de Reforma Agraria* (LRA) – is widely seen as being weak and modernising in spirit (e.g. Redclift 1978; Rosero 1983; Barsky 1988; Zevallos 1989; Bretón 1997). The LRA replaced the LRAC and provided the legal basis for agrarian reform until 1994.<sup>75</sup> The principal measure introduced to accelerate the capitalist modernisation of agriculture was the stipulation that privately owned land that failed to reach certain levels of utilisation and productivity would be liable for expropriation. Rosero notes that this aspect of the law posed the greatest threat to the traditional highland landowning elites who had failed to modernise their landholdings. He argues the period of grace included within the legislation (the clauses related to utilisation and productivity were not due to come into effect until 01 January

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<sup>75</sup> See Viteri Diaz (2007) pp. 13-17 for a brief overview of the principal features of the LRA.

1976) was introduced to avoid confrontation with traditional landowners and allow time for the conversion of traditional haciendas into capitalist enterprises. (1983 p. 282) Other concessions to landowning elites are also highlighted in the literature, including the omission of restrictions on the size of landholdings, one of the principal demands of the *Cámaras de Agricultura* during the build-up to the introduction of the law (e.g. Griffin 1981; North 1985; Barsky 1988; FAO 1995). Though there is broad agreement on the basic weakness of the LRA, there is some disagreement over the size of the imprint indigenous and peasant organisations were able to leave on the law. For example, Rosero claims the law was the result of “the compromise that the developmentalist military dictatorship aimed to reach between the landowning elite and the supporters of a peasant agrarian reform” (1983 p. 279) while North argues the indigenous and peasant proposal was “virtually ignored”. (1985 p. 440)

I throw fresh light on this issue by providing a detailed examination of the FURA proposal and a comparative analysis of the principal features of the proposal and the LRA. The analysis provides insight into the extent to which the state responded to indigenous and peasant demands in the 1970s as well as indigenous and peasant visions of agrarian reform at that stage. My comparative analysis of the FURA and LRA reveals considerable differences, providing support for authors who emphasise the small imprint indigenous and peasant movements were able to leave on the legislation.

It is widely acknowledged that the political struggle over the LRA did not cease with the promulgation of the law (e.g. Cosse 1980; Rosero 1983; Barsky 1988). Landowning elites continued to lobby the Rodriguez Lara government, winning additional legislative concessions and stalling the introduction of the supplementary legislation required to implement the law. The elite offensive also forced prominent politicians and technocrats from office and contributed to the downfall of the Rodriguez Lara regime in 1976. The conservative Alfredo Burbano military government (1976-79) that followed in its wake distanced itself from agrarian reform. While the LRA remained on the statute, the regime showed little interest in implementing it. The government’s attitude toward reform was reflected in the resources assigned to the IERAC in the late 1970s.

Cosse reports dramatic declines between 1976 and 1977 (1980 pp. 76-80) while Handelman notes sharp falls between 1978 and 1979.<sup>76</sup> (1980 p. 72)

The state's retreat from agrarian reform was not uncontested. The literature provides glimpses of indigenous and peasant resistance. For example, Cosse notes large-scale mobilisations took place immediately after the introduction of the LRA. (1980 p. 71) Becker shows indigenous and peasant organisations continued to pressure the state to implement land reform in the late 1970s. (2008 pp. 159-63) He also provides some insight into the factors that limited the ability of indigenous and peasant organisations to prevent the change in the direction of agrarian policies. He claims the LRA "partially realized" the demands of the FURA and the alliance dissolved soon after the introduction of the law. (2008 pp. 162-3) He also suggests internal frictions contributed to its decline as tensions emerged between peasant movements and leftist political parties. Velasco points in a similar direction, claiming indigenous and peasant organisations were hindered by reformist strategies that hinged on introducing new agrarian reform legislation and forging a coalition with the state. (1979 pp. 112-7) The alleged subordination of indigenous and peasant movements to the state left them exposed and unable to react when the Rodriguez Lara government changed course under pressure from landowning elites. Velasco contends the fragmentation and isolation of highland indigenous and peasant organisations further limited their ability to force radical changes in the agrarian structure. Becker hints at another factor: state and landowner repression (e.g. 2008 p. 160). Griffin also emphasises this point, reporting the pro-elite involvement of the police and army in land disputes, the killing of protestors, and the suppression of peasant organisations (e.g 1981 p. 188 & p. 213).

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<sup>76</sup> There is little evidence in the literature to suggest land reform received significant financial assistance from overseas in the 1960s and 1970s. One partial exception was the provision of USAID loans to support a scheme which enabled peasant cooperatives to purchase land in the Guayas Basin in the late 1960s and early 1970s (see Blankstein and Zuvekas 1973; Redclift 1978; and Redclift 1979). Redclift (1978) reports USAID and IDB loans were also channelled into agriculture modernisation schemes in the region in the late 1960s and early 1970s. On a regional level, Adams argues international development agencies provided little funding for land reform in Latin America in the 1960s. (1970 pp. 423-5) He claims, for example, the vast majority of USAID loans were targeted towards colonisation, agricultural credit, and land titling. He also notes IDB loans were "almost entirely" directed towards colonisation. (1970 p. 424) Without providing conclusive proof, the evidence I present in this thesis strongly suggests this was the case in Ecuador.

The *Ley de Fomento y Desarrollo Agropecuario* (LFDA), which the conservative military government introduced months before the return to democratic rule in 1979, accelerated the movement away from land reform. The LRA remained in effect but the LFDA obstructed the implementation of reform, primarily by increasing protection for private property rights. Once again, landowning elites were able to leave a considerable mark on the legislation. Barsky compares the proposal presented by the *Cámaras de Agricultura* with the approved version of the LFDA and reports 40 of the 111 articles of the proposal were inserted into the law without changes and another 23 were incorporated with modest revisions. (1988 pp. 246-8) Haney and Haney suggest the introduction of the law signalled the end of “agrarian reformism via land reform” and the start of “agrarian reformism via rural development projects”.<sup>77</sup> (1989 p. 73) Under integrated rural development (IRD) emphasis was placed on granting land titles, enhancing productivity, strengthening links with markets, and improving infrastructure rather than providing peasants with opportunities to secure land through state intervention. According to Bretón the switch to IRD implied “giving up the utopia of structural change in favour of projects with immediate and narrowly focused effects” (2008b p. 596) and casting aside the “inconclusive and unresolved question of land ownership and concentration of wealth”. (2008b p. 585) External as well as internal actors supported the change in the direction of agrarian policies. The organising efforts of politicians, technocrats and international agencies (e.g. USAID) were reflected in the creation of the *Fondo de Desarrollo del Sector Rural Marginal* (FODERUMA) in 1978 and the *Secretaría de Desarrollo Rural Integral* (SEDRI) in 1980.<sup>78</sup>

While some studies suggest land reform effectively drew to a close in the late 1970s (e.g. FAO 1995; Bretón 2008b), others indicate the reform continued into the 1980s and 1990s (e.g. Barsky 1988; Rosero 1990). The period has received far less scholarly attention than the 1960s and 1970s but aspects of the conflict have been documented. Barsky provides some insight into events in the opening years of the civilian Roldós-Hurtado government (1979-84). (1988 pp. 280-7)

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<sup>77</sup> Haney and Haney take these terms from de Janvry’s influential study on agrarian reform in Latin America (see de Janvry 1981). See Forster (1989), Zevallos (1989) and Thurner (2000) for comments on de Janvry’s study in relation to Ecuador.

<sup>78</sup> On rural development projects in Ecuador see Chiriboga (1984a), Korovkin (1997) and Bebbington & Perrault (1999).

The reestablishment of democratic institutions provided the opportunity for political parties to push for legislative changes. Barsky notes that efforts were made to repeal the LFDA but the balance of power within Congress worked against the initiative. Becker shows that demands for agrarian reform also came through informal political channels. (2008 pp. 163-4) Indigenous and peasant organisations organised a series of conferences and marches in the early 1980s to exert pressure on the government. IERAC remained underfunded during the opening years of democratic rule. Chiriboga reports the institute received only 44% of the funds it was programmed to receive between 1980 and 1983, continuing the general trend that emerged in the 1960s and 1970s.<sup>79</sup> (Chiriboga 1984a pp. 107-8) One important point to note is the underfunding of the IERAC was not specific to structural adjustment and neoliberalism but a constant feature of land reform.

The literature indicates the potential for indigenous and peasant organisations to exert pressure on the state decreased under conservative Febres Cordero government (1984-88) then increased under the centre-left Borja administration (1988-92). During this period (1984-92), the demands of indigenous organisations began to exhibit clearer ethnic dimensions. The *Confederación de Nacionalidades Indígenas del Ecuador* (CONAIE), which was established in 1986, provided the principal mechanism through which indigenous peoples channelled their demands. Most studies note land remained a central issue for indigenous families, communities and organisations in the 1980s and 1990s (e.g. Rosero 1990; Martínez 1992b; Korovkin 1997). Korovkin argues the continuation of the struggle over land flew in the face of authors who predicted conflicts over land would give way to struggles over labour as the capitalist modernisation of agriculture advanced.<sup>80</sup> (1997 pp. 26-7) Indigenous involvement in the fight over land also challenged Velasco's claim that highland indigenous communities and organisations seemed destined to perform an "essentially conservative" role in rural conflicts. (1979 p. 167) The 1990

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<sup>79</sup> Chiriboga notes the programmed budget related to agrarian reform while the allocated revenue covered land reform and colonisation, meaning the IERAC was left with even less resources to commit to land redistribution than originally expected. (1984a pp. 107-8)

<sup>80</sup> Korovkin cites Paige (1975) as a proponent of such views. See Goodman and Redclift (1981) for broad debates around the impact of capitalist modernisation on the peasantry in Latin America at this stage. See Martínez (1984) in relation to the Ecuadorian case.

*levantamiento*, which included hunger strikes, building occupations, land invasions, road blocks, and street protests, provided the clearest indication of the willingness of indigenous groups to resort to contentious forms of political action to drive land reform and land issues up the political agenda.<sup>81</sup> Indicating the scale of the *levantamiento*, Korovkin reports that in the central highland province of Chimborazo alone approximately 150,000 to 200,000 people participated. (1997 p. 43) While there is some disagreement over the weight of particular causal factors, most studies highlight the importance of land to the uprising (e.g. Rosero 1990; Martínez 1992b; Korovkin 1997). The role land reform performed in the crisis is highlighted by Rosero. (1990 pp. 33-51) He documents over 100 land conflicts in Ecuador, the majority of which were related to land reform in one form or another.<sup>82</sup> (1990 pp. 73-95) The resolution of land conflicts was one of the demands the CONAIE presented the Borja administration during the mobilisation. The government entered into negotiations with the CONAIE but failed to respond decisively to indigenous demands to accelerate land reform. Korovkin claims that in Chimborazo, for example, “little progress was made with regard to either land redistribution or community projects.” (1997 pp. 43-4) She also notes the militarization of indigenous communities in the wake of the *levantamiento*, a state response other authors report (e.g. Barrera 2001).

I provide additional insight into the 1990 uprising by placing it within the long-term struggle indigenous communities, organisations, and movements engaged in under land reform. Viewing the *levantamiento* within this light emphasises the “offensive” character of the mobilisation. My interpretation contrasts with accounts offered by authors who view the uprising as a “defensive” reaction to structural adjustment and neoliberal reform (e.g. Zamosc 1994; Silva 2009). This insight is important for understanding historical indigenous mobilisations as well as ongoing disputes between indigenous movements and the Correa government.

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<sup>81</sup> There is a voluminous body of work on the 1990 *levantamiento*. The most comprehensive studies are Almeida *et al.* (1991) and Almeida *et al.* (1992). Both volumes include first-hand accounts of actors involved in the mobilisation. See also Rosero (1990), Martínez (1992), Zamosc (1994), Barrera (2001), Selverston-Scher (2001) and Whitten & Whitten (2011).

<sup>82</sup> See also Dubly and Granda (1991). Land conflicts in the highland region are examined later in this thesis (Chapters 8 and 9).



The FAO note the 1990 *levantamiento* drove the issue of land back up the political agenda. (1995 p. 25) While the FAO do not connect the two events, a new land reform debate emerged in the wake of the uprising. Echoing earlier episodes of heightened conflict and debate (1960-64 and 1970-73), various actors presented proposals to attempt to influence the legislature. The episode has received relatively little attention in the literature but Waters provides some insight into the debate. He claims there was basic agreement on the ineffectiveness of state-directed land reform but considerable divergence on solutions to the agrarian crisis. (1995 pp. 1-2) Of the numerous legislative proposals introduced between 1990 and 1994, the landowning elite and indigenous-peasant programmes exhibited the greatest variation. (1995 pp. 5-8) The former was developed by *Instituto de Estrategias Agropecuarias* (IDEA), a think tank with strong links to the *Cámaras de Agricultura* and USAID, while the latter was advanced by the *Coordinadora Agraria Nacional* (CAN), a national coalition of indigenous and peasant organisations. Treacle provides greater clarity on the role external actors performed in shaping the debate and legislature. (1998 pp. 242-44) Drawing on conversations with US government officials and IDB employees, she claims an IDB loan was conditional on the conservative Durán Ballén administration (1992-96) introducing a law that liberalised the agriculture sector. The author argues the IDEA proposal “was given a great deal of weight by the IDB in its design of the agriculture sector loan.” (1998 p. 243) Waters claims the IDEA programme was “based on the concept that land is a commodity like any other” while the CAN proposal was orientated towards “protection of the integrity of the indigenous community and communal land ownership.” (1995 pp. 6-7) Hence, as I will emphasise later in this thesis, there were clear Polanyian undertones to the conflict.

The decision of President Sixto Durán Ballén to approve a law – the *Ley de Desarrollo Agrario* (LDA) - which closely resembled the IDEA proposal sparked another indigenous *levantamiento* in 1994. Following a two-week protest and a state response which included what Sawyer describes as the “impressive militarization of Ecuador’s urban and rural landscapes” state officials and indigenous and peasant movements formed a commission to revise the LDA. (2004 p. 182) Once again, there are divergent opinions on the imprint

indigenous and peasant movements were able to leave on the final legislation. Whereas Waters suggests the CAN proposal provided the benchmark for the revised law (1995 p. 15), Sawyer claims the overall thrust of the original legislation remained intact. (2004 pp. 207-8) Bretón provides additional insight into the issue by comparing aspects of the first and final versions of the LDA. (1997 pp. 69-70) He echoes Sawyer by claiming the revised version of the law remained overwhelmingly neoliberal in orientation.

I shed new light on the conflict by providing a more systematic analysis of the changes introduced through the negotiations, a detailed examination of the CAN proposal, and a comparative analysis of the proposal and the LDA. I also briefly examine the content of the LDA (which remains on the statute in Ecuador today). My analysis provides a clearer picture of the legislative outcome of the 1994 *levantamiento*. I show the primary aim of indigenous and peasant mobilisation was not to limit neoliberal restructuring but to transform the already existing land reform framework. I therefore stress the “offensive” character of the mobilisation. Though social, political and economic conditions have changed significantly in Ecuador since the early 1990s, the finding suggests changes in agrarian laws and policies will need to transcend the rolling back of neoliberal reform to assuage indigenous and peasant concerns and grievances. I return to this point in the concluding chapter of the thesis when I analyse the land law indigenous and peasant movements are currently attempting to introduce in Ecuador.

### **3. Implementation of land reform**

The vast majority of the studies which examine the implementation of land reform in Ecuador concentrate on the opening two decades (1964-1984). This was when the general level of interest in the issue was highest and the bulk of official figures were published. Barsky provides a broad indication of the reach of reform at this stage. (1988 pp. 307-18) On a national level, he reports 718,110 hectares of land were redistributed to 78,088 beneficiaries between 1964 and 1983. In addition, 90,611 hectares were transferred in the coastal region via *Decreto 1001*.<sup>83</sup> The total amount of land redistributed amounted to

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<sup>83</sup> See Redclift (1978) and Redclift (1979) on the application of *Decreto 1001*.

approximately 9% of the national agricultural land surface in 1984.<sup>84</sup> Other studies report similar figures. For example, Zevallos states approximately 8% of the agricultural land surface (744,395 hectares) was redistributed between 1964 and 1985 (1989 pp. 50-1) while Chiriboga reports around 10% of the agricultural land area (685,863 hectares) was transferred between 1964 and 1982.<sup>85</sup> (1984a p. 111) Data collated by Thiesenhusen suggest the reach of agrarian reform in Ecuador was among the most limited in Latin America at this stage.<sup>86</sup> (1989 pp. 10-11) Out of nine Latin American countries, Ecuador ranked third from bottom in terms of the percentage of land redistributed and fourth from bottom in terms of the proportion of the rural population involved.

There are very few studies that explore land redistribution at the regional or national levels between 1964 and 1994.<sup>87</sup> Gondard and Mazurek provide a broad indication of the overall reach of the reform; indicating approximately 900,000 hectares of land were redistributed between 1964 and 1992.<sup>88</sup> (2001 pp. 17-22) This implies approximately 100,000-150,000 additional hectares were transferred in the last decade of the reform. The relative figure Gondard and Mazurek report (3.4%) relates to the entire land surface of the country rather than the agricultural land surface which means it is not comparable with the estimates reported above and provides little indication of the actual reach of

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<sup>84</sup> Barsky arrives at this estimation by adding the total amount of land allocated via colonisation between 1975 and 1984 to the national agricultural land surface recorded in the 1974 agriculture census. He argues the figure provides a rough approximation of the actual size of the national agricultural land surface in the early 1980s. (1988 p. 317) One limitation of this approach is that it fails to subtract the land that was removed from the agriculture sector through urbanisation after 1974 (see Chapter 1).

<sup>85</sup> Chiriboga's estimate is based on the combined agricultural land surfaces of the highland and coastal regions reported in the 1974 agriculture census. He excludes land located in the Amazonian region and does not make any adjustments for colonisation. This explains why he reports a higher relative figure than Barsky based on a lower amount of redistributed land. Zevallos takes his figure directly from the IERAC and does not explain how it is derived. The estimates provided by Barsky, Chiriboga and Zevallos differ significantly from figures reported by Borrás and McKinley. (2006 p. 2) The authors indicate 34% of the national agricultural land surface was redistributed between 1964 and 1985 but do not explain how they arrived at this estimate. The most likely explanation is the figure is based on land reform *and* colonisation. Estimates reported above and later in this thesis suggest as a measure of land reform the figure is erroneous. The data are reproduced in Borrás *et al.* ([2008] 2011) p. 10.

<sup>86</sup> Thiesenhusen uses Barsky's data to gauge the extent of land redistribution in Ecuador. (1989 pp. 10-11) Differences in the timing and quality of the data mean cross-country comparisons of land reform are very approximate. See also Dorner (1992) pp. 33-5.

<sup>87</sup> Gondard and Mazurek (2001) and Jordán (2003) examine the implementation of the entire cycle of reform but neither study provides a detailed analysis of land redistribution.

<sup>88</sup> Gondard and Mazurek report that they were unable to obtain IERAC data for 1993 and 1994. (2001 p. 16)

agrarian reform. (2001 p. 22) I shed additional light on the impact of the reform by reporting the overall amount of land redistributed in the highland region between 1964 and 1994 and expressing the total as a proportion of the agricultural land surface reported in the 2000 agricultural census. The analysis provides a much clearer picture of the amount of land incorporated into the reform sector over three decades of reform.

The literature shows land reform was not implemented uniformly across Ecuador. The data collated by Barsky indicate 62% of land redistribution was undertaken in the sierra, 38% in the coast, and less than 1% in the oriente. (1988 p. 315) Haney and Haney report similar ratios based on land redistributed between 1964 and 1982. (1989 p. 73) The relative scale of land redistribution was also greatest in the highlands. Between 1964 and 1982, 16% of the 1974 agricultural land surface was redistributed in the sierra while 6% was transferred in the coast, according to Chiriboga. (1984a p. 111) Zevallos offers a twofold explanation for the variance between the two regions. (1989 pp. 50-1) First, the capitalist modernisation of agriculture was weakest in the sierra so a larger proportion of land was liable for expropriation and redistribution. Second, peasant demands for land were strongest in the highlands. While he does not explore the issue in depth, Zevallos therefore implies peasant pressure was not only crucial in driving land reform up the political agenda but also important in implementing reform. He also claims these two factors influenced redistribution within the highland and coastal regions. (1989 pp. 50-1) In relation to the sierra, for example, he asserts “land was awarded mainly in the southern provinces of Chimborazo and Loja, where the development of capitalist agriculture had been slowest and peasant movements had been strongest.”<sup>89</sup> (1989 p. 51) Chiriboga provides basic support for this claim. (1984a pp. 111-2) He also notes agrarian reform had the biggest impact in southern and central highland provinces (e.g. Cañar, Chimborazo and Loja) where traditional agricultural practices dominated. In these regions, Chiriboga claims, “peasant economies managed to access land to a greater extent than in the provinces of the north.” (1984a p. 112) He provides further evidence of the geographic unevenness of reform by reporting

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<sup>89</sup> Chimborazo is referred to throughout this thesis as a central rather than southern highland province. See Appendix 1 and 2.

the amount of land redistributed between 1964 and 1982 as a percentage of the 1974 agriculture land surface in each of the highland and coastal provinces. (1984a p. 111) The data reveal significant differences. In relative terms, land redistribution was strongest in the highland provinces of Cañar, Chimborazo and Loja (between 25-30%) and weakest in the coastal provinces of Esmeraldas and Manabí (less than 1%).

I throw additional light on this issue by reporting the amount of land redistributed between 1964 and 1994 as a percentage of the agricultural land surfaces of each of the highland provinces as well as the region as whole. I complement the data analysis with a detailed investigation of indigenous attempts to secure land from the 1960s to the 1990s. The analysis illustrates the crucial role indigenous families, communities and organisations performed in implementing land reform, a factor which is not given sufficient attention in the existing literature. The need for indigenous peoples to pressure the state to enforce laws and policies also illuminates current debates over water and land laws in Ecuador as well as discussions over the use of Polanyi's concepts to explore social, political and economic change.

The literature also shows land reform was also not implemented evenly across time. Barsky provides a gauge of the rhythm of the reform between 1964 and 1983, indicating land redistribution accelerated under military rule in the 1970s and remained elevated under civilian rule in the early 1980s. (1988 pp. 308-12) Cosse reports a similar pattern in the 1960s and 1970s but provides a clearer picture by indicating the amount of land redistributed in the highland and coastal regions in every year between 1964 and 1977. (1980 p. 65) He reports a noticeable uptick between 1975 and 1977. Chiriboga notes a similar spike, claiming the increase was primarily attributable to rising rural unrest. (1984a pp. 102-3). Highlighting the methodological difficulties of attempting to gauge the actual rate of reform, he claims peasant pressure increased state interventions between 1972 and 1975 but the bulk of the land was not formally redistributed to peasants until 1974 and 1976. The increase in the late 1970s was therefore a reflection of earlier events. The FAO provide support for this claim by noting a considerable amount of land was awaiting formal transfer in 1976. (1980 p. 93) Barsky also acknowledges the general lag between state intervention and legal

distribution. (1988 p. 308) Chiriboga claims the overhang of land that existed in the late 1970s continued to mask the real rate of redistribution in the early 1980s as the number of new IERAC interventions remained limited. (1984a pp. 107-8)

Gondard and Mazurek, who chart the amount of land redistributed in every year between 1964 and 1992 at the national level, indicate agrarian reform remained on a general downward curve into the 1990s. (2001 p. 17) This trend is at odds with some accounts of the activities of the IERAC around the 1990 *levantamiento*. For example, according to Selverston-Scher, the IERAC claimed to have resolved “1.5 million hectares of land disputes, with 1.2 million of those in favor of indigenous communities” between 1988 and 1992. (2001 pp. 63-4) Yet Gondard and Mazurek indicate only approximately 60,000 hectares of land was redistributed during this period. (2001 p. 17) I provide greater clarity on this issue by examining the amount of land transferred via agrarian reform and colonisation and cross-referencing the figures with the claims made by the IERAC and President Rodrigo Borja. The analysis shows reform and colonisation were conflated to exaggerate the amount of land redistributed. The finding sheds new light on the factors behind the *levantamiento* and the attitude of political elites towards indigenous peoples.

Other dimensions of the implementation of land reform are highlighted in the literature. A small number of studies delve into the IERAC data to examine the composition of the land redistributed in the first two decades of reform. For example, following IERAC classifications, Chiriboga indicates the total amount of land redistributed between 1964 and 1984 according to the type of intervention. (1988a pp. 44-5) He reports 56% was privately owned land incorporated into the reform sector via negotiation, expropriation and reversion, 31% was land worked under semi-feudal practices, and 13% was state-owned land. Chiriboga therefore draws attention to the important role state-owned land performed in agrarian reform in Ecuador. He does not, however, explain the composition or location of the land. CIDA’s influential study of Ecuador’s agrarian structure in the decade before the start of land reform indicates the bulk

of the land was located in the highlands.<sup>90</sup> (1965 p. 116) Various other authors have noted the concentration of state-owned land in the region and the important role it performed in the reform (e.g. Crespi 1971; Guerrero 1984b; Weismantel 1988; Becker 2008). Returning to Zevallos' comments about the reasons behind the geographic unevenness of land reform, the prevalence of state-owned land in the sierra was another factor that explained the greater impact of the reform in the region.

I throw greater light on this issue by examining the redistribution of state-owned land at the local level and indicating the extent of redistribution at the provincial and regional levels between 1964 and 1994. I also compare the total amount of state-owned land redistributed by IERAC with the stock of state-owned land reported in the early 1960s to gauge how much state-owned land was actually redistributed. The analysis reveals a significant shortfall which provides another indication of the role the state performed in the reform. I also examine the other intervention types for the entire period which provides greater clarity on the implementation of land reform and its impact on landowning elites.

The identities of the beneficiaries of land reform are reported by some studies. Investigating this element of the reform presents methodological challenges as official data provide few details about the recipients of land redistributed via the IERAC. On a broad level, the literature indicates land was redistributed to three groups: i) individuals/families; ii) cooperatives and iii) communities. Macro-level studies of the reform give little additional consideration to the characteristics and identities of beneficiaries.<sup>91</sup> Greater insight comes from authors who examine the implementation of agrarian reform at the local level or explore the role of specific social groups within the reform. Numerous studies point towards the high level of indigenous participation in the highland region (e.g. Crespi 1971; Velasco 1979; Guerrero 1984b; Bretón 1997;

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<sup>90</sup> The *Comité Interamericano de Desarrollo Agrícola* (CIDA) was the Alliance for Progress agency charged with the task of investigating rural issues and providing agrarian policy advice to Latin American states. The CIDA undertook a number of influential studies in the early 1960s. See Barraclough (1973).

<sup>91</sup> See for Herrera (2007) for short testimonies/oral histories of a selection of land reform beneficiaries.

Lentz 1997; Korovkin 1997; Martínez 2002a; Cervone 2012).<sup>92</sup> The widespread integration of indigenous peoples into the traditional hacienda complex and the strong links that existed between indigenous peoples and land are commonly cited factors for the high degree of indigenous involvement in agrarian reform. Some studies indicate that some segments of the indigenous population were better placed to secure land than others (e.g. Guerrero 1984b; Martínez 1995; Lyons 2006). Indigenous peoples tied to haciendas via the semi-feudal practice *huasipungo* were generally more successful than those linked via other semi-feudal relations (e.g. *arrimados/apegados*, *yanapa*). The fact land reform legislation created a framework for the dissolution of *huasipungo* but not for other semi-feudal practices is noted in some cases (e.g. Albornoz 1971). Zamosc highlights the basic link between indigenous peoples and land reform. (1995 pp. 37-9) Drawing on secondary sources, the author reports the reach of land reform was greatest in cantons with high indigenous population densities.<sup>93</sup>

I provide additional evidence of the links between indigenous peoples and land reform by cross-referencing and reporting demographic and land redistribution data at the provincial and regional levels. I complement the data analysis with the investigation of a wide range of local-level cases which allows for a clearer picture of the land redistributed to indigenous peoples and the role they performed in the redistribution process.

The size and type of land redistributed is examined in some cases. Simple averages of the amount of land redistributed per recipient are widely reported for the first two decades of reform. For example, according to Chiriboga, on a national level the average amount of land redistributed between 1964 and 1984 was eight hectares. (1988a p. 44) He indicates the average increased over time: the amount of land redistributed per recipient was six hectares in the first decade and nine hectares in the second. Barsky reports similar findings. (1988 pp. 309-13) Cosse provides greater detail on the evolution of the average in the 1960s and 1970s, indicating the upward trend was strongest in the sierra where the

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<sup>92</sup> Little research has been undertaken into the redistribution of land to Ecuador's other main ethnic minority group – *afroecuatorianos*. See RAPOPORT (2009) for some insight.

<sup>93</sup> The secondary sources Zamosc draws upon gauge the level of land redistribution by calculating the percentage of landholdings above 100 hectares affected by agrarian reform at the cantonal level. (1995 p. 39) The methodology Zamosc employs to gauge indigenous population densities is explained in the next chapter.



average climbed from three to seventeen hectares between 1964 and 1977. (1980 pp. 63-4)

These authors do not offer explanations for the trend other than to note the rise reflects the acceleration of land reform and land titling in the 1970s. My analysis suggests the increase was largely due to a change in the composition of redistributed land, with the transfer of high-altitude grassland (*páramo*) skewing upwards the average in the highland region. While other studies have indicated the important role *páramo* performed in the land reform in the highland region (e.g. Thurner 1989; Forster 1989; Ramón 1993; Korovkin 1997), this thesis throws additional light on the issue. In addition to indicating the transfer of *páramo* to a large number of indigenous communities I also cross-reference agricultural census and land redistribution data to indicate the relationship between the two variables at the provincial level. My analysis of land reform legislation also shows that the redistribution of *páramo* performed a prominent role in the state's strategy to alleviate pressure on land in the highlands from the late 1960s onwards. Drawing on interviews with local-level indigenous and peasant organisations, I also show the important role indigenous organisations and communities have recently performed in preserving the *páramo*, complementing the more detailed research which has been undertaken on the issue (e.g. Mena *et al.* 2011).

The implementation of the wider dimensions of agrarian reform (e.g. credit, technical assistance) is also explored by some studies. These aspects of the reform took on greater importance in the 1970s when the oil boom provided the state with greater fiscal capacity to invest in agriculture and rural development. Zevallos provides an indication of the greater state resources committed to agriculture at this stage. (1989 pp. 46-9) He reports state expenditure in the sector increased from 1.4% to 7.5% of total spending or ninefold in real terms between 1970 and 1979. Most studies argue peasants benefitted little from the rapid increase in state spending in the 1970s (e.g. FAO 1980; Chiriboga 1984a; Zevallos 1989).<sup>94</sup> Zevallos, for example, claims MAG technical assistance was “focused on commodities produced predominantly on medium and large farms

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<sup>94</sup> Blankstein and Zuvekas (1973) p. 83 suggest this was also the case in the 1960s.

and was generally ill adapted to most small-farmer needs.” (1989 p. 47) He also contends agricultural credit channelled through the *Banco Nacional de Fomento* (BNF) and *Banco Central del Ecuador* (BCE) was primarily directed towards medium and large producers. (1989 pp. 47-8) The FAO paint a similar picture, claiming “small and medium farmers have had practically no access at all to credit”. (1980 p. 95)

#### **4. Wider impacts of land reform**

The effects of land reform were numerous and diverse. Among other areas the reform contributed to changes in gender relations, political structures, production patterns, ethnic identity, and ecological practices. While a full analysis of the impact of the reform is outside the scope of this chapter, a cursory glance at three areas which perform important roles within this thesis is beneficial.

The first relates to the link between land reform and peasant and indigenous organisation. Zamosc provides an indication of the quantitative impact of the reform on local-level organisation in the highland region by tracing the historical evolution of communities, cooperatives and associations.<sup>95</sup> (1995 pp. 45-71) He shows a sharp rise in the number of organisations in the region in the opening decade of reform: whereas 303 organisations were registered between 1955 and 1964, 717 were listed between 1965 and 1974. The total number of local-level organisations continued to increase, with another 1,171 registered between 1975 and 1992.<sup>96</sup> (1995 p. 62) Zamosc reports stronger organisational growth in zones with high indigenous densities. The expansion of communities was particularly rapid in these areas, indicating the importance of traditional communal organisation for indigenous peoples. Korovkin highlights the strength of this process in the central highland province of Chimborazo. (1997 pp. 27-32) Reporting the emergence of 356 new communities in the decades after the start of agrarian reform (1964-1991), she claims “this organizational explosion demonstrated the extraordinary vitality of the indigenous communal tradition,

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<sup>95</sup> The impetus land reform gave to indigenous and peasant organisation in the highland region is widely noted. See, for example, Sánchez-Parga (1989), Zamosc (1993), Guerrero (1996), Bretón (1997), Korovkin (1997), Bebbington and Perrault (1999), Martínez (2002a), Pallares (2002), Yashar (2006), Becker (2008), and Cervone (2012). See Redclift (1978) for the development of peasant organisations in the coastal region in the 1960s and 1970s.

<sup>96</sup> Zamosc stresses his data relate to the number of registered not active organisations. (1995 p. 47)

rooted in the precolonial past as well as in the colonial and hacienda experiences.” (1997 p. 29) Without explaining the links between the different levels of organisation, Korovkin indicates the provincial - *Movimiento Indígena de Chimborazo* (MICH) – and regional – *Ecuador Runacunapac Riccharimui* (Ecuaurunari) – indigenous movements emerged on the back of the outgrowth of indigenous communities. (1997 p. 30) The space the dissolution of the traditional hacienda complex provided for communal and political organisation leads Korovkin to claim land reform was an “economic defeat” but “political victory” for the indigenous peoples of Chimborazo. (1997 p. 27) “The communities lost the game in terms of access to economic resources”, she claims, “but they won an impressive victory in political and organizational terms.” (1997 p. 32)

I provide additional insight into the links between land reform and indigenous organisation by explaining the evolution of the various levels of the highland indigenous movement and indicating the organisational impact of the reform across a number of cases. Building on the insights of other studies (e.g. Martínez 1995), I show that conflicts sometimes emerged between the organisational forms imposed by the state (cooperatives) and the organisational forms favoured by indigenous peoples (communities). The finding suggests Zamosc’s organisational density data should be treated with a degree of caution i.e. the stronger growth of local-level organisations in zones with high indigenous densities can be seen as a sign of weakness as well as strength.

The second area relates to the relationship between land reform and land markets. It is widely acknowledged that land reform stimulated land market activity in the highland and coastal regions (e.g. Preston 1976; Martínez 1985; Thurner 1989; Zevallos 1989; Zamosc 1994). Zevallos explains the basic link.

“While the threat of expropriation and the new economic conditions created by the oil boom provided the incentives for some landowners to modernize, they inspired others to subdivide and sell all or part of their farms. The division of haciendas into medium and small units, which were then sold to local merchants or rich peasants, was a common phenomenon both in the highlands and on the coast.” (1989 p. 54)

Zamosc suggests the opening of land markets also provided opportunities for a wider sector of rural population to purchase land, including highland indigenous communities. (1994 pp. 42-3) The point is emphasised by a number of studies which examine agrarian issues at the local level (e.g. Martínez 1985; Haney & Haney 1987; Thurner 1989; FAO 1995). While these studies provide valuable insights into indigenous participation in land markets at the local-level, the wider opportunities and threats land markets created for indigenous peoples are not clear in the existing literature. The precise relationship between land reform and land markets is also underanalysed.

The analysis I offer in this thesis provides greater clarity on these issues. I examine a number of indigenous attempts to purchase land on the market and develop a new concept to analyse the relationship between land markets and indigenous peoples. I show the opening of land markets created spaces for indigenous peoples to secure land in some cases but restricted them in others. I stress collective organisation and mobilisation were required to broaden the opportunities open to indigenous peoples to purchase land on the market which augments other research undertaken on the issue in Ecuador (e.g. Thurner 1989) and informs studies on the construction of markets elsewhere in Latin America (e.g. Topik 1999). I also provide a detailed analysis of the relationship between land reform and land markets. Working within a Polanyian framework I explain the commodification and decommodification dimensions of land reform. The analysis indicates the impetus land reform provided land markets on the one hand and the restrictions it imposed upon them on the other. Viewing land reform through a Polanyian lens provides fresh insight into the historical evolution of the reform and contributes to contemporary land debates in Ecuador and Latin America.

The third area relates to the link between land reform and land distribution. Gauging the impact of the land reform on land distribution is complicated by the timing of the three full agriculture censuses undertaken in Ecuador (1954, 1974 and 2000). The issue was particularly problematic in the 1980s and 1990s because of the considerable changes the agrarian structure underwent after the

completion of the 1974 census.<sup>97</sup> Studies that examine the evolution of land distribution between the three censuses provide the best indication of the impact of the entire land reform (e.g. FAO 2002; Herrera 2007; Brassel *et al.* 2008). Bretón, for example, indicates the changes in the bottom, middle and top tiers of the national land distribution between 1954, 1974 and 2000. (2008b pp. 591-3) He reports a significant increase in the number of farms in the middle range (20 to 100 hectares) but argues the apparent improvement in the land distribution was primarily due to the extensive colonisation of previously untitled lands. Brassel *et al.* also draw attention to the increase in the prevalence of medium size farms between the three censuses. (2008 pp. 21-6) In addition, the authors highlight the increase in the number of units of less than one hectare and the decrease in the amount of land controlled by landholdings of greater than 500 hectares. According to their calculations the overall changes translate into a decline in the Gini coefficient from 0.86 in 1954 to 0.80 in 2000. Zamosc provides some indication of the position highland indigenous peoples occupied within the land distribution in the 1990s. (1995 pp. 33-5) He reports a higher incidence of landholdings below one and half hectares in cantons with high indigenous population densities, suggesting land reform provided relatively few opportunities for indigenous peoples to climb the land distribution ladder.

I provide new insights into the link between land reform and land distribution by providing a detailed analysis of the evolution of the land distribution in the highland region between the 1954, 1974 and 2000 censuses and indicating the impact of land reform on the bottom, middle and top tiers of the land distribution. Greater clarity on the impact of colonisation on the land distribution in the highland region is also provided. I offer greater insight into the position indigenous peoples occupied within the land distribution by cross-referencing indigenous demographic and agricultural census data. I also examine the ethnic composition of the agricultural producers reported in the 2000 agricultural census which casts further light on indigenous access to land and indigenous participation in agriculture at the provincial and regional levels. In addition, I

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<sup>97</sup> Chiriboga (1988) offers the most comprehensive estimate of the changes that took place in the decade after the 1974 census. See also Haney & Haney (1987).

provide a detailed analysis of the changes in the land tenure structure in the sierra between 1954 and 2000.

## **5. Summary: new contributions to our understanding of Ecuadorian land reform**

Ecuadorian land reform has been the subject of a great deal of scholarly attention, especially during the opening two decades of the reform when political and academic interest in the topic was greatest. The new insights this thesis provides comes from examining the whole cycle of reform (1964-1994), focusing on the relationship between indigenous peoples and land reform, and analysing land reform through a Polanyian lens. The main contributions fall into three broad camps.

The first relates to political struggles over the design of land reform. I provide greater clarity on this issue by examining the attempts of indigenous and peasant organisations and movements to transform land reform from the 1960s onwards. I offer a detailed analysis of the FURA and CAN proposals and a comparative analysis of the proposals and the LRA and LDA (Chapters 4 and 7). My analysis provides a clearer picture of indigenous and peasant visions of land reform and the extent to which the state responded to indigenous and peasant demands. Drawing on Polanyi, I characterise indigenous struggles over land reform as attempts to increase the social control of land in the face of mounting commodification. Taking a long-term view of these struggles emphasises the “offensive” as opposed to the “defensive” character of the 1990 and 1994 *levantamientos*. I also provide fresh insight into the content and evolution of land reform legislation from the 1960s onwards (Chapters 4 and 7).

The second relates to the implementation of land reform. My investigation of land redistribution in the sierra is more detailed and complete than the analysis currently provided in the existing literature. I report the absolute and relative scale of land redistribution at the provincial and regional levels between 1964 and 1994 and analyse the amount of land redistributed through different intervention types (Chapters 5 and 8). The analysis provides a clearer picture of the extent and composition of land redistribution in the highland region. I also provide approximations of the relationship between indigenous peoples and land

redistribution at the provincial levels. My analysis of land redistribution at the local level also throws fresh light on the implementation of land reform (Chapters 5 and 8). One important point that emerges is the crucial role indigenous families, communities, and organisations performed in implementing land reform from the 1960s onwards.

The third relates to the relationship between land reform and land markets. Working within a Polanyian framework, I provide a systematic treatment of the relationship between land reform and land markets and indigenous peoples and land markets (Chapters 4 and 7 and 6 and 9). I develop a new concept to explore the links between indigenous peoples and land markets. A clearer picture of the opportunities and threats land markets created for indigenous peoples emerges from the analysis. I also examine the commodification and decommodification dimensions of land reform and illustrate the links between land reform and land markets through the investigation of a number of local-level cases. The analysis provides insight into historical agrarian change in Ecuador and also contributes to contemporary debates over land reform and land markets in Latin America.

In addition, I also offer a detailed analysis of the changes in land tenure and land distribution in the sierra in the second half of the twentieth century and approximate the positions indigenous peoples occupied in the land distribution (Chapters 6 and 9). Fresh light is also thrown on the link between land reform and indigenous organisation and the evolution of the highland indigenous movement (Chapters 4-5 and 7-8).

## **Chapter Three**

### **Indigenous peoples in the traditional rural highland economy and the land reform debate of the early 1960s**

#### **1. Introduction**

Ecuador entered the second half of the twentieth century with one foot firmly in the past.<sup>98</sup> Over 70% of the population lived in rural areas; industrial production was limited to a small group of basic enterprises; trade unions were small and fragmented; consumer and producer markets were circumscribed; haciendas, plantations, and landowning elites dominated the agriculture sector; and, thousands of peasants were enmeshed within semi-feudal practices. Rural capitalist development was strongest in the coast where virtually all of Ecuador's exports were produced and weakest in the sierra where traditional haciendas dominated the social, political, and economic landscape and agricultural production was orientated towards the domestic market. The pace of social, political, and economic change began to hasten in the highlands in the 1950s and 1960s as the capitalist modernisation of the wider economy accelerated and the battle to dismantle the traditional rural economy intensified. The escalation of rural unrest and the launch of the Alliance for Progress drove land reform up the political agenda in the early 1960s. The initial battle over agrarian reform had commenced, culminating in the introduction of the LRAC in 1964. This chapter explains the positions indigenous peoples occupied in the highland economy in the decade before the start of the reform and examines the land reform debate of the early 1960s. The analysis focuses on issues that are crucial for understanding the evolution of land reform, land markets and indigenous mobilisation between 1964 and 1994.

The remainder of the chapter is divided into four sections. The next section outlines the size and distribution of the highland indigenous population in the early 1960s. The roles indigenous peoples performed within the traditional rural

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<sup>98</sup> Mainland Ecuador covers a land mass of approximately 248,360 km<sup>2</sup>. The mainland is divided into three broad geographic regions (from east to west): the Amazonian region (or oriente); the highland region (or sierra); and the coastal region (or costa). The country borders Colombia to the north and Peru to the south and east. The estimated population of Ecuador in 1950 was 3.3 million of which around 58% lived in the sierra. Today Ecuador is home to approximately 15.5 million people. See Appendix 1 and 2 for physical and administrative maps of Ecuador.



economy are then explained in section three. The principal constraints the traditional agrarian structure placed on the development of land markets are also outlined. The fourth section explains the contours of the land reform debate of the early 1960s and analyses the drafting and introduction of the LRAC in 1964. The fifth section summarises the main points discussed in the chapter.

## **2. The highland indigenous population in the early 1960s**

The indigenous peoples of Highland Ecuador have their roots in the ethnic groups that were integrated into the northern reaches of the Inca Empire in the late fifteenth and early sixteenth centuries. Kichwa, the lingua franca of the Inca Empire, became the common language of the indigenous peoples under Inca and Spanish rule. The highland indigenous population comprises various cultural groups which are united by a single language and similar set of customs, habits and beliefs. (INEC 2006 pp. 14-5) No precise measure exists of the size and distribution of the highland indigenous population in the decade before the start of land reform. However, sociodemographic studies undertaken by Knapp and Zamosc provide good approximations. Using Kichwa speakers as a proxy for indigenous peoples, Knapp estimates the rural highland indigenous population in 1950 was 417,892 or around one third of the total rural highland population.<sup>99</sup> (1987 p. 11) Illustrating the close links that existed between indigenous peoples and land, Knapp estimates only 23,102 Kichwa speakers resided in urban areas. (1987 p. 11) He identifies the parishes where at least 33% of the population were Kichwa speakers to estimate the areas of the highlands where indigenous peoples were the main ethnic group (he sets the threshold at 33% rather than 50% to correct for biases in the 1950 census which he claims underestimate the size of the indigenous population). In doing so, Knapp identifies a “strong spatial segregation” of rural indigenous peoples with two-thirds of Kichwa speakers concentrated in only 88 of 403 highland parishes. (1987 p. 13) Zamosc then uses Knapp’s classifications to identify the “predominantly indigenous areas” (API) and “predominantly mestizo areas” (APM) of the rural highland region.<sup>100</sup> (1995 pp. 20-23) Using the 1962 population census, Zamosc

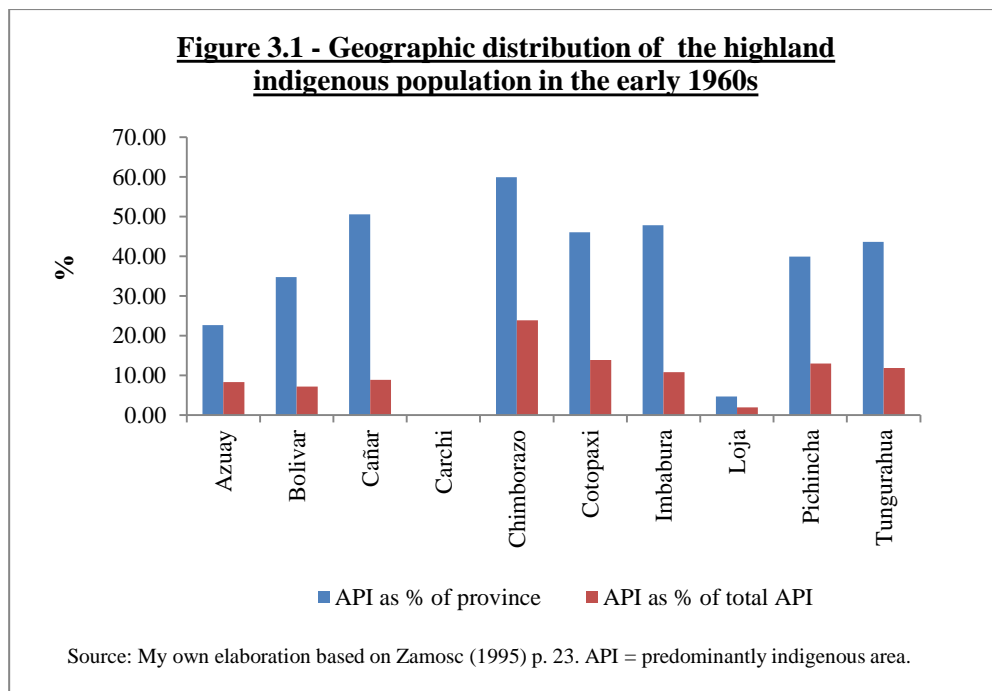
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<sup>99</sup> Knapp derives his data from the 1950 population census which asked respondents the language they generally spoke within their families.

<sup>100</sup> The API is used throughout this thesis to estimate the size and distribution of the highland indigenous population. Two important points need to be taken into account when interpreting the

estimates the size of the API population in 1962 was 557,800 or 35% of the rural highland population. Figure 3.1 shows the API population in relation to the total rural population of the province as well as the API population of the province in relation to the total API population of the highland region.<sup>101</sup> The data indicate the regions with highest indigenous population densities were the central and northern provinces of Chimborazo, Cañar, Imbabura, Cotopaxi, and Tungurahua. The largest indigenous populations in absolute terms were located in Chimborazo, Cotopaxi, and Pichincha. Over 40% of the total API population was situated within these three provinces.

The data collated by Knapp and Zamosc provide a rough approximation of the *potential* size of the indigenous base of the countermovement that emerged in the wake of land reform.



data. First, the API is derived from the linguistic groups identified in the 1950 census. The indicator therefore overlooks the wider and dynamic dimensions of ethnicity. Second, the API includes people of various ethnicities. The measure therefore only provides a rough approximation of the composition, size, and distribution of the rural highland indigenous population.

<sup>101</sup> The highland region is divided into ten provinces: Azuay, Bolívar, Cañar, Carchi, Cotopaxi, Chimborazo, Imbabura, Loja, Pichincha and Tungurahua. Each province is divided into various cantons and each canton is subdivided into numerous parishes.

### 3. Indigenous peoples in the rural highland economy in the decade before the start of land reform

The traditional rural economy of Highland Ecuador exhibited the classic traits of the *latifundia-minifundia* complex.<sup>102</sup> Haciendas, which ranged from less than 100 to over 20,000 hectares, dominated the social, political, and economic landscape. The landholdings stretched across various ecological zones which enabled the production of a variety of crops and the pasture of livestock. Haciendas controlled the bulk of the most productive land located in the lower reaches of the Inter-Andean Valley as well large tracts of woodland and high-altitude grassland or *páramo*.<sup>103</sup> The monopolisation of land and the accumulation of social, political, and economic power enabled landowners (*hacendados*) to tie indigenous and mestizo peasant families and communities to haciendas through semi-feudal practices. The traditional rural economy embodied two broad patterns of land use: the low intensity systems of haciendas and the high intensity systems of peasants. (Bebbington 2004 p. 405) The dominance of haciendas ensured vast tracts of land were left underutilised. Highland haciendas, farmers, and peasants supplied the bulk of basic foodstuffs for the national domestic market. The principal link between Ecuador's agriculture sector and world markets was found in the coastal region where the country's principal exports – bananas, cacao, and coffee - were produced, packaged, and shipped.

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<sup>102</sup> See CIDA (1965), Barraclough (1973), and King (1977) for overviews of the *latifundia-minifundia* complex in Latin America.

<sup>103</sup> Vertically, the highland region comprises a series of belts with distinct climatic and geographic characteristics. The high altitude belt runs from approximately 5,000 to 6,300 metres a.m.s.l. and includes the glaciers and rocky peaks of western and eastern cordilleras of the Andes. The zone is effectively outside of the agricultural frontier. The *páramo* – durable and diverse, tracts of grass interspersed with patches of bare soil – is located between 2,800 to 5,000 a.m.s.l. (Mena *et al.* 2011) Within clear ecological constraints, the lower sections of the *páramo* are suitable for the production of a small number of crops (e.g. potatoes, barley). The higher areas are largely restricted to the pasture of livestock (e.g. sheep, llama). The *páramo* is also a vital source of water for consumption as well as irrigation. The most fertile and productive land in the sierra is located in the relatively flat series of closed valleys that undulate between approximately 2,200 and 3,100 a.m.s.l. along the floor of the Inter-Andean Valley. These zones are suitable for the cultivation of a wide range of crops (e.g. maize, barley) as well as the production of cattle and dairy. The outer slopes of the cordilleras of the Andes are covered by a variety of forests, vegetation and soils and are suitable for the production of a wide variety of agricultural produce as well for foraging for fruit, nuts, firewood etc.

<b>3.1 – Land tenure, Highland Ecuador, 1954</b>				
<u>Land tenure</u>	<u>Units</u>	<u>% of total units</u>	<u>Land surface (hectares)</u>	<u>% of total land surface</u>
Privately owned	174,023	67.0	2,233,200	73.9
Rented	8,012	3.1	341,800	11.3
Partidario	12,885	5.0	54,000	1.8
Huasipungo	19,665	7.6	60,200	2.0
Comunero	4,863	1.9	18,300	0.6
Mixed	40,121	15.4	312,900	10.4
<b>Total</b>	<b>259,569</b>	<b>100.0</b>	<b>3,020,400</b>	<b>100.0</b>
Source: My own elaboration based on INEC (1954).				

Private ownership was the dominate form of land tenure in the highland region in the decade before the start of land reform (see Table 3.1 above). Over two-thirds of total landholdings and nearly three-quarters of the agricultural land surface were under private ownership, according to the 1954 agricultural census. Privately owned land covered the entire spectrum of landholdings located in the highland region. Indigenous peoples were represented within this group but were often still linked to haciendas through semi-feudalist practices (the practices are explained below). The extent of private ownership suggests land markets were well developed prior to the start of agrarian reform. However, Polanyi's concept of the fictitious commodity suggests the privatisation and commodification of land should not be conflated. While land market activity increased in the 1950s, the crucial non-economic roles land performed for landowning elites and peasant families placed definite limits on commodification.<sup>104</sup> Land was a source of political power and social prestige as well as income and wealth for elites and a place to live, maintain communal relations, and reproduce cultural practices for indigenous and mestizo peasants. While the bulk of landowners had the right to sell land, many elected not to do so because of the wider functions it performed in the rural economy and society.

State-owned land placed further restrictions on the development of land markets. The bulk of the land was under the stewardship of the state welfare

<sup>104</sup> Numerous studies indicate an uptick in land market activity in the highland region in the 1950s. See, for example, Preston & Taveras (1977), Martínez (1985b), Haney & Haney (1987), Forster (1989), and Thurner (1989). Activity increased earlier in some areas (e.g. Otavalo). See, for example, Salomon (1981).

institution the *Asistencia Social* (AS).<sup>105</sup> The AS owned seventy seven haciendas in the highland region which it leased to landowning elites. Rental revenues were then channelled into welfare programmes. CIDA report the combined stock of AS land was 132,853 hectares or 4.4% of the 1954 agricultural land surface (the landholdings are included within the rented category in Table 3.1). (1965 p. 112)

The widespread existence of semi-feudalist practices, communal land, and mixed tenures further limited the reach of land markets. The remaining agricultural land was operated under these tenure types. *Huasipungo*, which will be explained in greater depth below, involved the exchange of labour for land; *partidario* entailed the exchange of payment or produce for land; and, *comunero* involved the redistribution of usufruct rights to peasants within indigenous and peasant communities. The census understates the amount of communally owned land, especially *páramo*, but the data indicate the limited amount most indigenous and peasant communities had at their disposal. Other sources point in the same direction. The FAO, for example, estimate that in 1961 the average amount of land available to community members was less than half a hectare. (1980 p. 91) Mixed tenures included a variety of private, semi-feudal, traditional, and communal practices as well as *colonos* who worked previously uncultivated land in the remoter areas of the highland region. The gap between the relative size of units and relative amount of land incorporated into these tenures (i.e. 30% versus 15%) illustrates the preponderance of *minifundia* (< 5 hectares) and *microfundia* (< 1 hectare) within these groups.

One important point to take from the land tenure data is land reform would have to incorporate considerable amounts of privately owned land if it was to have a significant bearing on the distribution of land in the highland region.

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<sup>105</sup> The *Asistencia Social* or *Asistencia Publica* was established on the back of the haciendas the state expropriated from the Catholic Church in the early 1900s. Nevertheless, the Catholic Church remained a prominent landowner in the sierra in the 1960s.

<b><u>Farm size</u></b> <b><u>(hectares)</u></b>	<b><u>Units</u></b>	<b><u>% of total</u></b> <b><u>units</u></b>	<b><u>Land surface</u></b> <b><u>(hectares)</u></b>	<b><u>% of total</u></b> <b><u>land surface</u></b>
< 1	83,714	32.2	40,400	1.4
1 > 4.99	128,439	49.5	301,300	10.0
5 > 9.99	22,443	8.6	154,700	5.1
10 > 19.99	10,570	4.1	142,000	4.7
20 > 49.99	7,722	3.0	220,000	7.3
50 > 99.99	3,594	1.4	218,700	7.2
100 > 199.9	1,377	0.5	178,600	5.9
200 > 499.99	991	0.4	292,500	9.7
500 > 999.99	330	0.1	228,300	7.6
1000 > 2499	251	0.1	363,700	12.0
2500 >	138	0.1	880,200	29.1
<b>Total</b>	<b>259,569</b>	<b>100.0</b>	<b>3,020,400</b>	<b>100.0</b>

Source: My own elaboration based on INEC (1954).

The distribution of land in the 1950s was the epitome of the *latifundia-minifundia* complex. Over 65% of agricultural land was incorporated into approximately 3,000 landholdings of over 100 hectares, while less than 12% of land was incorporated into more than 200,000 units of less than 5 hectares (see Table 3.2 above). The land distribution reflected the historical incorporation of land into the traditional hacienda complex.<sup>107</sup> The process exhibited a clear ethnic dimension with white and mestizo landowners taking control of the bulk of the agricultural land surface.<sup>108</sup> Indigenous families and communities were able to pursue broadly or wholly autonomous economic strategies in some zones (e.g. Otavalo, Saraguro). However, the bulk of the highland indigenous population was linked to the traditional hacienda complex to varying degrees.

The internal organisation of highland haciendas reflected this historical process. The general pattern was as follows. White and mestizo proprietors and renters of haciendas (*hacendados* or *patróns*) either operated haciendas directly or lived in towns and cities and recruited white or mestizo administrators (*administradoras*) and managers (*mayordomos*) to manage their properties.<sup>109</sup>

<sup>106</sup> The signs < and > are used throughout this thesis to signify “less than”, “more than” or “between” (when placed between two numbers).

<sup>107</sup> See Taveras (1977), Martínez (1984), Haney & Haney (1987), Forster (1989), Martínez (2002a), and Lyons (2006) for details on this process.

<sup>108</sup> De la Torre notes: “Haciendas were systems of economic exploitation and of political and ethnic domination.” (2006 p. 249)

<sup>109</sup> Indigenous men sometimes climbed to the position of *mayordomo*. See, for example, Thurner (1989).

The landowner and administrative and management staff then employed bilingual (i.e. Spanish-Kichwa) indigenous or mestizo foremen (*mayorales or kipus*) to run teams of indigenous and mestizo workers (e.g. *huasipungueros*). (Pearse 1970 p. 23) (Casagrande 1981 pp. 265-7) (Thurner 2000 pp. 354-7) (Lyons 2006 pp. 73-99) One important point to note about the division of labour on haciendas is that the hierarchy ensured some members of the hacienda workforce (e.g. *mayordomos*) were better placed to take advantage of the division and sale of haciendas than others (e.g. *huasipungueros*).

No data exist that enable the ethnicity of workers linked to haciendas to be determined with absolute certainty. However, historical and anthropological sources suggest the semi-feudalist workforce was primarily, though by no means wholly, indigenous.<sup>110</sup> This sector of the indigenous population was broadly split between “internal” and “external” families and communities. (Murra 1946 pp. 819-20) (CIDA 1965 pp. 76-7)

The bulk of the “internal” indigenous peasant population was incorporated into the semi-feudal practice *huasipungo*.<sup>111</sup> The practice involved the asymmetrical exchange of land, natural resources, and labour between landowning elites and indigenous families. Landowners provided families with usufruct rights to small plots of land and access to pastoral land and woodland for their combined labour power. The tasks indigenous peoples performed for landowners varied but typically involved cultivating and harvesting crops, taking animals to pasture, and guarding against the theft of livestock and the damage of crops. Female members of the *huasipungo* family were also often obligated to work as domestic servants (*huasicamas*) for landowning elites, usually in towns and cities. (Becker & Tuttilo 2009 pp. 62-3)

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<sup>110</sup> See, for example, CIDA (1965), Pearse (1970), Crespi (1971), Taveras (1977), Casagrande (1981), Guerrero (1984a), Thurner (1989), Lentz (1997), Martínez (2002a), Lyons (2006) and Becker & Tuttilo (2009). The situation in Loja, the province with the second smallest indigenous population density in the highland region, differed to that of the rest of the highland region. There a practice analogous to *huasipungo* – *arrimado lojano* – incorporated primarily, though not entirely, mestizo peasants. The analysis presented in this chapter and thesis focuses on the semi-feudalist practices that involved significant numbers of indigenous peoples. *Arrimado lojano* is therefore excluded from the analysis.

<sup>111</sup> *Huasipungo* is a compound of two Kichwa words “*huasi*” (house) and “*pungo*” (door or gateway). The etymology of the word highlights the fact the land was not a mere economic resource for indigenous families.

Technically, *huasipungo* was regulated by the *Código del Trabajo*, the legal framework that had regulated feudalist and capitalist labour relations in Ecuador since the 1930s. (RO 356 1961) Practically, however, the practice was negotiated between *hacendados* and *huasipungueros* at the local level and scant regard was paid to the legal framework. Landowners provided *huasipungueros* with access to land, water, and firewood but the full or partial payment of wages was less common. Wages were frequently withheld and set against the “debts” incurred by indigenous families. Typically landowners retained ledgers for *huasipungueros*, detailing debts, costs, work, wages, and so on. In order to achieve the status of *huasipunguero*, indigenous families often received *suplicidos* or advances from the landowner, thereby starting their lives as *huasipungueros* in debt. Over time indigenous families often incurred additional debts (e.g. to fund weddings) which increased their reliance on landowners and decreased their ability to purchase land and other assets. The practice therefore resembled a form of debt peonage which enabled landowners to tie indigenous families to haciendas and ensure a constant supply of cheap labour.

**Table 3.3 – Size distribution of huasipungos , Highland Ecuador, 1954**

<u>Size (hectares)</u>	<u>Units</u>	<u>% of total units</u>	<u>Land surface (hectares)</u>	<u>% of total land surface</u>
<1	2,110	10.7	1,100	1.8
1 > 4.9	14,945	76.0	36,800	61.1
5 > 9.9	2,015	10.3	12,800	21.3
10 > 19.9	435	2.2	5,400	9.0
20 > 49.9	160	0.8	4,100	6.8
<b>Total</b>	<b>19,665</b>	<b>100.0</b>	<b>60,200</b>	<b>100.0</b>

Source: My own elaboration based on INEC (1954).

The plots granted to *huasipungueros* varied in size within and between haciendas. The 1954 census records around 600 plots of between 10 and 49.9 hectares and approximately 2,000 of less than 1 hectare (see Table 3.3 above).<sup>112</sup> The majority, however, were between 1 and 4.9 hectares in size (i.e. *minifundia*). The average plot was 3.1 hectares. The majority of *huasipungueros* were therefore located at the lower end of the land distribution. The practice was most

<sup>112</sup> No plot was recorded above 50 hectares. The variation in the size of *huasipungos* reported in the census is consistent with historical and anthropological sources. See, for example, Guerrero (1984b), Weismantel (1988) p. 66 and Lentz (1997) p. 49.



widespread in the central and northern highlands (e.g. Chimborazo, Pichincha) where the bulk of the indigenous population was located (see Table 3.4 below).

<b><u>Table 3.4 – Geographic distribution of huasipungos, Highland Ecuador, 1954</u></b>				
<b><u>Province</u></b>	<b><u>Units</u></b>	<b><u>% of total units</u></b>	<b><u>Size (hectares)</u></b>	<b><u>% of total land surface</u></b>
Azuay	1,050	5.3	3,900	6.4
Bolívar	230	1.2	1,700	2.8
Cañar	690	3.5	1,900	3.2
Carchi	1,110	5.6	2,900	4.8
Chimborazo	3,975	20.2	11,100	18.4
Cotopaxi	2,380	12.1	11,000	18.3
Imbabura	1,890	9.6	4,400	7.3
Loja	1,350	6.9	3,700	6.2
Pichincha	6,440	32.8	18,400	30.6
Tungurahua	550	2.8	1,200	2.0
<b>Total</b>	<b>19,665</b>	<b>100.0</b>	<b>60,200</b>	<b>100.0</b>
Source: My own elaboration based on INEC (1954).				

The 1954 census suggests there were 19,665 *huasipungos* in the highland region which accounted for 7.6% of total landholdings. The practice was far more important for indigenous peoples, however, as it encompassed the extended family of *huasipungueros*. The wider *huasipungo* family was multigenerational. The children or dependants of the parents of the household – *arrimados* or *apegados* – usually remained directly connected to the *huasipungo* until they acquired usufruct rights to a new plot of land or to the family plot through the death of the *huasipunguero*. (Casagrande 1981) (Guerrero 1984b) Once the *apegado/arrimado* received a plot of land they obtained the title of *huasipunguero* and the cycle started anew. Prior to the ceding of land, *arrimados/apegados* worked on haciendas as temporary wage labourers (*peones sueltos*), carried out unpaid obligatory tasks for landowners (*ayudas*), and contributed to agricultural production on the *huasipungo* and the pastoral land available to indigenous families linked to the hacienda. Depending on the location and demands of the hacienda, *arrimados/apegados* also spent periods away from the estate, working as labourers on farms and plantations in the sierra and the coast. Members of the extended *huasipungo* family were therefore often enmeshed in feudal and capitalist labour relations. This was also sometimes the case for *huasipungueros* who spent periods away from haciendas working as

wage labourers in the highlands or coast. *Huasipungueros* and *arrimados/apegados* sometimes used the income secured through wage labour to purchase land from landowning elites. (Martínez 1984 p. 76-7) In some cases purchasing land enabled them to free themselves from the obligations of *huasipungo*, renegotiate their relationship with landowners, and obtain a greater deal of autonomy.<sup>113</sup>

The data collated in Table 3.5 provides an indication of the structure of the extended *huasipungo* family. In both cases, thirteen people were connected to one *huasipungo* plot. If thirteen is taken as the average number of people linked to one *huasipungo* and 19,665 is taken as the total number of *huasipungos*, the approximate total *huasipungo/arrimado/apegado* population was 255,645 or around 61% of the total rural indigenous population (taking Knapp's estimate of the rural indigenous population in 1950 as a guide). This estimate almost certainly overstates the size of the extended *huasipungo* family population but provides an indication of the wider significance of the practice. The important point to note about the structure of the extended family is land reform largely overlooked the *arrimado/apegado* population. Land was often, though not always, redistributed to *huasipungueros* but the shadow population behind them was generally excluded. This accelerated the *minifundización* and *microfundización* of indigenous landholdings, increased the reliance of *arrimados/apegados* on markets to secure land, and contributed to the social and political struggles that emerged around land reform and land markets from the 1960s onwards.

<b><u>Table 3.5 – Huasipungo-arrimado-apegado population distribution on two haciendas in Highland Ecuador in the 1960s</u></b>		
	<b><u>Hacienda A</u></b>	<b><u>Hacienda B</u></b>
<i>Huasipungo</i> families	23	29
<i>Huasipungo</i> population	97	141
<i>Arrimado/apegado</i> families	46	54
<i>Arrimado/apegado</i> population	199	223
<i>Huasipungo-arrimado-apegado</i> population	296	364
Average number of people linked to <i>huasipungo</i>	13	13
Source: My own elaboration based on Barsky (1988) p. 59 & Guerrero (1984b) p. 222.		

<sup>113</sup> See, for example, Lentz (1997).

The “external” indigenous population comprised smallholders who exchanged their labour for access to the land, water, firewood and roads located on haciendas (*yanaperos* or *sitajeros*) as well as those who eked out livings by renting (*arrendatarios*) or sharecropping (*partidarios* or *aparceros*) small plots of land. (CIDA 1965 pp. 69-79) (Velasco 1979 p. 35-40) (Casagrande 1981 pp. 265-70) (Martínez 2002a p. 100) The ties that linked this sector of the indigenous population to haciendas were looser and the opportunities to organise were greater. Typically, though not universally, the external indigenous population organised into communities. The legal framework for communities was established by the *Ley de Organización y Régimen de las Comunas*, which was introduced in 1937 to facilitate the administration of the indigenous and peasant population.<sup>114</sup> (RO 558 1937) The law dictated that every community should have a *cabildo* (council) formed of five community members. The *cabildo* was responsible for taking decisions on behalf of the community and representing the community to government officials and state agencies. While the actual organisational structures of communities varied enormously (i.e. the legal framework was not universally followed), most included a central authority which provided a basis for collective decision making. This basic organisational structure performed a crucial role in indigenous mobilisations that took place in the decades after the start of land reform.

#### **4. The land reform debate of the early 1960s and the drafting of the Ley de Reforma Agraria y Colonización**

Cracks started to emerge in the traditional rural highland economy in the 1950s as the gears of social, political, and economic change began to shift in Ecuador.<sup>115</sup> The “banana boom”, which propelled Ecuador to the top of the world’s banana exporters in the 1950s, triggered a series of social and economic changes that stimulated the capitalist modernisation of agriculture in the highlands. The state, which started to take a greater role in directing economic change under the aegis of CEPAL, supported national capitalist development.

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<sup>114</sup> Fifty people were required to form a legally recognised community. (RO 558 1937) See Ituralde (1980), Sánchez-Parga (1989), Martínez (1992a; 1998; 2002a) on highland indigenous and peasant communities.

<sup>115</sup> For insights into the changes summarised in this section see Redclift (1978), Martínez (1984), Schodt (1987), Conaghan (1988) and Barsky (1988).

New opportunities emerged for highland landowning elites as domestic markets widened and towns and cities expanded. Increased demand for meat, dairy, and basic foodstuffs encouraged some *hacendados* to modernise their landholdings and loosen semi-feudal ties with peasant families and communities. New opportunities also emerged for highland peasants to secure temporary employment on the coast which decreased their reliance on traditional haciendas and reduced the supply of labour and placed upward pressure on wages in the sierra. The problems some highland landowning elites experienced securing cheap labour were accentuated by the upsurge in rural unrest in the 1950s. The expansion of rural unions and federations provided a platform for peasants to increase pressure on the elite and the state to improve living and working conditions on haciendas. Strikes and protests erupted across the highlands as peasants challenged traditional power relations. The Cuban Revolution provided additional support for indigenous, peasant, and leftist mobilisation at the end of the decade. The dissolution of the traditional rural economy had begun but it was not until the start of land reform that the transformation took hold. The land reform debate of the early 1960s had a considerable bearing on the transformation of the agrarian structure and the double movement that emerged in its wake.

#### **4.1. Wider political context**

Following twelve years of democratic rule (1948-60), the military returned to the forefront of Ecuadorian politics in the early 1960s.<sup>116</sup> Jose María Velasco Ibarra won a convincing victory at the 1960 presidential elections, defeating former president and prominent landowner, Galo Plaza Lasso, into a distant second place. Promising to lower the cost of living, introduce land reform, and expand the public sector, the president and his party, the *Federación Nacional Velasquista* (FNV), secured support from the urban and rural poor as well as from sectors of the middle classes. Taking a conciliatory position towards Cuba also attracted support from elements of the left. Having failed to break diplomatic relations with Cuba and assuage mounting political and social unrest, the president was ousted by the military in November 1961. His vice-president,

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<sup>116</sup> For details on the political environment in Ecuador in the early 1960s see Pyne (1975), Fitch (1977), Guerrero (1984a), Schodt (1987) and Montúfar (2011).

Carlos Julio Arosemena Monroy, took office after receiving sufficient support from the military. Cuba continued to dominate the political agenda as the president came under increasing pressure from the right, military, and US government to break diplomatic relations with the Fidel Castro regime. Though Arosemena Monroy broke diplomatic relations with Cuba in 1962, concerns remained over leftist influences within his government. Unable to drive through the reforms necessary to quell social unrest and secure Alliance for Progress funding, the president was removed from office by the military in 1963. Colonel Gándara, one of the principal actors behind the coup, argued that a “long series of defects and errors obliged the armed forces...to assume not only the responsibility to end the chaos and rectify mistaken paths but also the responsibility to promote a new socioeconomic structure.” (Fitch 1977 p. 66) The military junta (1963-66) remained in power to oversee the promulgation of land reform legislation as well as the introduction of a number of other reforms.

#### **4.2. Contours of the land reform debate**

President José Maria Velasco Ibarra lacked the political power to fulfil his election promise to introduce land reform.<sup>117</sup> However, his short-lived government (1960-61) took the first real steps to translate land reform debates into concrete legislative proposals. (Barsky 1988 pp. 124-5) The *Comisión Especial para Estudiar la Reforma Agraria* was created in late 1960 and the *Comisión Nacional de Reforma Agraria* was formed in early 1961 to oversee the drafting of agrarian reform legislation. (Velasco 1979 p. 91) (Guerrero 1984a p. 107) The commission comprised representatives of state agencies and the bodies charged with the task of representing and defending the interests of the nation’s landowning elites, *Cámaras de Agricultura*, but excluded representatives of the indigenous and peasant population. (Barsky 1988 p. 142) This, as will be explained in subsequent chapters, set the tone for the composition of the bodies charged with the task of designing and implementing land reform between 1964 and 1994.

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<sup>117</sup> Pyne notes: “The ruling elite was strongly represented in Congress and was firmly opposed to the President’s reform programme...This group was able to exert influence on the legislature through its numerous congressional spokesmen.” (1975 p. 124)

The launch of the Alliance of Progress in August 1961 accelerated the land reform debate. The US foreign policy initiative conditioned the provision of overseas loans to Latin American governments on the introduction of a series of social and economic reforms, including agrarian reform. The stated objective of the Alliance of Progress was to promote “programs of comprehensive agrarian reform leading to the effective transformation...of unjust structures and systems of land tenure and use, with a view to replacing latifundia and dwarf holdings by an equitable system of land tenure”. (Taffet 2007 p. 207) However, the US government had little interest in promoting radical variants of land reform, fearing the widespread redistribution of land would stoke rather than calm revolutionary fervour. The overriding aim of the Alliance for Progress was to accelerate capitalist modernisation in Latin America.<sup>118</sup> The variants of land reform favoured by US government supported capitalist modernisation by dissolving semi-feudal practices, commercialising agriculture, commodifying land and labour, and widening consumer markets.

The prospect of overseas loans provided the Arosemena Monroy government (1961-63) with a powerful economic incentive to promote land reform. The bifurcation of the highland landowning elite facilitated its agenda (see Chapter 2). While traditional elites were opposed to changes in the agrarian structure, modernising elites were supportive of a variant of land reform that dissolved semi-feudal practices and stimulated capitalist development. Viewing this split through a Polanyian lens sees the former maintaining a non-commodified view of land and the latter embracing a commodified vision which prioritised the economic functions of land. Casting the division of the highland landowning elite in this light helps understand traditional landowner resistance to land reform: it threatened their social, cultural and political interests as well as their economic standing. Faced with the prospect of disappearing as a social class and transforming their way of life, traditional landowning elites vociferously opposed reform. The point draws attention to the fact that within the double

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<sup>118</sup> Accordingly, the Alliance for Progress urged Latin American countries with significant indigenous populations to orientate agrarian policies towards “the integration of these populations into the economic, social, and cultural processes of modern life.” (Taffet 2007 p. 210)

movement framework countermovements can be regressive as well as progressive.<sup>119</sup>

While traditional landowning elites continued to oppose land reform, the launch of Alliance of Progress altered the balance of political power and the debate shifted to when reform would be introduced and what type of reform would be enacted. Guerrero argues highland landowning elites used two broad tactics to shape the debate once the introduction of land reform had become inevitable. (1984a pp. 102-4) First, prominent landowners, congressional counterreformers, and the *Cámaras de Agricultura* attempted to limit the debate over agrarian reform to the abolition of *huasipungo*. With *huasipungos* accounting for less than 5% of the highland agricultural land surface, the redistribution of the plots of land to *huasipungueros* would leave the overall distribution of land in the highland region broadly unchanged. (Bretón 1997 p. 58) Second, counterreformers obstructed and blocked the introduction of new legislation to provide *hacendados* with more time to unravel semi-feudalist practices without having to conform to new regulations imposed by land reform. (El Mercurio 08/01/1962 p. 5) (Sylva 1986 p. 77) (Handelman 1980 p. 68)

The blocking of reform and the absence of a regulatory framework enabled landowners to negotiate individual settlements with indigenous peasant families and dissolve *huasipungos* on favourable terms. This provided space for landowners to resettle indigenous peasant families on to smaller and/or inferior plots of land; sell land to *huasipungueros*; and in some cases evict indigenous families altogether. Barsky argues that the relocation of *huasipungueros* to smaller and/or inferior plots of land was the “dominant” pattern between 1959 and 1964. (1988 p. 71) The sources examined in Chapter 5 provide support for this claim but also stress the staunch resistance of indigenous families and communities to resettlement.

While some outcomes favoured *huasipungueros*, the general pattern clearly benefitted *hacendados*. The *Ministerio de Previsión Social y Trabajo* (MPST) oversaw 3,019 cases between 1959 and 1964 which accounted for around 12%

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<sup>119</sup> See Polanyi ([1944] 2001) pp. 188-200 for details of the role landowners performed in the countermovement in England and Europe in the nineteenth and twentieth centuries. See also Dale (2010) pp. 60-2.

of the total number of *huasipungos* recorded by the 1954 census (see Table 3.6 below). The average size of the plots distributed during this period was 3.1 hectares. While this corresponded with the overall size distribution captured by the census, the widespread resettlement of *huasipungueros* meant indigenous families were often left with private property rights to less productive plots of land. Moreover, the cessation of *huasipungo* blocked – or closed – semi-feudalist avenues of securing land for *arrimados/apegados*, which increased their reliance on the plots *huasipungueros* obtained through the dissolution of the practice and on land markets (in the absence of the state redistributive mechanisms which were introduced with the introduction of land reform in 1964).

**Table 3.6 – Private redistribution of huasipungos prior to the start of land reform, Highland Ecuador, 1959-1964**

<u>Province</u>	<u>Huasipungueros</u>	<u>%</u>	<u>Land (hectares)</u>	<u>%</u>	<u>Average size (hectares)</u>
Pichincha	1,760	58.3	4,955	53.2	2.8
Carchi	498	16.5	2,672	28.7	5.8
Imbabura	452	15.1	1,073	11.5	2.4
Cotopaxi	158	5.2	474	5.2	3.0
Chimborazo	134	4.4	116	1.2	0.9
Bolivar	17	0.5	14	0.2	0.8
<b>Total</b>	<b>3,019</b>	<b>100.0</b>	<b>9,303</b>	<b>100.0</b>	<b>3.1</b>

Source: My own elaboration based on Barsky (1988) p. 73.

Newspaper coverage of the land reform debate indicates the two tactics identified by Guerrero – the attempt to restrict the debate to the abolition of *huasipungo* and the blocking of the legislative process to allow *hacendados* time to dissolve semi-feudal practices - were combined with sustained efforts to discredit and undermine comprehensive land reform. A significant amount of energy was expended on attacking the feasibility and desirability of placing limits on landholdings and redistributing privately owned land (i.e. infringing private property rights). With the regulation and redistribution of land putatively unable to resolve the agrarian crisis in the highlands, the colonisation of the western and eastern lowlands was offered in their place. This would, of course, leave the overriding distribution of land, wealth, and power in the sierra largely unchanged. Both traditional and modernising landowning elites supported this approach. Galo Plaza Lasso, prominent modernising landowning elite and



former president of Ecuador, expressed this position clearly in his address to the *Congreso de Agricultores de la Sierra y Oriente* in January 1962.

“Suppose the limit of 200 hectares is applied to each property, without exceptions, knowing that there are many crops that cannot be produced economically on that amount of land, and that there is not an agrarian reform law in Latin America that fixes such a limit, that would only leave 36,000 hectares, which according to the minimum size of a family property established in the *anteproyecto* would reach 3,000 families. I ask myself whether Ecuador can withstand this disruption in order to resolve the problem of 3,000 families, leaving the majority of the small landowners the same as they are now...the land of *Asistencia Publica* and the land inefficiently exploited in the sierra can make a *small contribution* to the resolution of our problem but the *grand solution* is in the new and fertile lands which for the luck of Ecuador exist at the foot of the cordillera and closer to the sea.” (El Mercurio 25/01/1962 p. 8, emphasis added)

The attempts of landowning elites to restrict the land reform debate to *huasipungo*, state-owned haciendas, and colonisation were in contradistinction to the efforts of peasant, indigenous, and leftist organisations to broaden the discussion to consider the wider distribution of land, wealth, and power in Ecuador. The local-level organisational base from which indigenous peoples engaged in this struggle comprised communities, unions, and federations. The power *hacendados* wielded at the local level set definite limits on indigenous organisation. Communities and unions were often banned on haciendas but landowners were unable to prevent collective organisation and mobilisation. The spaces open for indigenous peoples to organise widened in the 1950s as the stranglehold of landowning elites weakened. The organisational efforts of the *Partido Comunista Ecuatoriano* (PCE) were particularly influential, especially on state-owned haciendas. (CIDA 1965 pp. 90-7) (Crespi 1971) (Albornoz 1971) (MAG 1977c) (Becker 2008) The PCE was influential in proliferating indigenous unions and federations in various highland regions (e.g. Chimborazo, Pichincha) from the 1930s onwards. The principal organisation channel through which this was achieved was the *Federación Ecuatoriana de Indios* (FEI), the

indigenous peasant federation the PCE helped establish in 1944. The FEI stopped short of being a movement – the base of the organisation incorporated a relatively small proportion of the highland indigenous population and the local-level organisations affiliated with the federation remained relatively isolated. Nonetheless, the general strengthening of indigenous organisation at the local and regional levels and the change in the national and international environment in the early 1960s enabled indigenous communities and organisations to shift the focus of their demands away from improving living conditions on haciendas towards dissolving semi-feudalist practices, fragmenting haciendas, and redistributing land. The establishment of the *Unión de Organizaciones de Campesinas Indígenas del Cantón Cayambe* (UNOCC) reflected this general shift. The descendants of the *huasipungueros* who formed the union in 1960 told me the primary motivation for forming the organisation was simple: the “*lucha por la tierra*” (“the fight for land”) and “*reforma agraria*” (“agrarian reform”). (Interview 8) Indigenous demands went from working within existing institutional, legal and power structures to attempting to bring about their transformation.

With few formal political channels open to them, indigenous families, communities, and organisations resorted to more contentious forms of political action to attempt to achieve this end.<sup>120</sup> This was evident at the local and national levels. Locally, indigenous and peasant communities and organisations undertook a series of invasions, strikes, and protests, reconfiguring patron-peasant relations, bringing the viability of the semi-feudal practices into doubt, and transmitting local conflicts over the use and control of land to national audiences. (CIDA 1965 pp. 93-4) (Crespi 1971 p. 233) (Albornoz 1971) (Velasco 1979 135-6) (Handelman 1980 pp. 68-9) Regions with long histories of organisation and militancy, such as the northern highland canton of Cayambe, witnessed some of the most vociferous and sustained protests. (FIPRR 1993 p. 35) (Becker 2008 pp. 126-7) However, invasions, protests, and strikes took place in other highland regions, particularly in the central and southern provinces of

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<sup>120</sup> Prior to the introduction of the 1979 constitution the franchise was conditioned upon literacy which precluded most of the peasant and indigenous population. Exceptions included the indigenous peoples of Saraguro who, according to Belote & Belote, became actively engaged in electoral politics in the 1950s. (1981 p. 455)

Chimborazo and Loja. Nationally, coming one month after the overthrow of Velasco Ibarra, the historic FEI-organised 12,000-person march on Quito increased the pressure on the Arosemena Monroy government to promulgate agrarian reform and raised awareness of the conditions and demands of indigenous peoples. (El Mercurio 17/12/1961 p. 1) (Velasco 1979 p. 94) (Guerrero 1984a p. 97) (Becker 2008 pp. 131-2)

Indigenous, peasant, and leftists organisations were able to exert considerable pressure on the elite and the state through contentious forms of political action but they were unable to exercise real influence over the legislature. (Handelman 1980 p. 68) (Barsky 1988 p. 139) CIDA emphasise this point: “The peasant sectors...were especially absent...no project that originated from these groups was seriously discussed.”<sup>121</sup> (1965 p. 495) Although the exclusion of the indigenous and peasant population from the formulation of laws and policies was in keeping with the past, the intensification of the Cold War further limited the opportunities for indigenous, peasant, and leftists to shape the land reform debate. The change in the geopolitical climate facilitated the efforts of political parties aligned to landowning elites to marginalise and weaken groups who advocated the expropriation, redistribution, and regulation of land. This manifested at the national and local level. Nationally, political parties associated with landowning elites, especially traditional *hacendados*, linked land reform to communism to narrow the debate and discredit reformers. This was evident from the outset when the *Partido Conservador*, the political party most closely associated with the traditional highland landowning elite, claimed the establishment of the *Comisión Nacional de Reforma Agraria* and the delivery of the first agrarian reform bill to Congress was “proof of communist infiltration” of the Velasco Ibarra government.<sup>122</sup> (Pyne 1975 p. 125) (Velasco 1979 p. 91) The “virulent anticommunist campaign” against the government intensified under Arosemena Monroy, prompting the Vice President Colonel Reinaldo Varea Donoso to assure the *Congreso de Agricultores* in January 1962 that

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<sup>121</sup> Notably, as explained below, CIDA’s observation did not stop the Alliance for Progress endorsing the law that emerged out of this debate.

<sup>122</sup> Agee, who operated as a CIA agent in Ecuador in the early 1960s, claims the US agency performed a crucial role in raising the perceived threat of communism and turning the civilian and military governments of the early 1960s against leftist organisations and leftist overseas governments (especially the Cuba). ([1975] 1978) See also Fitch (1977) pp. 117-28.

“there would be no free distribution of land nor would communism be established”. (El Mercurio 22/01/1962 p. 1) (Cosse 1980 p. 59) The apparent threat of communism was one of the principal factors behind the decision of the military to oust Arosemena Monroy and establish a military government in May 1963. (Fitch 1977) The military junta embarked upon a “vigorous anti-leftist sweep” soon after it was established. (Crespi 1971 p. 233) This involved the imprisonment of indigenous leaders, the closure of indigenous schools, the outlawing of the PCE, and the clampdown on strikes and protests. (RO 223 1964) (El Mercurio 27/04/1964 p. 1) (Becker 2008 p. 137) Locally, Cold War rhetoric legitimised elite and state repression of indigenous and peasant strikes, protests, and invasions. (El Mercurio 15/01/1962 p. 1) (Cosse 1980 p. 56) (Becker 2008 pp. 126-137) The links between the FEI and the PCE facilitated the efforts of landowning elites to link rural unrest to communist insurrection.

These factors, combined with the limited reach and capacity of indigenous, peasant and leftist organisations, restricted the ability of indigenous and peasant population to influence the land reform debate which ensured the legislative proposals that emerged between 1961 and 1963 largely, though not wholly, reflected landowning elite interests.

#### **4.3. The drafting of the Ley de Reforma Agraria y Colonización**

The first land reform proposal that emerged in the early 1960s was formulated by the *Comisión Nacional de Reforma Agraria* and submitted to Congress in late 1961.<sup>123</sup> (Barsky 1988 pp.130-1 & 142-5) (El Mercurio 25/01/1962 p. 8) The initiative was primarily limited to the abolition of *huasipungo*; the redistribution of AS haciendas; the colonisation of untitled land; and the redistribution of *páramo*. However, the draft legislation also proposed a minimum family farm size of twelve hectares which implied a significant change in the distribution of land and meaningful restrictions on the operation of land markets. Consequently, the bill was vociferously challenged by the *Cámaras de Agricultura* and categorically rejected by Congress. (Pyne 1975 p. 125) (Velasco 1979 p. 92) (Barsky 1988 p. 131)

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<sup>123</sup> My analysis of the land reform proposals in this section draws heavily on Barsky (1988) pp. 134-65.

The rejection of the bill, the overthrow of Velasco Ibarra, the launch of the Alliance for Progress, the escalation of rural unrest, and the FEI march on Quito accelerated the legislative process. Various groups tabled legislative proposals in 1962 and 1963.

The decision of President Carlos Julio Arosemena Monroy to address the historic FEI march hinted that his government was prepared to adopt a more radical position on land reform. (El Mercurio 17/12/1961 p.1) (Guerrero 1984a p. 98) (Barsky 1988 p. 127) While the president's New Year address pointed towards a more moderate position, the proposal that emanated from the executive branch of his government still stipulated a minimum landholding size of 12 hectares in the highlands and 15 hectares in the coast and a maximum landholding size of 600 hectares. (El Mercurio 01/01/1962 p. 12) (Barsky 1988 pp. 162-3) The proposal contrasted sharply with the other projects tabled between 1962 and 1963, especially those from parties or coalitions with strong links to traditional and modernising landowning elites. For example, the initiatives advanced by the *Partido Liberal Radical* and *Bloque Centro-Derechista* excluded lower and upper limits on landholdings. The proposals also exhibited differences in relation to the abolition of semi-feudal practices. The executive branch of the government demanded the abolition of all semi-feudalist practices, the *Partido Liberal Radical* proposed the eradication of *huasipungo* and *yanapa*, and the *Bloque Centro-Derechista* suggested only the dissolution of *huasipungo*. The aim of the government to abolish all forms of semi-feudal relations reflected its desire to accelerate the capitalist modernisation of agriculture while the aim of the *Bloque Centro-Derechista* to limit the prohibition of semi-feudalist practices to *huasipungo* reflected its wish to preserve elements of the traditional agrarian structure. The proposals also exhibited marked differences in relation to the potential for the expropriation of privately owned land. The general emphasis was placed on the expropriation and redistribution of underutilised land. However, the projects proposed different thresholds for the measurement of underutilisation and different expropriation limits. For instance, the initiative sponsored by the *Partido Liberal Radical* excluded all landholdings of up to 100 hectares in the sierra and 200 hectares in the coast from expropriation and limited the total amount of land liable for

confiscation above these thresholds to 10% of the size of the landholding. Hence it set very clear limits on the amount of privately owned land that could be redistributed. The redistributive reach of the proposal advanced by the executive branch of the government was also limited. However, the initiative provided greater scope for expropriation and redistribution than the proposals tabled by the parties most closely associated with landowning elites.

The ousting of Arosemena Monroy and the formation of the military junta effectively removed the proposal advanced by the executive branch of the government from the table and provided landowning elites with increased space to influence the drafting of agrarian reform legislation. Within a narrow political arena modernising landowning elites aligned to Galo Plaza and traditional landowning elites linked to Camilo Ponce dominated proceedings (see Chapter 2). (Cosse 1980 pp. 57-61) (Montúfar 2011 p. 38) The law that emerged out of this process, the LRAC, was a compromise between these two groups, state bureaucrats, and military officials. *Placistas* (i.e. those aligned with Plaza) were able to leave a bigger imprint on the legislation than *poncistas* (i.e. those aligned with Ponce), however, as their modernising vision of agrarian change chimed with the *cepalistas* within the state bureaucracy (i.e. those supportive of ideas and proposals of CEPAL), modernising elements of the military, and, crucially, the Alliance for Progress.

The endorsement of the legislation by the Alliance for Progress was swift and emphatic. Within a few weeks of announcing the law, the military regime was promised US\$ 39,000,000 in loans.<sup>124</sup> (El Mercurio 13/05/1964 p. 5 & 27/05/1964 p.1) The disbursement was the largest in Ecuador's history. Carlos Sanz de Santamaría, the chairman of the *Comité Interamericano de la Alianza para el Progreso* (CIAP), described the collaboration as “a singular example of the type of effective multilateral cooperation that is required to reach the objectives...of the Alliance for Progress”. (El Mercurio 27/05/1964 p. 1)

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<sup>124</sup> The financial disbursements were channelled through the World Bank, Inter-American Development Bank, and USAID. The majority of the loans were directed towards the construction of roads and infrastructure. (El Mercurio 27/05/1964 p. 1) (World Bank 1965) (Taffet 2007 pp. 53-7) According to IERAC the only overseas financial support it received was a US\$2,600,000 IDB loan (BID-52-TF-EC). (1977 p. 37) The loan was channelled into colonisation. The disbursement of overseas loans for colonisation rather than land reform was consistent with the trends Adams (1970) reports for Latin America as a whole (see Chapter 2).

The LRAC may well have supported the principal objective of the Alliance for Progress. However, as the next chapter will show, it provided very few opportunities for indigenous families and communities to secure land.

## **5. Summary: empirical and theoretical findings**

This chapter has shown that the vast majority of the highland indigenous population lived in rural areas in the 1950s and 1960s, indicating the strong links that existed between indigenous peoples and land and agriculture. Most indigenous families and communities were enmeshed within the fabric of the traditional hacienda complex. *Huasipungo* was the most important semi-feudal practice for indigenous peoples. One important aspect of the practice was the size of the wider *huasipungo* family linked to the plots of land granted to *huasipungueros*. No precise conclusions can be drawn about the size of the wider *huasipungo* population but the chapter has shown that extended families of thirteen were reported on some highland haciendas in the 1960s. The private redistribution of *huasipungos* to indigenous families (i.e. the conversion of usufruct rights into private property rights) started to gather pace in the late 1950s. The process terminated the *huasipungo* relation and restricted the possibilities of *arrimados/apegados* obtaining land through semi-feudal mechanisms. This increased the pressure on the plots of *ex-huasipungueros* and the reliance of *ex-arrimados/apegados* on markets to secure land.

The partial closure of semi-feudal mechanisms was one of a number of factors that stimulated land market activity in the 1950s. However, the traditional rural economy placed definite limits on commodification. The fictitious commodity concept draws attention to some of the obstacles. Land performed crucial non-economic functions for peasants and traditional landowning elites, meaning non-economic factors influenced decision making over its use and distribution. The widespread existence of private landholdings in the 1950s did not therefore translate into the widespread existence of land markets. Semi-feudal practices and state and communal land placed further restrictions on commodification. The fictitious commodity concept also provides insight into the reaction of traditional landowning elites to land reform and land commodification, emphasising that within the double movement framework countermovements can be regressive as well as progressive.

The traditional agrarian structure restricted indigenous organisation but spaces started to open in the 1950s as the grip of *hacendados* weakened and indigenous and leftist activists strengthened. The FEI performed a crucial role in bolstering indigenous organisation and supporting the efforts of indigenous peoples to improve working conditions and stake claims for land. Yet the federation incorporated a relatively small proportion of the highland indigenous population. No regional or national indigenous movement existed in the 1950s and 1960s.

The absence of a broad-based indigenous movement was one of a number of factors that limited the imprint indigenous peoples were able to leave on the land reform proposals that emerged between 1960 and 1964. The law that emerged out of land reform debate – the LRAC – largely reflected the interests of the sector of the rural society most heavily involved in drafting the legislation: landowning elites. The Alliance for Progress agency charged with the task of investigating rural issues (CIDA) noted the absence of peasant involvement in the design of the LRAC but the central committee of the initiative (CIAP) disbursed a number of overseas loans to the military junta shortly after the final version of the law was agreed. The disbursement of loans to the government indicates the influence the Alliance for Progress exerted over the land reform debate of the early 1960s (see Chapter 2).

The following chapters show that while landowning elites were able to set the basic parameters of land reform legislation in the early 1960s they were unable to control the social and political struggles that emerged in the decades that followed.



## Chapter Four

### Movements towards and against reform: political struggles over the design of land reform (1964-1979)

#### 1. Introduction

While the gears of social, political, and economic change began to shift in Highland Ecuador in the 1950s, it was not until land reform started that the dissolution of the traditional hacienda complex accelerated and the capitalist modernisation of agriculture advanced. The weakness of the *Ley de Reforma Agraria y Colonización* (LRAC), both in terms of design and application, ensured its impact was neither instant nor universal. Nevertheless, the law provided the foundation for the gradual reconfiguration of the mechanisms through which land was distributed in the sierra. The semi-feudal channel was closed; the state redistribution avenue was opened; and the market mechanism was enlarged. The double movement around land reform emerged out of this transformation. On the one side, indigenous communities, organisations and movements attempted to increase the regulation, redistribution and social control of land while on the other side, landowning elites resisted infringements on private property rights and restrictions on the ownership and exchange of land. Traditional highland landowners offered the staunchest resistance to the implementation of land reform but formed a united front with modernising landowners against attempts to increase the regulation and redistribution of land. The state oscillated as social, political and economic conditions shifted but only made modest efforts to increase regulation and redistribution before retreating from land reform in the late 1970s. The outcome was a framework that primarily promoted the commodification rather than decommodification of land.

This chapter examines the political struggle over the design of land reform in the 1960s and 1970s, focusing on the evolution of land reform legislation and indigenous and peasant attempts to transform land reform. The organisational base from which highland indigenous peoples engaged in this struggle is also explained. The implementation of the redistributive component of land reform and the role indigenous peoples performed in the process is examined in the next chapter.

The rest of the chapter is divided into six sections. The second section provides the wider political and economic context by sketching the evolution of Ecuador's political economy in the 1960s and 1970s. The third section explains the commodification and decommodification dimensions of the LRAC. Indigenous and peasant attempts to transform land reform are then analysed in section four. The section outlines the evolution of highland indigenous organisation in the opening decade of reform, explains the change in the state's position towards reform in the early 1970s, and analyses the land reform proposal indigenous and peasant movements presented in 1973. The fifth section compares the indigenous-peasant proposal with the new agrarian reform law introduced in 1973 and outlines the commodification and decommodification dimensions of the legislation. The evolution of land reform legislation and the political struggle over land reform between 1973 and 1979 is then examined in section six. The seventh section summarises the main empirical and theoretical findings of the chapter.

## **2. The evolution of Ecuador's political economy in the 1960s and 1970s**

The double movement around land reform, land markets, and indigenous peoples emerged amid profound social, political and economic change in Ecuador.<sup>125</sup> The military junta that came to power in 1963 to oversee the introduction of land reform performed an important role in this process (see Chapter 3). In addition to land reform, the regime also promulgated labour and tax reforms. The *Código del Trabajo* was modified to extend worker rights (e.g. increase paid annual leave, expand worker profit shares) while the tax regime was adjusted to broaden income taxes and centralise tax collection. (RO 365 1964) (Schodt 1987 pp. 83-5) The military also introduced new measures to stimulate industrialisation, expanding the basic ISI framework established by the Velasco Ibarra (1952-56) and Camilo Ponce (1956-60) governments. (Pacheco 1983 p. 118) (Conaghan 1988 pp. 42-4)

The military relinquished power in 1966 when a Constituent Assembly was established to rewrite the constitution. Following the approval of the new constitution, Jose María Velasco Ibarra returned to office, winning a narrow

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<sup>125</sup> See Appendix 3 for broad economic trends during the 1960s and 1970s.

victory at the 1968 presidential elections. The opening years of the last Velasco Ibarra government (1968-72) were chaotic. (Schodt 1987 pp. 86-8) Grappling with the deterioration of the public finances and the erosion of political and public support, the president spent the first two years in office implementing austerity measures and reorganising the state bureaucracy. The fiscal problems Velasco Ibarra experienced were indicative of the general weakness of the public finances in the 1960s. While modifications to the tax system and overseas loans generated fresh revenues, the budget registered deficits in every year between 1965 and 1969 as expenditure outpaced revenues. (CEPAL 1969 p. 161)

The influence elites exerted over the state apparatus set definite limits on reform. Personal, regional, economic, political and ideological cleavages ensured elites frequently clashed but compromises were often reached to dilute or prevent the introduction of reforms that threatened their economic interests and social standing. The principal channels through which elites translated their economic power into political power was through representation within political parties and national governments.<sup>126</sup> The *Cámaras de Producción (Agricultura, Comercio and Industria)* also performed a crucial role. The chambers, which were divided into coastal and highland divisions and subdivided into various regional branches, were established in the 1930s to create formal channels between the private sector and the state. (De la Torre 2006 p. 253) The *Cámaras de Producción* exerted direct influence over the legislature through congressional representatives as well as over the design and implementation of economic policies through representation within state agencies. (Conaghan 1988 p. 85) They also provided a solid platform for elites to launch broad and coordinated offensives against laws and policies (e.g. land reform, tax reform).

The influence elites were able to exert over the state apparatus was aided by the relative weakness of labour, peasant, and leftist organisations in the 1960s. Urbanisation and industrialisation supported the expansion of the organised labour movement in the 1960s. However, the size of the industrial base and the prevalence of small-scale and artisan producers set limits on the development of a broad-based labour movement. Ideological and political differences between the three main trade unions further weakened the labour movement. The

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<sup>126</sup> See Pyne (1975), North (1985), Schodt (1987), Conaghan (1988) and Montúfar (2011).

*Confederación de Trabajadores del Ecuador* (CTE) was linked to the *Partido Comunista Ecuatoriano* (PCE) and *Partido Socialista Ecuatoriano* (PSE); the *Confederación Ecuatoriana de Organizaciones Sindicales Libres* (CEOSL) was aligned to the pro-US *Organización Regional Interamericana de Trabajadores* (ORIT); and the *Confederación Ecuatoriana de Obreros Católicos* (CEDOC) was associated with the *Partido Conservador* and Catholic Church. (Corkill 1987 p. 138) (Becker 2008 p. 157) Ecuador therefore lacked the powerful organised labour movements that emerged elsewhere in Latin America. The same was also true of indigenous and peasant movements at this stage (see Chapter 3). Leftist political parties provided the rural and urban poor with a degree of political representation. However, reflecting trends elsewhere in Latin America, the left split into various factions in the 1960s which limited the ability of leftist parties to exert influence inside or outside the state apparatus. The franchise, which restricted the right of illiterates to vote, further limited the formal political channels open to the rural and urban poor.

The discovery of substantial oil deposits in the northern Amazonian region in the late 1960s transformed Ecuador's political economy in the 1970s. Substantial oil revenues did not start to flow into the public purse until the infrastructure required to export oil was completed in 1972. However, the revenues Jose María Velasco Ibarra extracted from the oil sector helped his government stabilise the public finances and introduce a number of social and economic reforms between 1970 and 1972. The *Instituto Ecuatoriano de Seguridad Social* (IESS) was created to improve access to welfare to formal sector workers and new legislation was introduced to increase opportunities for highland and coastal peasants to secure land (Section 4 below). Reflecting the uneasy relationship between the government and the labour movement, labour reforms moved in opposite directions. Employee entitlements to company profits were increased but the right to strike was restricted and the potential for workers to form trade unions was limited. (RO 420 1970) (RO 278 1971)

The possibility of the divisive leader of the *Concentración de Fuerzas Populares* (CFP), Assad Bucaram, winning the 1972 presidential elections; growing concern over the management of oil revenues; and, the escalation of rural and urban unrest prompted the military to seize power in February 1972.

Once in office the Rodriguez Lara military government (1972-76) quickly announced its intention to establish a new economic model. (Conaghan 1988 p. 81) The regime proceeded down three broad paths. The first involved the expansion of incentives for private industrial enterprises to operate and the extension of trade protection. The *Ley de Fomento Industrial* was broadened and the *Ministerio Industria, Comercio y Integración* was established. (CEPAL 1973 p. 180) While foreign investment was still promoted, the accent of industrial policy was tilted towards national enterprises. (Fernandez 1982 pp. 64-5) The second involved the creation of state-owned and mixed-ownership enterprises. (Conaghan 1988 pp. 84-6) (Montúfar 2011 p. 39) The most important state-owned firm to emerge was the *Corporación Estatal Petrolera Ecuatoriana* (CEPE) which enabled the state to take a more active role in the oil sector. (CEPAL 1971 pp. 122-3) (CEPAL 1972 p. 79) The third involved the strengthening of the regulative and redistributive capacity of the state and the bolstering of state agencies. For example, the *Fondo Nacional de Desarrollo* (FONADE) was established to redirect excess oil revenues into economic and social programmes; the *Superintendencia de Precios* was created to regulate the prices of basic consumer goods (e.g. food, milk); the *Ley de Reforma Agraria* was introduced to expand the redistribution and regulation of land (Section 5 below); the *Ley de Aguas* was promulgated to increase the state control of water; and the staffing and funding of state agencies were significantly increased. (CEPAL 1973 pp. 180-1) (CEPAL 1975 pp. 200-1) (Conaghan 1988 p. 87)

Though aspects of the new economic model were consistent with the existing framework, the role the state was expected to perform in the economic sphere was radically different. The Rodriguez Lara regime went to great lengths to assure economic elites the private sector would remain the central pillar of the economy. (Conaghan 1988 p. 82) Yet the new model still threatened elite control of the state apparatus and imposed new regulations on private enterprise. Moreover, surging oil revenues gave the Rodriguez Lara government the fiscal potential to undertake widespread reform. Conaghan notes:

“The sudden rejuvenation of the state’s fiscal position drew all relevant political actors into serious reconsiderations of how this change could affect their relationships to the state”. (1988 p. 77)

The threat to elites was heightened by the strengthening of labour, peasant, and indigenous movements in the early 1970s. While the labour movement remained fragmented, with the three main trade unions accounting for one half of union membership and numerous small trade associations accounting for the other, industrialisation and urbanisation lent support to trade union expansion and activism. (Corkill 1987 p. 138) Peasant and indigenous movements, as will be explained below, also strengthened.

Faced with the prospect of the government establishing alliances with labour, indigenous, and peasant movements to drive socioeconomic change, elites launched a broad-based offensive, forcing the regime to dilute or shelve reforms and preventing the full implementation of the new economic model. The stagnation of oil production and downturn in world oil prices in 1975 support the elite offensive as the fiscal position deteriorated. (CEPAL 1975 pp. 200-1) (Pacheco 1983 pp. 140-42) Labour, leftist, peasant and indigenous movements exerted counter-pressure on the government to accelerate reforms. The last throw of the dice came in November 1975 when the *Frente Unitario de Trabajadores* (FUT), which united the CTE, CEDOC and CEOSL into a single alliance for the first time, organised a national strike.<sup>127</sup> The FUT tabled a nine-point programme that included demands to overturn anti-labour legislation, increase labour representation within state agencies, nationalise strategic enterprises, raise the minimum wage, and, highlighting the alliances indigenous and peasants movements established with trade unions, radicalise agrarian reform. (Corkill 1987 pp. 140-1) (Schodt 1987 pp. 126-7) (Conaghan 1988 pp. 113-4)

Rather than respond to the FUT's demands, the military forced Rodriguez Lara from office in January 1976 and established a conservative military triumvirate government (1976-79) that moved in the opposite direction.<sup>128</sup> The implementation of the Rodriguez Lara economic model was halted and reversed and the repression of labour, indigenous, and peasant activists and movements was increased. (Pacheco 1983 pp. 123-31) (Corkill 1987 pp. 140-1) The cleavages that had emerged within the military and the lack of space open to

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<sup>127</sup> CEDOC moved away from its conservative roots in the late 1960s and early 1970s and became known as the *Central Ecuatoriana de Organizaciones Clasistas* (CEDOC) in 1972.

<sup>128</sup> The government was labelled a "triumvirate" as it represented the three branches of the military – i.e. the army, navy and air force.

social movements to operate provided elites with the opportunity to exert considerable influence over the legislature as the return to democracy approached. (Conaghan 1988 pp. 115-19) (Montúfar 2011 p. 43-4) The door that had opened to substantive reform in the early 1970s had been slammed shut by the end of the decade.

### **3. Commodification and decommodification dimensions of the Ley de Reforma Agraria y Colonización**

The LRAC was part of the wider set of reforms the military government (1963-66) introduced to accelerate capitalist development and secure Alliance for Progress funding (see Chapter 3). The law promoted the commodification of land on the one hand and the decommodification of land on the other. Drawing on Polanyi's concepts of the double movement, fictitious commodities, and forms of integration (see Chapter 1), this section explains these two dimensions of the law. The structure and remit of the agency charged with the task of directing land reform is also briefly examined.

The LRAC created the IERAC to oversee land reform and colonisation in Ecuador. Within a wider remit, the IERAC was responsible for regulating land markets and redistributing land. Indicating the dual role the institute performed in the double movement, the IERAC was also charged with the task of promoting "the free trade of agricultural land with a view to creating land markets and promoting changes in private tenancy". (Art. 164 RO 297 1964) The *Consejo Directivo*, the steering committee of the IERAC, comprised various state officials as well as one representative from the coastal and highland branches of the *Cámaras de Agricultura* and one representative of agricultural workers from the coast and the sierra. No representation was given to indigenous, mestizo, or afroecuatoriano peasants. (Arts. 9 & 10 RO 297 1964) The lack of influence indigenous, peasant, and leftist organisations were able to exert over the drafting of the LRAC was therefore reflected in the composition of the committee responsible for directing and enforcing agrarian reform. The imbalance between landowning elites and indigenous peoples within the *Consejo Directivo* was accentuated by the links *hacendados* established with the regional branches of the IERAC. For example, the Director of the Riobamba division of IERAC in the mid-1960s was Dr. Alfonso Cordero who was also a prominent

landowner in the region. (El Espectador 05/06/1972 pp. 1-3) The influence landowning elites exerted over the IERAC at the regional and national levels limited the ability of the institute to regulate and redistribute land. Enjoying close links with the IERAC also enabled landowning elites to secure favourable financial terms for the land they sold to the institute, reducing the impact of agrarian reform on the redistribution of wealth and income.

The LRAC encouraged the expansion of land markets in a variety of ways. Linking private property rights to the economic use of land and threatening the expropriation of unproductive and underutilised land encouraged landowning elites to rationalise haciendas and offer land for sale on the market. The prohibition of semi-feudalist practices ruptured the peasant-patron relationship and reduced the non-economic functions land performed for traditional landowning elites. Economic factors came to perform a greater role in determining the use, value and distribution of land and the amount of land circulated within markets increased. The outlawing of semi-feudalist practices increased the reliance of peasants on land markets which stimulated market demand. The conversion of usufruct rights into private property rights, the proliferation of private property titles, the bolstering of rural cadastres and the protection agrarian reform provided for private property rights to utilised and productive land supported market activity and development.

The considerable influence landowning elites exerted over the drafting of the LRAC ensured the components of the law that regulated land markets and redistributed land were limited.

Land market regulation was largely restricted to the peasant and reform sectors. The law stipulated that no landholding was permitted to be divided below the “*unidad agrícola familiar*” (which was provisionally set at 5 hectares) and that no landholding redistributed via agrarian reform (individual or collective) was allowed to be transferred without prior approval from the IERAC. (Arts. 42, 47 & 48 RO 297 1964) The law imposed an upper limit of 1,800 hectares (800 cultivable, 1,000 pastoral) on the size of a single landholding in the sierra but “efficiently exploited” farms were exempt. (Arts. 33 & 34 RO 297 1964) No definition of “efficient exploitation” was provided so the impact of the limit was limited. The legislation placed no meaningful restrictions



on the ownership or monopolisation of land. Few measures were therefore introduced to reduce existing inequalities in the distribution of land or stopping new inequalities from emerging. Polanyi notes that “regulation both extends and restricts freedom; only the balance of freedoms lost and won is significant.” ([1944] 2001 p. 262) The scales of the regulatory dimension of the LRAC were tipped firmly towards landowning elites.

The same was broadly true of the redistributive dimension of the law. Three broad categories of redistribution were established: i) *huasipungos*; ii) state-owned land; and iii) privately owned land incorporated into the reform sector via expropriation, reversion, and negotiation.

The framework established to oversee the redistribution of *huasipungos* provided greater protection for *huasipungueros* than the private initiative that took place between 1959 and 1964 (see Chapter 3). (Arts. 67-77 RO 297 1964) Yet the legislation still allowed landowners to resettle and in some cases evict *huasipungueros*. The law did not therefore demand the direct conversion of usufruct rights into private property rights. Indigenous workers who had worked for ten or more years for the same landowner as *huasipungueros* were entitled to receive land without cost while *huasipungueros* who had worked for less than ten years for the same landowner were obligated to purchase land and repay the landowner within five years. No upper or lower limits on land redistributed to *huasipungueros* were established. No explicit provisions were provided for members of extended *huasipungo* families (e.g. *arrimados-apegados*) to secure land (see Chapter 3). The legal framework therefore provided no explicit mechanisms for a significant and expanding section of the rural highland indigenous population to secure land.

The provisions the law created for the redistribution of state-owned land related to the stock of AS haciendas (see Chapter 3). The law implied the land should be redistributed without cost to indigenous peoples, stating “the adjudication of land to indigenous groups traditionally located in each zone will be undertaken in *forma gratuita y directa* when the land is owned by the state.” (Art. 50 RO 297 1964) However, the supplementary legislation issued to regulate the division and redistribution of AS haciendas reversed this commitment and provided the IERAC with license to sell the land to indigenous

families, cooperatives, and communities. (Art. 13 RO 502 1965) Legal grounds were also provided for the relocation of peasants who worked on state-owned land.

The rest of the land potentially available for redistribution was privately owned land transferred to the IERAC through reversion, negotiation and expropriation. (Arts. 23-40 RO 297 1964) Land that had been left idle for 10 years or worked by peasants without a contract with the landowner was to be reverted to the IERAC. The potential for IERAC to purchase land from landowners through negotiation was also established. The primary grounds established for expropriation were “underutilisation” and “inefficient exploitation”. Land was considered to be underutilised if it had not been exploited for three consecutive years and inefficiently exploited if it had “notoriously inferior” levels of productivity. Landowners were allowed three years to upgrade their landholdings, providing them with time to sell unwanted land on the market or to the IERAC. The emphasis the law placed on the expropriation of underutilised and inefficient land, as Feder notes, biased agrarian reform towards the redistribution of the least productive land. (1965 p. 657) The other important basis established for expropriation was “great demographic pressure”. With rural population growth accelerating in the 1960s, especially in areas with large indigenous populations, the demographic clause was potentially highly significant, especially as the law allowed for the expropriation of productive landholdings. However, the explicit preference the clause stated for resettlement and colonisation and the lack of clarity it provided over what actually constituted demographic pressure reduced the power of the provision. Providing landowners with ample room to negotiate favourable prices, the law stated expropriation should be based on the cadastral value and the economic capacity of the landholding. (Art. 124 RO 297 1964) No direct link between the price the IERAC paid for the land and the price the institute charged beneficiaries was established.

The law enabled the IERAC to redistribute individual and collective land titles, expressing preference for the redistribution of land to cooperatives. (Arts. 41-59 RO 297 1964) The proliferation of collective land titles placed some restrictions on land market expansion. However, the redistribution of land to

beneficiaries who formed cooperatives was undertaken on an individual and collective basis. No meaningful upper or lower limits were placed on land redistributed via agrarian reform. Few measures were therefore included to stop new inequalities emerging through land redistribution.

<b><u>Table 4.1 – Commodification and decommodification dimensions of the Ley de Reforma Agraria y Colonización, 1964</u></b>	
<b><u>Dimension</u></b>	<b><u>Key aspects</u></b>
Land commodification	<ul style="list-style-type: none"> <li>• Private property rights conditioned on the economic use of land</li> <li>• Threat of expropriation of underutilised and unproductive land</li> <li>• Protection of private property rights to utilised and productive land</li> <li>• Proscription of semi-feudalist practices (e.g. <i>huasipungo</i>)</li> <li>• Proliferation of private property titles</li> <li>• Bolstering of rural cadastres</li> </ul>
Land decommodification	<ul style="list-style-type: none"> <li>• Redistribution of underutilised and unproductive privately owned land</li> <li>• Redistribution of utilised and productive land in areas of “great demographic pressure” but explicit preference for resettlement and colonisation</li> <li>• Redistribution of <i>Asistencia Social</i> haciendas</li> <li>• Redistribution of <i>huasipungos</i></li> <li>• Proliferation of collective land titles</li> <li>• Maximum size of landholdings: 1,800 hectares</li> <li>• Minimum size of landholdings: none</li> <li>• Transfer and division of landholdings: regulation of peasant and reform sectors</li> <li>• Monopolisation restrictions: weak and undefined</li> </ul>
Source: My own elaboration based on <i>Ley de Reforma Agraria y Colonización</i> , RO 297, 23 July 1964 and <i>Decreto 168</i> , RO 502, 18 May 1965.	

To sum up, the LRAC simultaneously promoted the commodification and decommodification of land (see Table 4.1 above). However, its decommodification dimensions were highly circumscribed. Few measures were introduced to regulate land markets and limited provisions were provided to redistribute land. The break between the commodification and decommodification dimensions of land reform was not as clean as Table 4.1 might suggest. The conversion of usufruct rights into private property rights and the redistribution of individual land titles supported the development of land markets. The fact beneficiaries were obligated to secure permission from IERAC before transferring land reduced the commodifying potential of this aspect of the reform. But the proliferation of land titles still lent support to market

development. This draws attention to some tensions within Polanyi's conceptual framework. It shows that redistributive mechanisms can promote the expansion of market mechanisms. It also indicates the line between the two sides of the double movement is less clear empirically than it is theoretically.

The next section analyses indigenous and peasant attempts to expand the regulative and redistributive dimensions of land reform and examines the political struggle that emerged between indigenous and peasant movements, landowning elites, and the state.

#### **4. The indigenous countermovement and indigenous and peasant attempts to transform land reform**

The victory of Jose María Velasco Ibarra at the 1968 presidential elections marked the start of a change in the dynamics of agrarian reform. The initial implementation of reform had concentrated on the dissolution of *huasipungo/arrimado lojano* and the division and redistribution of a handful of state-owned haciendas. No effort had been made to expropriate and redistribute privately owned land. The privately owned land that had been transferred to the IERAC was done so through negotiation. IERAC was starved of funding and subject to frequent personnel changes and revisions to the legal framework were generally regressive. (RO 167 1967) (Blankstein and Zuvekas 1973 pp. 81-3) (FAO 1980 p. 92)

The change in the dynamics of agrarian reform between 1968 and 1973 left most of these basic patterns unaltered. However, the state showed greater willingness to expand the regulative and redistributive components of the reform, particularly in the early 1970s. Three interrelated factors contributed to the shift in the state's position. First, the oil boom sent state-society relations into flux. The influence landowning elites exerted over the state apparatus was momentarily diminished and the state was provided with greater economic potential to accelerate reform. Second, the comprehensive agrarian reform programme the Velasco military regime had started in Peru provided inspiration for some political elites. (Redclift 1978 p. 28) (Hidrobo 1992 pp. 119-20) Third, the strengthening of indigenous and peasant organisation provided a stronger platform for the rural poor to pressure the state to redistribute and regulate land.

The next section explains the organisation base from which highland indigenous peoples engaged in the struggle to increase the regulation, redistribution, and social control of land. Indigenous and peasant attempts to transform land reform are then examined.

#### **4.1. The indigenous countermovement**

Land reform reconfigured the forms of integration of the rural highland economy and the social and political relations that underpinned them. The modern highland indigenous movement emerged out this milieu. The abolition of semi-feudal institutions; the conversion of *huasipungos* into private landholdings; and, the dismantling of traditional haciendas created “power vacuums” at the local level which increased the space open for indigenous organisation and mobilisation. (Zamosc 1994 pp. 53-4) Local-level organisations strengthened and expanded which provided indigenous peoples with a platform to challenge landowners and construct a wider indigenous movement. The creation of a central authority charged with the task of regulating and redistributing land shifted indigenous land claims towards the IERAC and encouraged the formation of a regional and national movement capable of influencing the institute and the state.

Indigenous peoples became increasingly reliant on markets as land reform advanced. The dissolution of semi-feudalist practices and the weakness of land redistribution increased their dependence on markets to obtain land. The limited amount of land available to indigenous families, the weakening of peasant-patron relations and the widening of opportunities to secure wage labour in urban areas increased indigenous engagement within labour markets, especially indigenous men. The need to secure income to purchase land, agricultural inputs, and consumer goods and the expansion of consumer markets encouraged indigenous families to orientate a greater share of their agricultural output towards the market. Meanwhile, the income they received from wage labour and agricultural production increased their engagement in consumer markets. In short, indigenous peoples became increasingly dependent on markets for the “provision of the daily necessities of life” as land reform advanced. (Polanyi 1947\*) Viewed through a Polanyian lens the modern highland indigenous movement can therefore be seen as a countermovement that emerged in the

wake of mounting commodification.<sup>129</sup> The countermovement, which will be examined throughout this thesis, attempted to i) transform land reform (Chapters 4 and 7), ii) enforce existing land reform legislation (Chapters 5 and 8), and iii) pressure landowners to sell indigenous peoples land (Chapters 6 and 9).

The rest of this section explains the organisational base of the indigenous countermovement. The analysis then turns to the first dimension of the countermovement: the attempt to transform land reform.

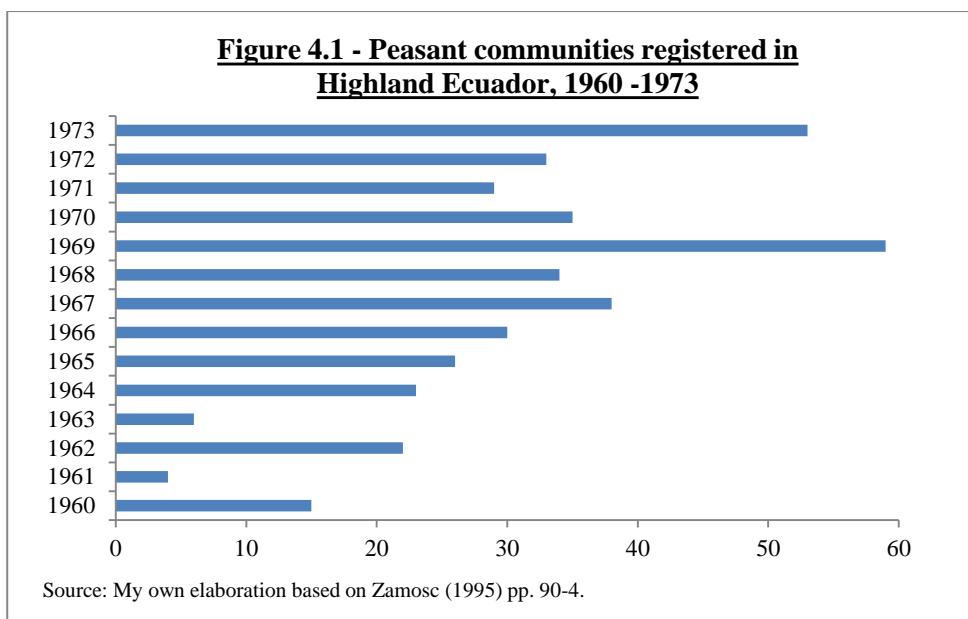
#### **4.1.1. The organisational core of the countermovement**

Communities formed the base of the indigenous countermovement. The number of communities established in the highlands increased during the first decade of agrarian reform as the space and motivation for collective organisation increased. Figure 4.1 indicates the quantitative impact of the reform on communal organisation: 360 communities were registered between 1964 and 1973, 162 more than had been registered between 1954 and 1963.<sup>130</sup> (Zamosc 1995 pp. 90-4) Zamosc reports the growth of communities was strongest in regions with high indigenous population densities, indicating a general strengthening of communal organisation among the highland indigenous population. (1995 pp. 54-75) (Korovkin 1997) (Yashar 2006 pp. 194-5) The *Ley de Comunas* was often adapted to conform to local customs and traditions or ignored altogether (see Chapter 3). Hence the internal structures of indigenous communities exhibited a high degree of variation. One common feature, however, was a central committee or council (*cabildo*) which provided a forum for community members to discuss communal affairs and make collective decisions. Decision making was not without conflict but did provide “a firm basis for collective action once achieved.” (Macas *et al.* 2003 p. 224) (De la Torre 2006 p. 252) (Sánchez-Parga 2010 pp. 35-41)

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<sup>129</sup> This is not to suggest, of course, indigenous struggles can be reduced to market struggles. For broader perspectives on indigenous organisation and mobilisation in Ecuador see Sánchez-Parga (1989; 2010), Zamosc (1994; 2005), Guerrero (2000), Lentz (2000), Martínez (2002a), De la Torre (2006), Becker (2008) and Cervone (2012). On the array of struggles not included within the double movement framework see Fraser (2013) pp. 127-9.

<sup>130</sup> The data relate to communities registered with the state and do not therefore capture the entire universe of communities in the highland region (e.g. those with insufficient number of residents to register).



Communities provided the foundation for the development of local-level organisations which brought together indigenous families and communities from across parishes, cantons, and provinces. This included second-grade organisations, which incorporated numerous communities, and provincial organisations, which united various second-grade organisations. For example, in the late 1960s and early 1970s, the *Union de Campesinos de San Pablo* (UCSP) was established in the northern province of Imbabura; the foundations of the *Federación Interprovincial de Indígenas Saraguros* (FISS) were laid in the southern province of Loja; and, the roots of the *Movimiento Indígena y Campesino de Cotopaxi* (MICC) were planted in the northern province of Cotopaxi. (Sánchez-Parga 1989 pp. 249-68) (MICC 2003 pp. 31-2) (Interviews 7 and 9)

The FEI remained the most powerful voice for indigenous concerns in the late 1960s, providing support for indigenous land claims and pressuring the state to transform agrarian reform. However, the federation was unable to respond to the wave of new indigenous organisations that emerged in the wake of agrarian reform and the gap between the base and the leadership of the organisation started to widen. (Becker 2008 p. 148-52) (MAG 1977c pp. 50-2) (Korovkin 1997 p. 30) (MICC 2003 p. 48) The FEI was further weakened by the emergence of rival organisations in the 1960s and 1970s. The Catholic Church helped establish the *Federación Ecuatoriana de Trabajadores Agropecuarios* (FETEP)

in 1965 with the basic aim of limiting the reach of the FEI and PCE. The FETEP was then transformed into the *Federación Nacional de Organizaciones Campesinas* (FENOC) in 1968. Mirroring the evolution of its sister trade union, the CEDOC, the FENOC broke with its conservative roots in 1972 as the base of the movement demanded more radical solutions to the agrarian crisis. The radicalised movement, Becker explains, called for “a unity of worker and peasant struggles, a role for peasants in crafting agrarian policies, respect for indigenous cultural forms, and the construction of a revolutionary party that would struggle for the construction of a socialist society.” (2008 p. 157) The development of a national classist peasant movement was accompanied by the emergence of a regional ethnic movement: *Ecuador Runacunapac Riccharimui* (Ecuadorunari).<sup>131</sup> (Sánchez-Parga 1989 p. 221) (FIPRR 1993 pp. 33-4) (Becker 2008 pp. 159-62) (Ecuadorunari 2012 p. 1) (Huarcaya 2012 pp. 24-5) The movement was established in 1972 with the support of religious activists inspired by liberation theology. Indicating the crucial non-economic functions land performed for indigenous peoples, Ecuadorunari placed the battle for land at the centre of a wider struggle for the defence of indigenous language, customs, and practices.

“Faced by the lack of land, inhuman and slave-like treatment...Ecuadorunari emerged to group together all of the indigenous population of the sierra...to develop a strong organisation to establish and defend rights...the fundamental point was the battle for land, from there emerged the slogan “only the fight for land”, from that, naturally, emerged the defence and respect of identity, culture, language, traditions, and customs.” (FIPRR 1993 p. 34)

With Ecuadorunari, FEI, and FENOC each having their own ideologies, strategies and objectives, tensions and conflicts soon emerged between the three organisations. Yet the organisations still provided a platform for indigenous peoples to increase the pressure on the state to transform land reform in the late 1960s and early 1970s.

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<sup>131</sup> The Kichwa phrase *Ecuador Runacunapac Riccharimui* translates to “awakening of the Ecuadorian Indians”. (Becker 2008 p. xix)



#### 4.1.2. The broadening of the countermovement constituency

Indigenous efforts to mobilise for land were supported by the basic traits indigenous peoples held in common. As Korovkin notes “ethnic values can inform rural collective action, providing it with both cultural defined goals (e.g. the acquisition of land) and institutional means (e.g. communal organization).” (1997 p. 27) A common language and a similar set of customs, habits, and beliefs underpinned indigenous organisation at the local, provincial and regional levels. The similar social and economic realities indigenous peoples confronted provided additional support for collective organisation and mobilisation. These factors limited the problems associated with building and maintaining a broad and diverse Polanyian constituency.<sup>132</sup> Yet highland indigenous peoples only accounted for a relatively small segment of the national population and needed the support of other actors to develop a movement capable of challenging the elite and the state. Reaching out across geographic, ethnic, social, and political frontiers brought fresh challenges but the alliances highland indigenous peoples, organisations, and movements formed with other actors, institutions, and movements were fundamental to the development of the countermovement.

The network of indigenous and peasant organisations that emerged in the wake of land reform provided a platform for indigenous peoples to establish links with highland and coastal mestizo peasants. Relationships that stretched across the ethnic frontier were established at the second-grade, provincial, regional, and national levels. The FEI connected highland indigenous peoples with coastal peasants through its association with the *Federación de Trabajadores Agrícolas del Litoral* (FTAL). The FENOC went further by creating a movement of coastal and highland indigenous and mestizo peasants. While relationships between highland and lowland indigenous communities were not fully formed until the late 1970s, the creation of Ecuarunari provided a basis for strengthening links with indigenous organisations in the Amazonian region. The threats colonisation

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<sup>132</sup> On the difficulties of establishing and maintaining broad-based countermovements capable of challenging commodification see Levien (2007) and Burawoy (2010).

posed lowland indigenous communities meant indigenous peoples from both regions had grievances with the IERAC and the state.<sup>133</sup>

Religious activists inspired by liberation theology lent valuable support to indigenous organisation and mobilisation. Their influence was particularly strong in Chimborazo, where the charismatic Bishop of Riobamba, Leonidas Proaño, supported indigenous attempts to secure land, but was also evident in Cotopaxi and other highland provinces. Religious activists raised awareness of agrarian reform, assisted land claims, participated in mobilisations, and exerted pressure on religious authorities to redistribute church-owned land to indigenous families and communities on favourable terms. Yet, at the same time, religious authorities also sold land to the IERAC at elevated prices (which increased the cost of obtaining land for indigenous peoples) and relocated indigenous families and communities to protect their economic interests. (Lyons 2006 pp. 264-68) Religious activists also performed a conservatizing role in some cases. Rural development projects were promoted as an alternative to land reform while colonisation - the preferred option of the state and the elite - was sometimes offered as a route out of the agrarian crisis in the sierra. (Sánchez-Parga 1989 pp. 217-8) (FIPRR 1993 p. 30) (Korovkin 1997 pp. 29-30) (Martínez Novo 2008 pp. 204-5)

The promotion of rural development as opposed to land reform was also at the heart of the work of *Misión Andina del Ecuador* (MAE), a development agency which was created by the United Nations in 1956 and incorporated into the state apparatus in 1964. (UN 1966 pp. 1-2) Bretón claims MAE programmes were “doomed to failure because the concentration of land ownership was never questioned...[and]...little or nothing was done to facilitate peasant access to plots of land or challenge the hacienda system.”<sup>134</sup> (2008a p. 587) Yet MAE employees appeared to support the efforts of indigenous families and communities to secure land via IERAC in some cases. (Martínez 2002b) The

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<sup>133</sup> See Perrault (2003) and Sawyer (1997; 2004) for insights into indigenous organisation in the Amazonian region.

<sup>134</sup> See also Belote & Belote (1981) pp. 457-72 and Barsky (1988) pp. 32-40.

MAE, as Bretón notes, also performed an important role in supporting communal organisation in the highland region.<sup>135</sup> (2008a p. 587-8)

Leftist activists and organisations continued to support indigenous attempts to secure land, especially state-owned land. The FEI, though weakened, exerted pressure on the state to transform agrarian reform as well as challenge the IERAC at the local level. Factionalism within the left limited the possibilities of indigenous organisations and movements forming strong alliances with leftist parties. Conflicts between religious and leftist activists also caused tensions within the indigenous and peasant movement. (Lyons 2006 p. 262) The fragmentation of the organised labour movement also placed definite limits on the formation of broad-based worker-indigenous-peasant alliance. However, trade unions supported indigenous and peasant attempts to radicalise land reform in some cases (see Section 2 above). Support from other urban sectors was limited by the effort landowning elites invested into discrediting land reform in the mainstream media. Particular attention was paid to the putative impact of agrarian reform on the production, distribution and price of food (e.g. *El Comercio* 03/03/1970 p. 1). (Barsky 1988 p. 227) The mainstream media sometimes resorted to racist stereotyping of indigenous peoples which also undermined support from urban sectors. (Handelman 1980 p. 76)

To sum up, the alliances the indigenous organisations and movements established with other actors, institutions, and movements provided them with greater ability to pressure the state and the elite. However, the overriding social, political, and economic structure set definite limits on a broad-based countermovement emerging. The tactics landowning elites used to undermine land reform created additional barriers.

#### **4.2. Reform, counter-reform and indigenous-peasant attempts to transform land reform**

Indigenous and peasant efforts to transform land reform started soon after the LRAC was introduced. The initial charge was led by the FEI which called for “an authentic agrarian reform...under the direction of a popular government” at its Fourth Congress in October 1966. (*El Comercio* 22/10/1966 p. 17) Particular

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<sup>135</sup> See also Belote & Belote (1981) and Sánchez-Parga (1989).

attention was paid to deficiencies of the IERAC, claiming the institute was run by “oligarchs and latifundistas”. (El Comercio 23/10/1966 p. 17) The FEI called for the integration of members of the federation and the FTAL into the institute to counter the influence of landowning elites. (El Comercio 23/10/1966 p. 17) (Becker 2008 pp. 140-1) The demand marked the start of a prolonged - and ongoing - attempt to create room for indigenous and peasant involvement in the state agencies charged with the task of regulating and redistributing land in Ecuador.

Mounting pressure from below was also discernible in a series of reforms Velasco Ibarra introduced in 1969 and 1970 (see Chapter 2). The first wave came in August 1969 when the government brought land reform under the direct control of the executive, subordinated the IERAC to the MAG, and reduced the power of landowning elites within the IERAC. (RO 245 1969) The second phase came in March 1970 when the government promulgated *Ley 255-CLP*. (RO 397 1970) The law reinforced and extended the bureaucratic changes introduced in 1969. The *Consejo Directivo* was renamed the *Consejo de Coordinación y Asesoramiento*, the number of *Cámaras de Agricultura* representatives were lowered from three to two, and the responsibilities of the new council were reduced.<sup>136</sup> (Arts. 5-6 RO 397 1970) The law also provided grounds to transfer underutilised *páramo* to IERAC with the aim of allowing “ex *huasipungueros*, *minifundistas*, and agricultural workers” to use the land. (Arts. 14-16 RO 397 1970) The measure provided evidence of the state’s desire to release pressure on land by increasing the utilisation of the high-altitude grassland rather than providing widespread opportunities for peasants to secure more productive land at lower elevations.<sup>137</sup> Yet the change still created new opportunities for indigenous families and communities to secure land. The third wave came in September 1970 when the government introduced *Ley de Abolición del Trabajo Precario en la Agricultura* (LATPA). (RO 54 1970) The overall thrust of the law

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<sup>136</sup> Indicating the tight control landowning elites exerted over land reform in the late 1960s, the 1967 reforms increased the number of *Cámaras de Agricultura* representatives in the *Consejo Directivo* from two to three. (Art. 3 RO 167 1967)

<sup>137</sup> The state’s desire to pursue this strategy was highlighted by reforms introduced in 1967: “IERAC will establish the receptive capacity of the *páramos*...with the aim of determining their idle capacity and will expropriate the part the idle sections in favour of *minifundistas*.”(Art. 19 RO 167 1967)

was geared towards the elimination of semi-feudal practices but it also provided fresh opportunities for indigenous peoples to obtain land. Peasants who had worked land under precarious tenure arrangements (e.g. *aparcería*) for a minimum of three years were entitled to demand IERAC expropriate the land and sell it to them at the cadastral value. (Art. 2 RO 54 1970) Reinforcing these legislative changes, IERAC was also assigned significantly higher levels of funding between 1970 and 1971. (Cosse 1980 p. 76)

Landowning elites contested the attempts of Velasco Ibarra to accelerate reform. Exchanges between government officials and landowning elites illustrated growing antagonism between the two groups. The *Cámaras de Agricultura* claimed the *Ley 255-CLP* was “unconstitutional and disadvantageous to the interests of the agricultural class” and would allow the IERAC to expropriate high-altitude land whether or not it was actually *páramo*. (El Comercio 06/03/1970 p. 1) Stoking fears over rising food prices, the *Cámaras de Agricultura* also claimed the law would undermine the production of staple goods, continuing the tactic landowning elites had used to limit wider support for land reform in the 1960s. (El Comercio 02/03/1970 p. 1) Illustrating how the state used agrarian reform to encourage the economic rationalisation of land on the one hand and protect the private property rights of productive land on the other, the Minister of Agriculture, Rubén Espinosa Román, responded by declaring “efficiently exploited land that performs its social function will merit full support and guarantee”. (El Comercio 13/03/1970 p. 1) Despite the counter-protests of the FEI, elite attacks met with some success. For example, the LATPA was diluted to enable landowners to secure higher prices for expropriated land. (Velasco 1979 pp. 103-4) (Barsky 1988 p. 184) Yet the redistributive reach of land reform was still moderately expanded.

The ousting of Velasco Ibarra and the formation of the Rodriguez Lara military government in February 1972 intensified the political struggle over land reform. Emboldened by surging oil revenues, the regime promptly announced its intention to undertake radical agrarian reform. (Redclift 1978 p. 29) (Barsky p. 206) Echoing changes underway in Peru, the shift implied a transformation of relations between the state, the peasantry, and the landowning elite.

“To complete its political project, the Rodriguez Lara dictatorship proposed the corporatist mobilisation of the significant sectors of Ecuadorian society, like the subproletariat and the peasantry. This was explained, in one part, by the demographic weight of these sectors of the population and, in another part, by the aspiration of forming a significant social base to realise certain reforms, like agrarian reform.” (Rosero 1983 p. 257)

With the possibility increasing of the military regime forming alliances with indigenous and peasant communities and movements, landowning elites viewed the government’s declarations as an existential threat. Luis Barahona Sáez, *President of the Cámara de Agricultura de la Primera Zona*, made this clear when he declared:

“The basic objective of agrarian reform is to destroy the landowning class...and replace it with another class of agriculturalist aligned to a certain political doctrine”. (El Comercio 18/06/1972 pp. 1 & 2)

Elite responses to the military government’s proposals were typically vociferous. (Cosse 1980 p. 76) (Barsky 1988 p. 206) Under the heading *Realidades del Campo Ecuatoriano*, the *Cámaras de Agricultura* run a series of publicity pieces in the mainstream press denouncing the regime’s radical proposals. (El Comercio 16-18/06/1972) Illustrating the links that existed between landowning and business elites, the *Cámaras de Agricultura* and the *Cámara de Industria y Comercio* also issued a joint statement which “left no doubt that the private sector considered any encroachment on private property unacceptable and called for a halt on land invasions and plans for state-sponsored expropriations.” (Conaghan 1988 pp. 96-7) Within this context, the emergence of draft legislation that proposed minimum landholding limits of 10 hectares and maximum thresholds of 100-200 hectares in the highlands, restrictions on total landholdings in the whole country of 600 hectares, and the expropriation of land based on moderately inflated cadastral values understandably provoked a strong response. The strength of the elite attack was reflected in a significant change in the stance of the military regime in 1973. (Barsky 1988 pp. 212-3) The *Anteproyecto de Ley de Reforma Agraria*, which was tabled by the government in early June 1973, excluded the most radical

features of the initial proposal. (Rosero 1983 p. 259-79) Yet the increased possibilities the legislation provided for the expropriation of land still caused consternation among landowning elites. The response was the drafting of a document outlining the concerns of the *Cámaras de Agricultura* and the demand that the LRAC remained in effect until an agrarian reform law had been drafted with the full consultation and participation of the landowning elite (i.e. like the LRAC). (Rosero 1983 p. 277) The government responded by submitting a revised version of the legislation in late June which responded to some of the principal demands of the *Cámaras de Agricultura* (e.g. the effective removal of upper limits on landholdings).

The strengthening of indigenous and peasant organisation in the wake of land reform enabled the indigenous and peasant population to exert considerable counter-pressure on the state. The primary mechanism through which this was achieved was the *Frente Unido de Reforma Agraria* (FURA), a national network of indigenous and peasant organisations and movements, which was established in 1972. The FURA coordinated a series of marches and rallies across the sierra and the coast in late 1972 and early 1973, including important mobilisations in Guayaquil, Quito, Cuenca, Riobamba, and Cañar. (Becker 2008 pp. 162-3) The Rodriguez Lara regime's *volte face* prompted the FURA to convene the *Primer Encuentro Nacional Campesino por la Reforma Agraria* in August 1973. (El Comercio 21/08/1973 p. 13) The conference was organised to pronounce the “fundamental points that should be incorporated into *Ley de Reforma Agraria*”.<sup>138</sup> (Quoted in Barsky 1988 p. 263) Illustrating the links that existed between the military government and indigenous and peasant movements, the Minister of Agriculture, Guillermo Maldonado Lince, attended the conference, assuring the delegates that he would support the inclusion of the FURA's principal demands in future drafts of land reform legislation. (El Comercio 21/08/1973 p. 13)

The principal features of the FURA legislative proposal were as follows (see also Table 4.2 below): i) expropriate inefficiently exploited and underutilised land; ii) establish upper limits of 100 hectares on landholdings in the highlands,

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<sup>138</sup> My analysis of the FURA proposal primarily draws on the *Pronunciamiento del Primer Encuentro Campesino por la Reforma Agraria a las Autoridades Gubernamentales* which is reproduced in its entirety by Barsky (1988) pp. 263-72. See also Rosero (1983) pp. 259-73.

150 in the coast, and 200 in the oriente; iii) revert land from which peasants have been forcefully removed; iv) prioritise the communal distribution of land; v) establish lower and upper limits of 5 and 20 hectares on land redistributed to individuals; vi) incorporate representatives of peasant organisations into state agencies directly and indirectly involved in the direction and implementation of land reform; vii) proscribe the foreign ownership of agricultural land and transfer foreign-owned landholdings to peasant organisations; and, viii) expropriate land using 1964 cadastral values.

Placing the proposal within the commodification/decommodification framework elaborated above, the FURA called for the expansion of the regulative and redistributive dimensions of land reform. Limits on the size of landholdings and the proscription of foreign ownership of land set clear limits on the operation of land markets. Combined with the grounds the proposal provided for the expropriation of privately owned land at outdated cadastral values these measures aimed to rupture the economic power of landowning elites and establish and maintain a more equal land distribution. Upper and lower limits on redistributed land supported this objective by slowing the proliferation of *minifundia* and preventing inequalities between peasants emerging through land redistribution. The explicit preference for the redistribution of land in collective form pointed in the same direction and supported the communal rather than individual control of land. Using 1964 cadastral values as expropriation values explicitly rejected the commodity view of land which demands the exchange of land at market prices.

The proposal also aimed to transform the mechanisms through which land was regulated and redistributed. The FURA argued “the participation of peasant organisations in the planning and execution of agrarian reform at the local, regional, and national level is indispensable”. (Quoted in Barsky 1988 pp. 269-70) Seemingly aware of the risk of co-optation, the alliance demanded participation on the basis of “*irrenunciable autonomía*”. (Quoted in Barsky 1988 p. 269) The FURA therefore demanded the integration of indigenous and peasant representatives into the agencies charged with the task of regulating and redistributing land, following and extending the demands of the FEI in 1966. Taken together, the FURA aimed to create a framework that combined



communal, social and state control of land. The proposal left space for the market but within a new set of regulations that restricted its reach and influence.

The next section analyses the agrarian reform law introduced by the Rodriguez Lara government in late 1973, contrasts the law with the FURA proposal, and sketches the evolution of land reform and indigenous organisation between 1973 and 1979.

## **5. Commodification and decommodification dimensions of the Ley de Reforma Agraria**

Following eighteen months of acrimonious debate, the Rodriguez Lara government introduced *Ley de Reforma Agraria* (LRA) in October 1973. The legislation superseded the LRAC but remained within the basic parameters of the existing framework. Hence it was far removed from the radical proposals the military regime had announced in 1972.

To what extent were the demands of indigenous and peasant movements reflected in the law? Table 4.2 (below) shows that there were considerable differences between the LRA and the FURA proposal. Whereas the latter stipulated upper limits on the size of landholdings and proposed maximum and minimum limits on land redistributed via agrarian reform, the former included no limits on landholdings or redistributed land. While the grounds the legislation and the proposal provided for the expropriation of privately owned land exhibited some similarities, the provisions the law provided were more favourable to landowning elites. For instance, the stipulation that expropriation was based on 1964 cadastral values plus investments provided *hacendados* with scope to negotiate favourable prices for land. Furthermore, the two-year grace period the law granted landowners to upgrade their landholdings provided them with time to divide their landholdings without fear of expropriation. The FURA proposal demanded the inclusion of indigenous-peasant representatives within the agencies involved in agrarian reform at the local, regional, and national levels while the law provided no space for indigenous-peasant involvement.

In short, despite the increased pressure indigenous-peasant organisations were able to exert over the state in the early 1970s, the LRA omitted the central demands of the FURA.

**Table 4.2 – Comparative analysis of the Ley de Reforma Agraria and the FURA land reform proposal, 1973**

<u>No.</u>	<u>Dimension</u>	<u>LRA</u>	<u>FURA</u>
1	Expropriation	<ul style="list-style-type: none"> <li>• Private property conditioned on economic use via “affectation”</li> <li>• Min. of 80% of landholding “efficiently” exploited by 01/01/1976</li> <li>• Min. of “average productivity” by 01/01/1976</li> <li>• Efficient landholdings in areas of “great demographic pressure”</li> <li>• Land worked under “precarious” conditions</li> </ul>	<ul style="list-style-type: none"> <li>• Min. of 80% of cultivable land cultivated</li> <li>• Min. of “average productivity”</li> <li>• Efficient landholdings in areas of “great demographic pressure”</li> <li>• Land worked under “precarious” conditions</li> <li>• Land that exceeds landholding limits</li> <li>• Foreign-owned land</li> </ul>
2	Expropriation value	<ul style="list-style-type: none"> <li>• 1964 cadastral value plus compensation for investments on land (before 1975)</li> <li>• 10-year old cadastral values plus investments (from 1975)</li> </ul>	<ul style="list-style-type: none"> <li>• 1964 cadastral value</li> </ul>
3	Redistributed land	<ul style="list-style-type: none"> <li>• Price of land no greater than price paid by the IERAC</li> <li>• Redistribution to legally registered peasant organisations prioritised</li> </ul>	<ul style="list-style-type: none"> <li>• Price of land based on 1964 cadastral value</li> <li>• Communal redistribution prioritised</li> <li>• Lower &amp; upper limits on redistributed land to individuals</li> </ul>
4	Landholding sizes	<ul style="list-style-type: none"> <li>• No limits</li> </ul>	<ul style="list-style-type: none"> <li>• Max. of 100 hectares (sierra)</li> </ul>
5	Land ownership	<ul style="list-style-type: none"> <li>• No limits</li> </ul>	<ul style="list-style-type: none"> <li>• Max. of 100 hectares (sierra)</li> </ul>
6	Representation	<ul style="list-style-type: none"> <li>• No indigenous or peasant representation within state agencies involved in direction and implementation of agrarian reform</li> </ul>	<ul style="list-style-type: none"> <li>• Indigenous and peasant representation within all state agencies involved in the direction and implementation of agrarian reform</li> </ul>
7	Foreign ownership	<ul style="list-style-type: none"> <li>• No restrictions</li> </ul>	<ul style="list-style-type: none"> <li>• Foreign ownership of agricultural land proscribed</li> </ul>

Source: My own elaboration based on *Ley de Reforma Agraria*, Registro Oficial 410, 15 October 1973; *Pronunciamento del Primer Encuentro Campesino por la Reforma Agraria a las Autoridades Gubernamentales*, Barsky (1988) pp. 263-72, and Rosero (1983) pp. 259-73

What was impact of the LRA on the commodification and decommodification dimensions of land reform outlined in Section 3? The concept of “*afectación*”, which involved “the total or partial limitation of the right to property of rural land that does not fulfil its social function”, was introduced to strengthen the link between private property rights and the economic use of land. (Art. 22 RO 410 1973) The social functions included within the law were virtually the same as those incorporated into the LRAC but placed greater emphasis on economic use. This was achieved by providing greater clarity over what was deemed to be efficient and productive land. The law stipulated that no less than 80% of the agricultural land surface of the landholding had to be exploited in an economically efficient manner and productivity levels had to reach levels stipulated by the MAG. (Art. 25 RO 410 1973) Strengthening the relationship between private property rights and economic use encouraged the economic rationalisation of land and the fragmentation of haciendas. Semi-feudalist practices remained outlawed which reinforced the commodity view of land and ensured peasants remained reliant on markets to secure land. The combination of a tighter law, stronger state, and bolder indigenous-peasant movement ensured the law had a significant impact on stimulating land market activity (see Chapter 6).

The omission of upper or lower limits on landholdings - one of the principal demands of the *Cámaras de Agricultura* – ensured the land markets that emerged in the wake of the law were able to develop without overriding restrictions on land ownership. Vague references to the expropriation of privately owned land on the grounds of monopolisation provided little safeguard against the concentration of land. The IERAC continued to regulate the transfer of land within the reform sector: recipients of land were not permitted to divide or transfer land without prior authorisation from the institute. (Art. 70 RO 410 1973) The IERAC was also responsible for overseeing the transfer and division of *minifundia* as well as supervising the fragmentation of agricultural land to ensure the division of landholdings did not “contravene the spirit of the law”. (Art. 52 & Arts. 92-5 RO 410 1973) The potential regulatory oversight of the IERAC was therefore significantly expanded.

Increased grounds were provided for the expropriation of underutilised and inefficient privately owned land. Expropriation based on the deficient use of land was not, however, scheduled to come into effect until 01 January 1976. The legislation therefore provided landowners with at least two years to increase utilisation or sell or transfer plots of land to avoid expropriation. The revised “great demographic pressure” clause omitted earlier preferences for resettlement and colonisation which provided increased legal grounds for peasants to secure productive land located close to their communities. (Art. 30 RO 410 1973) The emphasis the legislation placed on utilisation, productivity, and efficiency ensured the LRA embodied the same geographic bias as the LRAC i.e. the legislation encouraged the redistribution of the least productive land located in the higher and remoter areas of the highland region. Reflecting the productivist spirit of the LRA, the law promoted the formation and redistribution of land to “enterprises, cooperatives, associations, and other forms of agricultural organisations”. (Art. 54 RO 410 1973)

A new bureaucratic structure was established to oversee and implement land reform. While the IERAC was still responsible for executing the reform, the *Consejo de Coordinación Agraria* (CCA) and the *Ministerio de Agricultura y Ganadería* (MAG) were charged with the task of directing the process. (Arts. 1-4 RO 410 1973) The CCA, which was overseen by the MAG, comprised representatives of various state agencies. No room was provided for representatives of the *Cámaras de Agricultura* or indigenous and peasant organisations. The law also established *Comités Regionales de Apelación* (CRA) to “facilitate the process of change in the ownership of land”. (Art. 4 RO 410 1973) The CRA, which operated at the regional level, reported into the CCA. The IERAC and the CRA were responsible for assessing the *afectación* of land and therefore whether land was liable for expropriation. However, the CCA was charged with the task of assessing claims for expropriation on the grounds of monopolisation and other state agencies were required to assist decision making. Splitting decision making between various agencies and committees slowed-down the processing of land claims and provided opportunities for landowning elites to influence decisions related to expropriation, especially

within the CRA. The outcome was a bureaucratic structure that prevented the swift resolution of land claims and provided opportunities for elites to block redistribution. (Redclift 1978 pp. 29-31)

<b><u>Table 4.3 – Commodification and decommodification dimensions of the Ley de Reforma Agraria, 1973</u></b>	
<b><u>Dimension</u></b>	<b><u>Key aspects</u></b>
Land commodification	<ul style="list-style-type: none"> <li>• Private property rights conditioned on the economic use of land through <i>afectación</i></li> <li>• Threat of expropriation of underutilised and unproductive land</li> <li>• Protection of private property rights to utilised and productive land</li> <li>• Proscription of semi-feudalist practices (e.g. <i>huasipungo</i>)</li> <li>• Proliferation of private property titles</li> <li>• Bolstering of rural cadastres</li> </ul>
Land decommodification	<ul style="list-style-type: none"> <li>• Redistribution of underutilised and unproductive privately owned land</li> <li>• Redistribution of utilised and productive privately owned land in areas of “great demographic pressure”</li> <li>• Redistribution of <i>Asistencia Social</i> haciendas</li> <li>• Proliferation of collective land titles</li> <li>• Maximum size of landholdings: none</li> <li>• Minimum size of landholdings: none</li> <li>• Transfer and division of landholdings: i) regulation of peasant and reform sectors and ii) regulation of the division of rural landholdings</li> <li>• Monopolisation restrictions: weak and unenforceable</li> </ul>
Source: My own elaboration based on <i>Ley de Reforma Agraria</i> , RO 410, 15 October 1973	

To sum up, the LRA remained within the basic parameters of the existing framework, ensuring land reform continued to promote the commodification and decommodification of land (see Table 4.3 above). The decommodification dimensions of the new framework were moderately expanded. However, as will be explained below, reforms to the law reduced its regulative and redistributive potential, moving the LRA ever further away from the FURA proposal.

## **6. Weakening the decommodification potential of the Ley de Reforma Agraria: the state’s retreat from land reform**

While indigenous and peasant movements failed to persuade the Rodriguez Lara government to incorporate their principal demands into the LRA, they continued to pressure the state to radicalise land reform in the mid-to-late 1970s. The communal base from which indigenous families and communities engaged in this struggle continued to expand. Between 1973 and 1979, 154 new communities

were registered in the highlands, taking the total number of legally recognised communities to above 1,000. (Zamosc 1995 pp. 90-4) Zamosc reports stronger growth in areas with high indigenous population densities, continuing the trend that emerged in the opening decade of reform. (1995 p. 62) The proliferation of communities provided a platform for the further expansion of second-grade and provincial indigenous organisations.<sup>139</sup> (Interviews 7 and 9) The FENOC and the Ecuarrunari supported the scaling-up of indigenous organisation at the local level as the two movements set about establishing, strengthening, and institutionalising their bases. The FEI, though weakened, remained influential at the local and national levels, especially in the early 1970s.

Indigenous organisations and movements were able to exert pressure on the Rodriguez Lara regime in the months after the introduction of LRA. Drawing on the support of religious activists and trade unions, the FEI and FENOC organised a mobilisation in Riobamba in late 1973 which called for the full implementation of the law. (Barsky 1988 p. 229) Yet the ability of the indigenous countermovement to maintain pressure on the state was constrained by a number of factors. First, the three principal indigenous-peasant movements active in the highlands – the Ecuarrunari, FEI, FENOC – experienced internal problems which limited their effectiveness. Ecuarrunari, for example, underwent a “profound ideological, political and organisational crisis” between 1974 and 1978 as the movement expanded and the political environment shifted. (Ecuarrunari 2012 p. 3) (Huarcaya 2012 p. 27) Second, rivalries between Ecuarrunari, FEI, and FENOC intensified which created strains and tensions within the wider indigenous and peasant movement. Second-grade and provincial organisations affiliated with either Ecuarrunari or FENOC started to emerge. For example, within the province of Imbabura the provincial *Federación de Indígenas y Campesinos de Imbabura*, which was established in 1974, was aligned to Ecuarrunari while the cantonal *Unión de Organizaciones Campesinas Indígenas de Cotacachi*, which was created in 1977, was aligned to FENOC. (Sánchez-Parga 1989 pp. 249-50) Third, state and landowner repression restricted the spaces open to indigenous organisations and movements to engage in contentious forms of political action, especially in the late 1970s. (Griffin 1981 p. 213)

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<sup>139</sup> See Sánchez-Parga (1989), Bebbington & Perrault (1999) and MICC (2003).

Examples of state repression include the deaths at the hands of the police of Lázaro Condo, the leader of Ecuarrunari, in 1974 and Rafael Perugachi, an indigenous activist from the northern highland canton of Cotacachi, in 1977. (Becker 2008) (Ecuarrunari 2012) State repression also restricted religious and labour activists which limited the support indigenous peoples and movements were able to draw upon to exert pressure on the state.

The challenges indigenous and peasant organisations and movements faced in the mid-to-late 1970s supported landowning elite efforts to weaken the regulative and redistributive components of the LRA. The attack manifested in what the out-going Minister of Agriculture, Guillermo Maldonado Lince, described as a “lavish campaign to impede social change”. (El Comercio 19/03/1974 p. 1-3) The minister explained:

“Traditional groups of power attach the blame for all of the shortcomings of the agriculture sector to the agrarian reform law...these small but powerful groups have continued their attack on the Ministry of Agriculture...passing all limits of tolerance that are imaginable.” (El Comercio 19/03/1974 p. 1-3)

The “lavish campaign” landowning elites launched against land reform was reflected in legislative changes introduced in 1974. Reforms introduced in February dictated that land expropriated on the grounds of “great demographic pressure” would be based on current cadastral values (rather than outdated cadastral values stated in the original version of the LRA) and the payment of cash to the landowner. (Arts. 1-4 RO 502 1974) The revision reduced the possibility of the clause being enforced and provided elites with greater economic protection. One of the most potentially powerful redistributive elements of land reform was therefore significantly weakened. Despite the new Minister of Agriculture, Colonel Raúl Cabrera Sevilla, declaring the introduction of the legislation marked the start of a “new and positive stage of agrarian reform”, the *reglamento* issued to enable the implementation of the LRA, which was introduced in September, included a number of provisions favourable to landowning elites. (El Comercio 12/09/1974 p. 1) For example, while the basic criteria for the utilisation and efficiency of land were retained, the measure of efficiency was set at 80% of average productivity which provided additional

room for owners of unproductive and underutilised farms to maneuver. (Arts. 7-8 RO 642 1974) Moreover, the application of the law was dependent on productivity levels being determined by the MAG.<sup>140</sup> Importantly, the regional branches of the IERAC were also granted the right to authorise the fragmentation of landholdings. (Arts. 32-3 RO 642 1974) This significantly weakened the regulation of land markets as landowning elites were able to exploit the close relationships they enjoyed with the heads of the regional offices of IERAC to circumvent the legislation. The change opened the door to the development of what the civilian Roldós-Hurtado government (1979-84) later described as a “highly speculative rural land market” (see Chapters 6 and 9). (RO 48 1981) The potential of the IERAC to implement the law was further reduced by the scaling back of staffing and the slashing of funding for the institute. (MAG 1977b p. 95) (Cosse 1980 p. 86)

Elite attacks continued unabated despite the introduction of the reforms. Some weeks after a failed coup attempt against Rodríguez Lara in 1975, the *Cámaras de Agricultura* requested the postponement of the introduction of the efficiency expropriation clauses of the LRA. (Barsky 1988 p. 242-3) (Conaghan 1988 pp. 108-12) The president rejected their demand, stating the clauses would be implemented as planned. With the internal and external pressure on Rodríguez Lara mounting the president resigned on 11 January 1976, ten days after the efficiency expropriation clauses were due to come into effect.

If the legislative changes introduced in 1974 weakened the LRA, the establishment of the conservative military triumvirate in 1976 signalled a decisive break in agrarian policy. The shift was indicated by the Minister of Agriculture, Colonel Oliverio Vásconez, who announced the priorities of the new government were: a) the colonisation of the Amazonian region; b) the commercialisation of agriculture; c) the promotion of agroindustry; d) the education of the peasantry; and, e) the increase of production. (Barsky 1988 p. 245) The military regime demonstrated its commitment to colonisation by introducing *Ley de Colonización de la Región Amazonica Ecuatoriana* in

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<sup>140</sup> MAG noted in 1977 that the productivity levels required for expropriation on the grounds of productivity and efficiency and measurement of monopolisation had not been established and these aspects of the law could not be implemented. (1977b p. 430) Zevallos claims the levels were never established. (1989 p. 46)



January 1978. Restating the long-held preference of the state and the elite to alleviate pressure on land through colonisation rather than redistribution, the law promoted “the displacement of persons from the most populated zones in the highlands and on the coast to the Amazonian region.” (RO 504 1978)

As the return to democracy approached, the military regime set about providing a legal basis for the other dimensions of its agrarian programme. The FEI, FENOC, and Ecuarunari united with other peasant organisations to form the *Frente Unico de la Lucha Campesina e Indígena* (FULCI) to exert influence over the military government and the political parties that participated in the 1978-79 general elections. (El Espectador 14/03/1979 p. 5) (Becker 2008 p. 163) However, mirroring the period 1963-64, landowning elites took advantage of the limited space open to indigenous, peasant, and leftist organisations to seize control of the drafting of new agrarian legislation. (Barsky 1988 pp. 246-7) (Montúfar 2011 p. 43) The *Ley de Fomento y Desarrollo Agropecuario*, the law that emerged out of this process, was introduced in March 1979, shortly before the military triumvirate was dissolved and the civilian Roldós-Hurtado government (1979-84) was established. The law, which will be analysed in Chapter 7, reduced the regulative and redistributive potential of the LRA and providing the legal basis for the further weakening of land reform under structural adjustment and neoliberalism.

## **7. Summary: empirical and theoretical findings**

This chapter has examined the political struggle over the design of land reform in the 1960s and 1970s and the commodification and decommodification dimensions of the land reform legislation introduced during the period. The analysis has shown that indigenous and peasant movements pressured the state to increase the regulation and redistribution of land but failed to translate their vision of land reform into law. The decommodification potential of land reform was limited throughout the 1960s and 1970s.

The inability of indigenous and peasant movements to force comprehensive legislative changes was demonstrated by the outcome of the land reform debate of the early 1970s. The LRA omitted the most radical features of the FURA proposal. The decommodification potential of the law was then further reduced

through reforms. The role landowning elites performed in blocking indigenous and peasant attempts to expand land reform provides support for authors who draw attention to the lack of attention Polanyi pays to asymmetries in political and economic power (e.g. Munck 2004; Levien 2007; Burawoy 2010). Winders' assertion that "even if a movement against the market emerges, it may not succeed in gaining protections unless it has adequate political power" resonates in the case of indigenous and peasant movements in Ecuador in the 1960s and 1970s. (2009 p. 321) The analysis of the conflict also provides support for authors who highlight the divergence between indigenous and peasant visions of land reform and the legislative framework established in the early 1970s (see Chapter 2).

Examining the commodification and decommodification dimensions of land reform has highlighted the line between the two sides of the double movement is less clear empirically than it is theoretically. The analysis showed redistribution promoted commodification to some degree. The role traditional landowning elites performed in the political struggle over land reform also illustrates this point. During the opening decade of reform traditional landowners resisted commodification but also united with modernising landowners to oppose regulation and redistribution. Hence they appeared on both sides of the double movement at the same time.

The chapter has also demonstrated the importance of examining the structure of the agencies established to undertake the regulation and redistribution of fictitious commodities. The influence landowning elites exerted over the design of the LRAC was reflected in the steering committee of the IERAC. No space was provided for indigenous and peasant representatives. The changes introduced by the Velasco Ibarra and Rodriguez Lara governments limited the influence elites were able to exercise over the IERAC at the national level. However, landowning elites continued to exert considerable influence over the regional branches of the IERAC as well as the CRA and the MAG. Civilian and military governments consistently ignored demands from indigenous and peasant movements to create genuine space for indigenous and peasant representatives within the agencies charged with the task of regulating and redistributing land. This issue, as will be explained in Chapter 10, remains a

central point of conflict between the state and the indigenous movement in Ecuador.

## Chapter Five

### Land redistribution and indigenous peoples (1964-1979)

#### 1. Introduction

This chapter analyses the implementation of one of the decommodification components of agrarian reform: land redistribution. The analysis shows that concerted and sustained indigenous pressure was required to activate the mechanism and influence the conditions of the transfer of land. The chapter illustrates the importance of examining the application of decommodification mechanisms and provides fresh insight into the relationship between land redistribution and indigenous peoples. The analysis is restricted to the 1960s and 1970s. Land redistribution in the 1980s and 1990s is investigated in Chapter 8. The entire cycle of redistribution (1964-1994) is also examined in that chapter. Hence what follows is the first of a two part study of land redistribution in the highland region.

The rest of this chapter is divided into five sections. The second section provides a snapshot of land redistribution in the sierra in the 1960s and 1970s. The third section analyses the transfer of *huasipungos* to indigenous peoples. The fourth section examines the redistribution of state-owned land, concentrating on the northern highland canton of Cayambe, Pichincha. The fifth section analyses the redistribution of privately owned land, focusing on three cases in the central highland province of Chimborazo. The sixth section summarises the main empirical and theoretical findings of the chapter.

#### 2. Snapshot of land redistribution in the 1960s and 1970s

The total amount of land formally redistributed in the sierra between 1964 and 1979 was around 399,213 hectares which equated to approximately 8.4% of the agricultural land surface of the region.<sup>141</sup> The land was redistributed to around

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<sup>141</sup> The regional and provincial agricultural land surfaces captured by the 2000 agricultural census are used to illustrate the relative impact of agrarian reform as this allows for greater consistency between the data presented in this and subsequent chapters. The changes that took place in the decades after the introduction of the LRA in 1973 means the 2000 census only provides a rough indication of the actual agricultural land surface in the 1960s and 1970s. Using the 2000 census data as a point of reference rather than the 1974 census reduces the relative amount of land redistributed. The 1974 data indicates 13.0% of the total agricultural land surface

50,000 beneficiaries (e.g. families, communities, cooperatives). Land redistribution varied markedly across the sierra. Table 5.1 shows the greatest amounts of land were redistributed in the southern province of Loja (31.7%), the central province of Chimborazo (22.3%), and the northern provinces of Pichincha (12.0%) and Cotopaxi (11.2%). In relation to the size of the agricultural land surface, land redistribution had the largest impact in Chimborazo (18.9%), Loja (12.7%), and Cañar (12.3%).

<b><u>Table 5.1 –Land redistributed via agrarian reform by province, Highland Ecuador, 1964-1979</u></b>					
<b><u>Province</u></b>	<b><u>IPD*</u></b>	<b><u>Land redistribution (hectares)</u></b>	<b><u>Average amount per beneficiary (hectares)</u></b>	<b><u>Proportion of total land redistribution (%)</u></b>	<b><u>Proportion of land surface ** (%)</u></b>
Azuay	22.69	14,053	6.23	3.52	2.30
Bolivar	34.77	2,889	5.60	0.72	0.76
Cañar	50.56	31,724	12.01	7.95	12.28
Carchi	0.00	15,242	5.44	3.82	8.75
Chimborazo	59.97	88,846	8.07	22.26	18.85
Cotopaxi	46.11	44,548	7.29	11.16	9.74
Imbabura	47.83	11,455	5.65	2.87	4.04
Loja	4.73	126,500	11.61	31.69	12.72
Pichincha <sup>142</sup>	39.91	47,920	4.65	12.00	5.18
Tungurahua	43.62	16,037	7.16	4.02	7.86
<b>Total</b>	<b>35.44</b>	<b>399,213</b>	<b>7.86</b>	<b>100.00</b>	<b>8.38</b>

Source: My own elaboration based on IERAC-INDA, Zamosc (1995) & INEC (2000). \* IPD = Indigenous Population Density - population of “predominantly indigenous area” (API) as % of total rural population of the province/region in 1962 (Zamosc 1995 p. 23). \*\* % of total agricultural land surface in 2000.

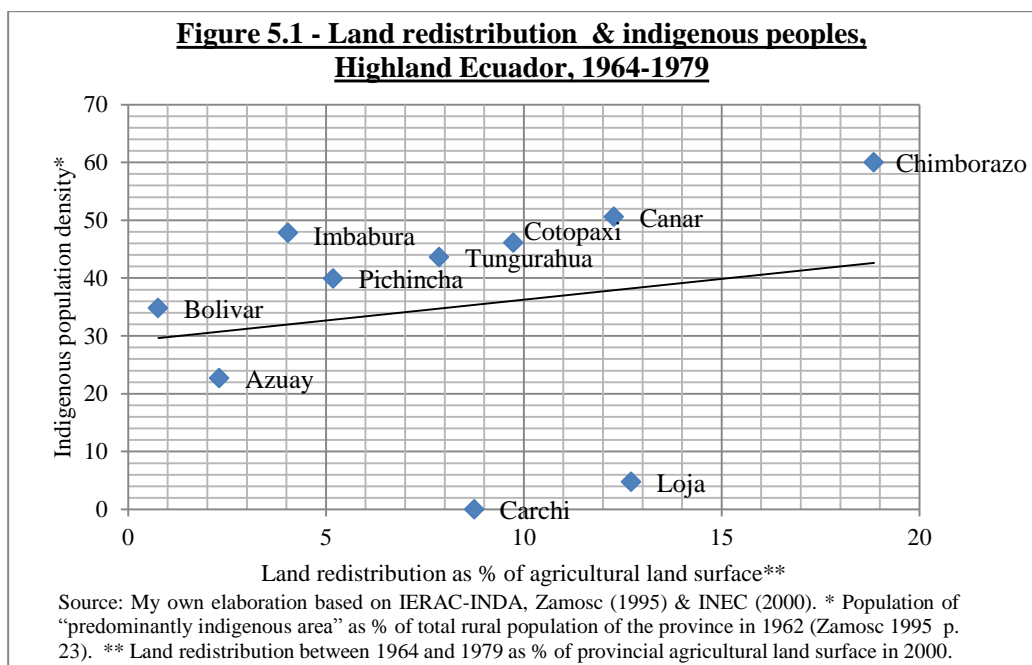
The data indicate a general, if not universal, link between the relative scale of land redistribution and the relative size of the indigenous population. Figure 5.1 maps the relationship between the two variables across the ten highland provinces. The link was strongest in Chimborazo but also clearly discernible in Cañar and Cotopaxi. The three provinces – Cañar, Chimborazo, and Cotopaxi - accounted for around 45% of the “predominantly indigenous area” (API)

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of the highland region was redistributed as opposed to 8.4%. The basic pattern at the provincial level reported in Table 5.1 is the same when using the 1974 data.

<sup>142</sup> The agrarian reform data related to Pichincha should be interpreted with caution as the province includes significant amounts of land in subtropical lowland regions. This underestimates the impact of land redistribution in the highland region of the province. The data compiled by Zamosc relate to the highland region of Pichincha so the two indicators are not strictly comparable (see Chapter 3).

population in 1962. (Zamosc 1995 p. 23) The relative impact of land redistribution was weakest in Azuay and Bolívar, two provinces with the low indigenous population densities. The clearest outlier was the southern province of Loja where the semi-feudal practice *arrimado lojano* predominated (see Chapter 3).<sup>143</sup> The data indicate the impact of land redistribution was modest, not rising above 20% of the agricultural land surface in any of the ten highland provinces. The impact of agrarian reform was even more limited in real terms as the land channelled through the redistributive mechanisms tended to be the least productive and most marginalised in the sierra. The cases and data analysed in this and subsequent chapters provide support for this claim. The important point to note at this stage is the redistribution of *páramo* skewed upwards the average amount of land redistributed as large tracts of the high-altitude grassland, which were primarily used for pasture but also for cultivation, were redistributed to a relatively small number of families, usually grouped together within communities or cooperatives. Hence the average amount of redistributed land indicated in Table 5.1 in no way reflects the cultivable plots of land individuals, families, communities and cooperatives secured via land reform between 1964 and 1979.



<sup>143</sup> See Belote & Belote (1981), Barsky (1988) and Quintero & Silva (1991) for comments on land redistribution in the province.

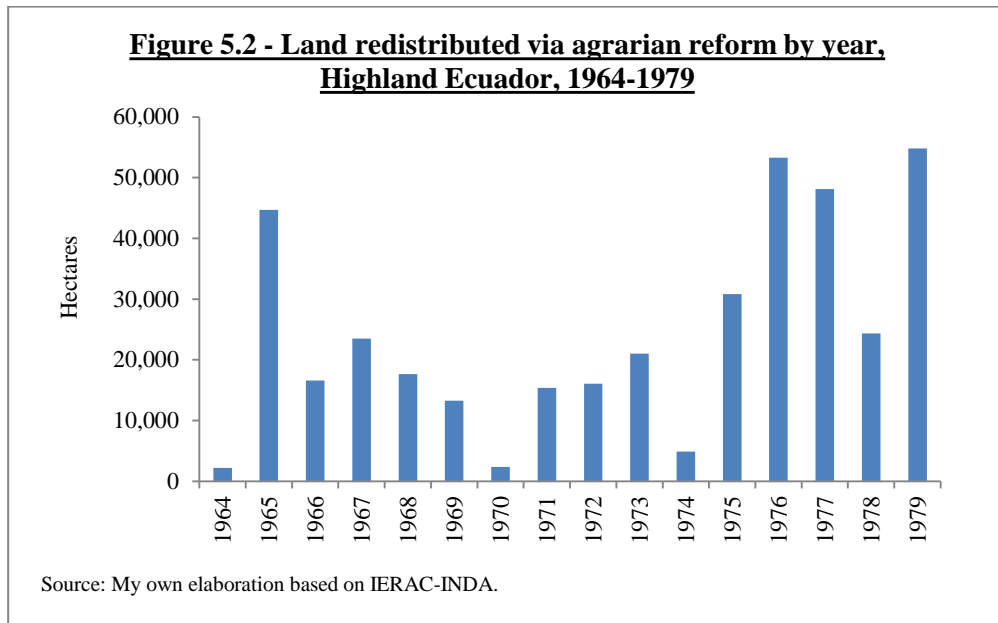
Figure 5.2 (below) indicates land redistribution proceeded at an uneven pace between 1964 and 1979.<sup>144</sup> The data provides some insight into the formation and operation of the indigenous countermovement (see Chapter 4). First, the chart provides support for the claim that the lack of land redistributed in the opening years of the agrarian reform contributed to the strengthening and widening of indigenous organisation. Between 1964 and 1972 redistribution primarily comprised the transfer of *huasipungos* and distribution of some state-owned land. The opportunities for indigenous families and communities to secure land through redistribution were extremely limited, especially in zones without AS haciendas. Second, the chart indicates that indigenous pressure was able to expand the redistributive reach of agrarian reform, albeit to a small degree. The uptick in redistribution in the late 1970s primarily reflected the heightened pressure the indigenous countermovement brought to bear on the state to expand agrarian reform in the early 1970s. That is, the acceleration of redistribution between 1975 and 1979 was not based on the widespread incorporation of new land into the reform sector but the formal redistribution of private and state-owned land already transferred to the IERAC. (MAG 1977a p. 28) (FAO 1980 p. 93) (Handelman 1980 p. 72) (Chiriboga 1984b p. 102) (Haney & Haney 1987 pp. 79-81) (Barsky 1988 pp. 308-18) The attempt of indigenous organisations to enforce existing legalisation in the early 1970s was demonstrated by an important protest in June 1972. Indicating the opening the arrival of a military regime ostensibly committed to radicalising agrarian reform provided for indigenous mobilisation, the FEI and the CTE organised a 50,000 people strong indigenous march in the town of Palmira, Chimborazo to exert pressure on the Rodriguez Lara government to expand land redistribution. (El Espectador 05/06/1972 pp. 1-3) The movements presented the local representatives of the military government with a list of ten demands which centred on the application of existing agrarian reform legislation (e.g. Art. 14 *Ley 255*);<sup>145</sup> the prosecution of prominent local landowners accused of peasant

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<sup>144</sup> The actual pace of land redistribution is impossible to determine because of the delays in providing formal titles to recipients of land and the unreliability of the agrarian reform data (see Chapters 1 and 2). Figure 5.2 only provides an approximation of the actual pace of land redistribution.

<sup>145</sup> The reference to *Ley 255-CLP* shows indigenous communities and organisations used the measures introduced by the Velasco Ibarra government to attempt to increase land redistribution in the highland region (see Chapter 2).

repression (e.g. Pablo Thur de Koos); and, investigation of the alleged corruptive activities of the IERAC in the sale and purchase of land in Chimborazo (e.g. *Hacienda Galte*). (El Espectador 05/06/1972 pp. 1-3) (MAG 1977a) Indigenous organisation and mobilisation, as will be explained below, also performed a crucial role in expediting and expanding the redistribution of state-owned land in the early 1970s.



Demographic, ethnographic, and historic studies suggest relatively few highland indigenous peasants opted for the alternative route to secure land in the 1960s and 1970s: the colonisation of untitled land in the western and eastern lowlands of Ecuador (i.e. the “grand solution” proposed by Galo Plaza in the early 1960s).<sup>146</sup> The bulk of indigenous peoples and families elected to remain close to their communities and fight for land in the highlands. The state actively encouraged the colonisation of untitled, though not necessarily unutilised, land from the 1950s onwards. The Alliance for Progress provided additional support by providing a US\$2,600,000 loan (BID-52-TF-EC) to accelerate settlement in and around Santo Domingo de los Colorados in the subtropical western lowlands. (El Mercurio 27/05/1964 p. 1) (MAG-IERAC 1977 p. 33) (Taffet 2007 p. 53-7) The preference the state, the elite and the Alliance for Progress expressed for colonisation over agrarian reform was reflected in the amount of

<sup>146</sup> See, for example, Knapp (1987), Thurner (1989), Weismantel (1988), Bebbington (1992), Zamosc (1995), Lentz (1997), Lyons (2006) and Cervone (2012).



land distributed via colonisation in the highland provinces between 1964 and 1979. The overall amount of land allocated via colonisation totalled 418,819 hectares, around 20,000 hectares more than the total amount of land redistributed via agrarian reform.<sup>147</sup> (IERAC-INDA) The important point to note about colonisation in relation to this investigation is that impact it had on the land distribution data reported in the 1974 and 2000 agricultural censuses. Whereas the average amount of land redistributed via agrarian reform was 8 hectares, the average size distributed via colonisation was 38 hectares. Colonisation, as will be explained in Chapters 6 and 9, performed a significant role in increasing the number of medium and large size landholdings registered in the highlands, masking the actual degree of land inequality in the region.

### **3. Huasipungo**

The LRAC proscribed *huasipungo* and established a framework for the dissolution of the practice (see Chapter 4).<sup>148</sup> While the wider rural indigenous population was able to secure land via other dimensions of agrarian reform, the redistribution of *huasipungos* provides the clearest indication of the transfer of land to the highland indigenous peoples because of the ethnic dimension of the practice (see Chapter 3).

The data presented in Table 5.2 (below) indicate the law generalised the dissolution and redistribution of *huasipungos* across the sierra (excluding the southern highland province of Loja where the practice of *arrimado lojano* predominated). Whereas the transfer of *huasipungos* was concentrated in the northern highland provinces between 1959 and 1964, the transfer of land under agrarian reform was spread across the highlands between 1964 and 1979 (broadly corresponding with the geographic distribution of *huasipungos* captured by the 1954 agricultural census). Land officially redistributed to *huasipungueros* between 1964 and 1979 totalled 64,542 hectares or 16.8% of the total amount of land redistributed during the period. The majority of the land

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<sup>147</sup> The difference between the scale of land reform and colonisation in the country as a whole was much larger because of the extensive colonisation of the western and eastern lowlands in the 1960s and 1970s. (IERAC-INDA)

<sup>148</sup> This section concentrates on the redistribution of *huasipungos* on privately owned haciendas. The liquidation and redistribution of *huasipungos* on state-owned land is analysed in the next section. The data presented in this section include some *huasipungos* on state-owned land but the exact amount cannot be accurately determined from the IERAC-INDA data.

was formally redistributed between 1964 and 1969 but the liquidation of the practice was still ongoing in the 1970s and the formal transfer of land was still taking place in the 1980s and 1990s. (IERAC-INDA) The number of families - or generally the male heads of households - who secured private property titles to *huasipungos* via agrarian reform between 1964 and 1979 was 18,125.

<b><u>Table 5.2 – Comparison of huasipungos redistributed under MPST &amp; IERAC, Highland Ecuador, 1959-1979</u></b>				
	<b><u>MPST (1959-1964)</u></b>		<b><u>IERAC (1964-1979)</u></b>	
<b><u>Province</u></b>	<b><u>Huasipungo (hectares)</u></b>	<b><u>Average size (hectares)</u></b>	<b><u>Huasipungo (hectares)</u></b>	<b><u>Average size (hectares)</u></b>
Azuay	0	0.00	4,085	2.94
Bolivar	14	0.82	609	2.87
Cañar	0	0.00	3,301	3.62
Carchi	2,672	5.81	2,195	2.40
Chimborazo	116	0.87	14,272	3.40
Cotopaxi	474	3.00	18,188	4.73
Imbabura	1,072	2.37	6,069	4.76
Loja	0	0.00	0	0.00
Pichincha	4,955	2.82	15,019	3.11
Tungurahua	0	0.00	804	1.44
<b>Total</b>	<b>9,303</b>	<b>3.12</b>	<b>64,542</b>	<b>3.56</b>
Source: My own elaboration based on IERAC-INDA & Barsky (1988) p. 73.				

Comparing the transfers undertaken between 1959 and 1964 and 1964 and 1979, suggests the framework established by LRAC allowed for slightly more favourable outcomes for *huasipungueros*, enabling them to secure average plots of 3.6 as opposed to 3.1 hectares. The data provide some indication why landowning elites attempted to stall the introduction of agrarian reform legislation to create time to dissolve semi-feudal relations (see Chapter 3). The scale of land redistributed to *huasipungueros* was significantly below the level the IERAC had anticipated, according to unpublished IERAC documents reprinted by Blankstein and Zuvekas. (1973 p. 81) The data suggest the institute had expected to redistribute 235,000 hectares of land to 19,459 *huasipungo* families, implying an average plot size of 12 hectares. This corresponded with the initial land reform proposals that emerged under the Velasco Ibarra (1960-1) and Arosemena Monroy (1961-63) governments (see Chapter 3).

The aggregate IERAC-INDA data do not allow for the analysis of individual transfers of land to *huasipungueros*. However, the numerous studies that have examined the issue suggest the conditions of transfer varied significantly across the region. As land reform placed no upper limits on the redistribution of *huasipungos*, the differentiation that existed between the sizes of plots was often reflected in the land redistribution process. For example, Martínez notes that on the *Hacienda Rasuyacu* in the northern province of Cotopaxi the distribution in the size of *huasipungos* on the hacienda was reflected in the redistribution of land to *huasipungueros*. (1984 pp. 134-6) Existing inequalities between families were embedded and opportunities for younger generations to access land were restricted. The case analysed by Martínez shows some *huasipungueros* exited the traditional hacienda complex with relatively large plots of land. Other authors have reported similar outcomes (e.g. Thurner 1989; Waters 2007). The more common pattern, however, was the relocation of indigenous families on to smaller and/or less productive land.<sup>149</sup>

Resettlement was often staunchly opposed by indigenous families and communities. This point was emphasised in my interview with César Andrango, the president of the *Unión de Organizaciones Populares de Ayora y Cayambe* (UNOPAC), whose father was a *huasipunguero*. (Interview 16) He explained *hacendados* attempted to relocate *huasipungueros* to the “*páramo*” but through the “*lucha*” (“fight”) indigenous families were able to secure cultivable plots of land located at lower elevations. Lyons’ analysis of the dissolution of the Catholic Church owned *Hacienda Monjas Corral*s in Chimborazo also highlights the resistance indigenous families and communities mounted to relocation. (2006 pp. 265-72) The author reports the religious authorities disputed the amount and location of the land that should be redistributed to *huasipungueros*. Advisors to the influential Bishop of Riobamba, Leonidas Proaño “were especially opposed to giving up the relatively flat and fertile lands on the eastern side of the estate, where most of the resident laborers lived.” (2006 p. 265) After some deliberation, the religious authorities proposed

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<sup>149</sup> See, for example, Preston (1976) p. 23, Taveras (1977) pp. 8-12, Handelman (1980) p. 70, Preston & Redclift (1980) p. 61, Martínez (1984) p. 75, Martínez (1985b) p. 136, Barsky (1988) p. 373, Lentz (1997) pp. 55-6, Martínez (2002) p. 33, Waters (2007) pp. 134-5, Becker & Tutillo (2009) p. 215-6, and Huarcaya (2012) p. 212-3.

granting each *huasipungo* family 10 hectares of land on the western side of the hacienda. However, the indigenous families “did not want to give up their houses and the fertile plots they had been working on the eastern side in order to relocate in the more frost-prone, rocky, and sloping land on the west, where they would have to break up the tough *páramo* grass and start anew.” (2006 p. 265) The families resisted but most ultimately agreed to relocate, leaving the best quality land in the hands of the Catholic Church. The case highlights the complex role religious activists performed in indigenous struggles for land. While Leonidas Proaño performed a crucial role in supporting indigenous efforts to secure land (e.g. attending protests, supporting Ecuarrunari), he was also seemingly complicit in the relocation of indigenous families on church-owned land.

Relocation was accompanied by the outright sale of land to *huasipungueros*.<sup>150</sup> Lentz reports one indigenous worker on a traditional hacienda in Chimborazo recalled: “We have not received justice according to agrarian reform. We did not know the laws at that stage, we were not organised. Because of that they did not give us *huasipungos* only selling, selling, and selling”. (Lentz 1997 pp. 54-5) The testimony illustrates two important features of land reform in the highlands: i) the failure of the civilian and military governments of the 1960s and 1970s to promote and implement the programme<sup>151</sup> and ii) the lack of indigenous organisation at the local level supported the efforts of landowning elites to circumvent the law.

The problems caused by the resettlement and eviction of indigenous families were exacerbated by the lack of explicit provisions agrarian reform provided members of extended *huasipungo* families to secure land. Chapter 3 showed the size of the extended *huasipungo* family varied significantly in the 1950s and 1960s but extended families of thirteen were reported on some haciendas. The transfer of *huasipungos* centred on the conversion of the usufruct rights of the *huasipunguero* into private property rights, paying little attention to the

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<sup>150</sup> The relocation of indigenous families and sale of land to *huasipungueros* was accompanied by outright eviction in some cases. See, for example, Preston (1976) p. 23 and Taveras (1977) pp. 10-8.

<sup>151</sup> See Cant (2012) for insight into the efforts the Velasco military regime invested into communicating its land reform programme to the peasantry in Peru. See King (1977) for other historical examples.

*arrimado-apegado* population. (Quintero & Silva 1991 p. 54) This was also true of indigenous (and mestizo) peasants integrated into the hacienda complex by other semi-feudalist practices (e.g. *yanapa*). For example, of the 194 former highland hacienda workers Preston and Taveras interviewed between 1975 and 1976 only 28% received land through agrarian reform. (Taveras 1977 pp. 8-9)

In effect, agrarian reform closed the traditional, semi-feudalist route of securing land for *arrimados-apegados* without providing adequate measures for them to obtain land either at the point of the liquidation of the *huasipungo* or in the years after the start of the reform. With limited possibilities of securing land through the IERAC, *arrimados-apegados* were left with two other primary routes to secure land: the market or the family. While the market provided an avenue for some to acquire land, many were integrated into family plots. The incorporation of the *arrimado-apegado* population into *huasipungo* plots contributed to the acceleration of *mini* and *microfundización* of landholdings as well the acceleration of temporary and permanent migration into towns and cities (see Chapters 6 and 9). The lack of provisions provided for this segment of the indigenous population also stimulated indigenous organisation and mobilisation.

#### **4. State-owned land**

The transfer of AS haciendas to IERAC opened another avenue for indigenous families and communities to secure land in the 1960s and 1970s. The estates were concentrated in the central and northern provinces of Cañar, Chimborazo, Cotopaxi, and Pichincha. The total stock of AS land registered in the highlands prior to start of agrarian reform was estimated at 132,853 hectares (see Chapter 3). However, as will be explained in Chapter 8, not all of this land was actually redistributed. State-owned land accounted for 17.8% of the total amount of land redistributed between 1964 and 1979.

The data collated in Table 5.3 (below) show the redistribution of the state-owned land was concentrated in a small number of provinces. Over 80% of the land was adjudicated in Cañar, Chimborazo, and Pichincha.<sup>152</sup> The opportunities

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<sup>152</sup> The timing of the formal redistribution of land significantly understates the amount of state-owned land redistributed in Cotopaxi in the 1960s and 1970s. The long-range data reported in Chapter 8 provide a better picture.

open to indigenous peasant families and communities to secure state-owned land were therefore restricted to specific areas. The average amount of land redistributed was 7.3 hectares. However, as with the overall data, the average amount of land per recipient should not be confused with the average plot size as the redistribution of AS land included significant amounts of *páramo*, woodland, scrubland, and wasteland. For example, *Hacienda Pesillo*, which was redistributed to former workers on the estate, comprised approximately 2,350 hectares of cultivated land and 7,000 hectares of *páramo*. (IERAC 1965-1985)

**Table 5.3 –Asistencia Social land redistributed via agrarian reform, Highland Ecuador, 1964-1979**

<b><u>Province</u></b>	<b><u>Asistencia Social (hectares)</u></b>	<b><u>Recipients</u></b>	<b><u>Average size (hectares)</u></b>	<b><u>Proportion of total* (%)</u></b>
Azuay	3,311	415	7.98	4.66
Bolivar	220	33	6.66	0.31
Cañar	12,672	693	18.29	17.84
Carchi	5,282	874	6.04	7.44
Chimborazo	27,036	3,154	8.57	38.06
Cotopaxi	1,912	998	1.92	2.69
Imbabura	2,040	341	5.98	2.87
Loja	0	0	0.00	0.00
Pichincha	18,541	3,219	5.76	26.10
Tungurahua	18	22	0.83	0.03
<b>Total</b>	<b>71,033</b>	<b>9,749</b>	<b>7.29</b>	<b>100.00</b>

Source: My own elaboration based on IERAC-INDA. \* Proportion of total of AS land redistributed between 1964 and 1979.

The division and redistribution of AS haciendas varied across the sierra but tended to involve the redistribution of agricultural land to individuals (e.g. *huasipungueros*) as well as the transfer of agricultural and pastoral land to cooperatives. In general, the opportunities for members of extended *huasipungo* families (*arrimados-apegados*) and other hacienda workers (e.g. *yanaperos*) to secure land were greater on state-owned estates than privately owned haciendas but numerous peasants and agricultural workers remained marginalised or excluded.

The most systematic and widespread conversion of AS haciendas into agricultural cooperatives took place in the northern highland canton of Cayambe where the concentration of state-owned land was dense, the estate workers well-

organised, and the indigenous population high.<sup>153</sup> The productivity of the land and the proximity of the canton to Quito made the region particularly important for the supply of agricultural produce to expanding domestic markets. The importance of the zone to the state was not only economic. The penetration of the PCE (via the FEI) and the extent of social unrest in the zone also made the region important on a political level. (Becker & Tuttillo 2009 pp. 225-8) Following the general pattern, the division and redistribution of the land proceeded at a slow pace. While the time it took the IERAC to organise the division and sale of the haciendas slowed down redistribution, the response of the largely indigenous workers to the plans of the institute to convert sections of the estates into agricultural cooperatives also delayed the process. Highlighting a clear difference between the indigenous and state vision of land reform, the MAG draws attention to another source of conflict.

“For its part, the FEI has consistently maintained the aspiration of an Agrarian Reform in which the cost of the land does not fall on the campesinos. By contrast, the IERAC has always insisted in translating the cost of the land to the beneficiaries, a characteristic that has defined the Ecuadorian Agrarian Reform model, a view based on law.”<sup>154</sup> (1977c p. 50)

Within this context, workers from various state-owned haciendas launched a series of strikes and invasions in 1965, 1966, and 1967 demanding “free reign” over the haciendas and the expulsion of the IERAC.<sup>155</sup> (El Comercio 29/10/1966 p. 14) (El Comercio 30/10/1966 p. 3) (Crespi 1971 pp. 235-6) (Becker & Tuttillo 2009 pp. 226-7) (MAG 1977c pp. 49-50) However, the military and civilian governments of the late 1960s refused to cede to their demands. Using military power to quell indigenous resistance, the IERAC proceeded with its strategy to

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<sup>153</sup> See Crespi (1971), Furche (1980), Casagrande (1981), IERAC (1984), Ramón (1993), Ferraro (2004) and Becker (2008).

<sup>154</sup> It is worth recalling that the LRAC implied state-owned land should be transferred to indigenous families and communities without cost but the supplementary legislation related to the division of AS haciendas provided the legal basis for charging indigenous peasants (see Chapter 4). The FEI therefore had some legal grounds for its demands even if those grounds had been removed by the military government (1963-66) shortly after the introduction of the LRAC.

<sup>155</sup> See Crespi (1971), Prieto (1980), Clark (1998) and Becker (2007) regarding earlier conflicts on AS haciendas.

sell individual plots of land to *huasipungueros* and former hacienda workers and collective plots to agricultural cooperatives.

The division of *Hacienda Pesillo*, which was one of the first AS estates to be divided and redistributed, sheds some light on the formation of cooperatives and the redistribution of state-owned land.<sup>156</sup> (IERAC 1965-1985) (Crespi 1971 pp. 233-5) (Ferraro 2004 pp. 55-56) (Becker 2008 pp. 139-40) (Becker & Tuttilo 2009 pp. 215-17) The process started in 1965 with the transfer of the hacienda to the IERAC and distribution of provisional (i.e. subject to possible resettlement) and definitive land titles to former *huasipungueros* and hacienda workers. This was followed by the formation of a number of agricultural cooperatives on the estate. The *Simon Bolivar* cooperative was one of the first to be established. The enterprise was operated and managed by former workers on the hacienda but IERAC retained overall control of the cooperative. Specifically, the enterprise was expected to “exploit the land in accordance with the plans elaborated by IERAC”. (IERAC 1965-1985) The institute also appointed an administrator to monitor the financial position of the enterprise on a weekly basis. The land sold to the cooperative in “collective form for technical and traditional reasons” was mortgaged for eighteen years with the cooperative obligated to pay equal annual instalments until the loan had been repaid.<sup>157</sup> (IERAC 1965-1985) During that period, authorisation was required from IERAC if members of the cooperative wanted to sell or divide the land. The division and redistribution of the hacienda provided opportunities for indigenous peoples and families to secure access to the most productive zones of the hacienda as well as obtain communal ownership of the *páramo*. However, the IERAC retained a degree of control over the operation of the cooperatives and, as will be explained below, tensions emerged over access to the cooperatives and the price of land.

With the redistribution of land and the creation of agricultural cooperatives proceeding at a slow and uneven pace in Cayambe, another cycle of indigenous protests and mobilisations erupted in 1969. Writing at the time, Crespi notes: “new concessions were won, but the haciendas still belong to the patrons.” (1971

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<sup>156</sup> Some of the background information for this section was derived from personal communication with Emilia Ferraro who undertook ethnographic research in and around Pesillo in the 1990s.

<sup>157</sup> The last payment was duly made in 1985. (IERAC 1965-1985)



p. 236) While indigenous pressure was unable to secure indigenous peoples with free reign over the haciendas, it was able to provide them greater control over the operation of the cooperatives and expand redistribution in the zone.<sup>158</sup> Reflecting the modest shift in the position of the state towards agrarian reform under the Velasco Ibarra government (see Chapter 4), *Proyecto Cayambe* was launched in 1970 to accelerate the redistribution of the state-owned haciendas and improve living conditions within the region. (IERAC 1970) (El Comercio 17/08/1973 p.1) (MAG 1977c) (MAG 1977f) The first wave of the project included eight haciendas. One of the central objectives of the plan was to expand the amount of land available to former workers on the estates. Prior to the start of the programme the IERAC estimated that the average plot of former *huasipungueros* on the haciendas was 4.1 hectares and the overall average landholding was 2 hectares. The project aimed to increase the average landholding to 8 hectares for the 825 families expected to be integrated into the scheme. (IERAC 1970 p. 7) This involved the sale of individual plots to former workers as well as the sale of collective holdings to agricultural cooperatives which were established by IERAC. (Martínez 1995 p.11) In contrast to the overall pattern of land redistribution, the project involved former *huasipungueros* and *arrimados-apegados*. In 1974, MAG estimated that of the 572 members of the cooperatives formed through the programme 210 were former *huasipungueros* and 362 were *ex-arrimados-apegados*. (1977c p. 45) However, many former workers were excluded from the programme and the land that many *ex-huasipungueros* and *arrimados-apegados* acquired was often too small to develop economic strategies based solely on agriculture. MAG emphasised this point in its evaluation of *Proyecto Cayambe* in the late 1970s. The institute reported that “a considerable number of *campesinos* remained at the margin of the project...which gave rise to the impoverishment of a good number of peasants and widespread migration among them, particularly *arrimados*, *ex-huasipungueros*, and landless workers not linked to the cooperatives”. (1977c pp. 42-3) Reinforcing this point the MAG attributed

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<sup>158</sup> MAG noted in the late 1970s that “IERAC initially took responsibility for all of the production of the zone, constituting a type of state enterprise; however, that state enterprise has been slowly converted into self-managed cooperatives.” (1977b p. 52) What the MAG fails to acknowledge, is the role indigenous mobilisation performed in forcing the conversion from state enterprise to self-management.

temporary migration in the region to “a) the lack of land for *arrimados*; b) the insufficient size of the plot of land granted to *ex-huasipungueros* by IERAC; c) the small amount of labour that the cooperatives and local haciendas require; and, d) the general limited employment opportunities in the region.” (1977c p. 42-3) Illustrating the lack of genuine space open to indigenous peoples to become involved in decisions about land redistribution, MAG noted “there has been no peasant participation in the design or implementation of the project.” (1977f p. 511)

The uneven nature and limited reach of the project also caused divisions within and between local communities. (Martínez 1995 pp. 9-10) While the formation of cooperatives provided some indigenous peoples with opportunities to take a stake in the most productive zones of the region, others were largely or totally excluded. Cooperative membership was a contested process due to the limited amount of land available and the top-down manner in which the enterprises were formed. Ecuarrunari highlight the conflictive nature of the process: “The cooperatives did not resolve the basic problems of the *campesinos* but caused new conflicts between members and those who did not receive land.” (FIPRR 1993 p. 30) Furthermore, the cooperatives experienced numerous operational problems. In addition to receiving little credit and technical assistance, the price the cooperatives paid for the land often limited the economic viability of the enterprises. (MAG 1977f pp. 512-3) Indicative of this, the members of the *Simon Bolívar* cooperative requested the repayment for the purchase of the land be delayed twelve months in 1971 so the cooperative could purchase a tractor, fertilisers and other inputs. (IERAC 1965-1985) This illustrated one of the central weaknesses of the reform: the redistribution of land was largely determined by economic rather than social factors. In this sense, the operation of redistributive and market mechanisms practically coincided.

The redistribution of AS haciendas elsewhere in the sierra took different forms but tended to have limited reach in terms of the number of families and communities involved and the amount of productive agricultural land distributed. For instance, the division of *Hacienda Colta Monjas*, which was located in Chimborazo, resulted in the redistribution of approximately 3,000 hectares of land to 1,500 families but only 1,000 hectares were cultivable,

implying the general redistribution of family plots of less than one hectare (i.e. *microfundia*). (MAG 1977a p. 27) (IERAC 1984 p. 25) Meanwhile, the redistribution of *Hacienda Guaypapungo* in the southern province of Cañar involved the transfer of between 10,000 and 12,000 hectares of land to between 160 and 225 families. (MAG 1977b p. 104) Spaces therefore emerged for indigenous peoples to secure land through the redistribution of state-owned haciendas but opportunities were restricted to a relatively small section of the indigenous population.

## **5. Privately owned land**

Land reform legislation provided scope for the incorporation of privately owned land into the reform sector via reversion, negotiation, and expropriation. Indigenous families, communities, and organisations often used legal and extra-legal methods to secure privately owned land, combining the lodging of land claims with the occupation of land, with the latter usually occurring as a result of the pace or the outcome of the former. While the data do not allow for precise conclusions to be drawn, IERAC and MAG sources indicate the bulk of the land was reverted and negotiated rather than expropriated (e.g. IERAC 1967; MAG 1977a). The total amount of land redistributed via negotiation, reversion, and expropriation between 1964 and 1979 was approximately 162,906 hectares or 40.9% of the total amount of land redistributed during the period (see Table 5.4 below).

The average amount of land redistributed (11.75 hectares) was significantly skewed upwards by the redistribution of *páramo*. For instance, approximately 1,000 hectares of *páramo* was redistributed to a small indigenous community in the northern highland province of Cotopaxi in 1968.<sup>159</sup> Reflecting the modernising orientation of agrarian reform, the opportunities for indigenous peoples to secure privately owned land were generally higher in areas where land utilisation and capitalist modernisation were weakest (e.g. Cañar, Chimborazo) and lower where land utilisation and capitalist modernisation were highest (e.g. Imbabura, Pichincha) (these points are explored in greater depth in Chapter 8).

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<sup>159</sup> Information derived from personal communication with Tristan Partridge who undertook ethnographic research in Cotopaxi in the 2010s.

<u>Province</u>	<u>Negotiation, reversion, &amp; expropriation (hectares)</u>	<u>Recipients</u>	<u>Average size (hectares)</u>	<u>Proportion of total* (%)</u>
Azuay	6,630	415	15.98	4.07
Bolivar	1,062	125	8.50	0.65
Cañar	15,751	1,101	14.31	9.67
Carchi	5,883	793	7.42	3.61
Chimborazo	44,499	2,730	16.30	27.32
Cotopaxi	18,952	828	22.89	11.63
Imbabura	677	126	5.37	0.42
Loja	46,828	4,865	9.63	28.75
Pichincha	7,608	1,278	5.95	4.67
Tungurahua	15,016	1,604	9.36	9.22
<b>Total</b>	<b>162,906</b>	<b>13,865</b>	<b>11.75</b>	<b>100.00</b>

Source: My own elaboration based on IERAC-INDA. \* Proportion of total amount of land redistributed via negotiation, reversion, & expropriation between 1964 and 1979.

In addition to land incorporated into the reform sector via negotiation, reversion, and expropriation around 33,000 hectares of privately owned land worked under precarious forms of land tenure (e.g. *aparcería*) were also redistributed in the sierra between 1970 and 1979.<sup>160</sup> (IERAC-INDA) The legal basis for the redistribution of this land was provided by the agrarian laws the Velasco Ibarra government introduced in 1970 (see Chapter 4). Over one-third of the land was redistributed in the southern province of Loja. The data do not allow for precise conclusions to be drawn but the legislative changes appear to have created space for some indigenous peoples to secure land in the provinces of Chimborazo, Cotopaxi, Imbabura, and Pichincha. Nearly 18,000 hectares of land was redistributed across these provinces between 1970 and 1979. The remainder of this section concentrates on the redistribution of privately owned land integrated into the reform sector via negotiation, reversion, and expropriation.

Though not representative of the thousands of interventions that took place in the highlands in the 1960s and 1970s, three cases in the province of Chimborazo

<sup>160</sup> The remaining amount of land redistributed between 1964 and 1979 was transferred through the mestizo practice of *arrimado-lojano* in the southern province of Loja (see Chapter 3). (IERAC-INDA)

evaluated by MAG in the late 1970s shed some light on the redistribution of privately owned land to indigenous families and communities.

The first case involved *Hacienda Zula* which stretched across approximately 38,000 hectares of agricultural and pastoral land in the canton of Alausí. Prior to being sold to IERAC in 1966, the hacienda was owned by the Catholic Church and rented to landowning elites who operated the estate. The hacienda was organised along traditional lines with a large population of indigenous workers and a small group of mestizo foremen, administrators, and managers. The estate comprised 35,000 hectares of pastoral land (mainly *páramo*), 1,000 hectares of cultivable land, and 2,000 hectares of land that was unsuitable for agriculture or pasture. (MAG 1977a p. 27 & p. 42) The total amount of recorded land adjudicated by the IERAC was around 21,000 hectares. (IERAC 1984 p. 25) During the 1960s and 1970s, the division, redistribution, and sale of the estate proceeded in two phases. The first stage, which was initiated by the Catholic Church (under the auspices of the Bishop of Riobamba Leonidas Proaño), included the transfer of plots of around 1.75 hectares to 28 former *huasipungueros* in exchange for the services they had provided on the estate (i.e. the land was redistributed without cost) and the sale of agricultural land to former workers on the hacienda and to peasants from neighbouring communities. The second phase, which was overseen by the IERAC, involved the additional sale of land to former workers and to local peasants. The average size of the plots was between 4 and 5 hectares. Following the general trend, *arrimados-apegados* were largely excluded from the redistribution of the land which resulted in a number of them sharecropping sections of the plots of former *huasipungueros* and migrating on a temporary basis to secure income through wage labour. (MAG 1977a p. 44) The division of the hacienda also involved the formation of an agricultural cooperative which secured the most productive sections of the hacienda. The cooperative, which was promoted by the IERAC, comprised 28 former administrative, managerial and agricultural workers on the hacienda all of whom were mestizo. (MAG 1977a p. 44) (Quintero & Silva 1991 pp. 155-7) MAG notes that the mestizo workers and management of the cooperative maintained “good, even personal, relations with the IERAC functionaries” and ethnic discrimination impeded “indigenous access to the

cooperative.” (1977a p. 41 & p. 51) The ethnic division of labour on the traditional estate was therefore reflected in the division and sale of the hacienda. The former indigenous workers on the estate and a number of neighbouring communities retained access to the *páramo* but were often left with small, marginalised plots of cultivable land (less than 1 hectare). The price the former workers paid for the land redistributed by the Catholic Church and the IERAC exacerbated the situation, constituting a “genuine economic burden” for the indigenous peasant population who struggled to earn sufficient income to repay the debt taken out to purchase land.<sup>161</sup> (MAG 1977a p. 58) The Catholic Church therefore performed a dual role in the division and redistribution of the hacienda. On the one hand, land was transferred to a small group of indigenous families on seemingly favourable terms. On the other hand, religious authorities secured a high price for the hacienda which was then passed on to the former workers on the estate who purchased land from the IERAC.

The second case involved a group of indigenous families of a “free” community (i.e. “external” community not integrated into a traditional hacienda) in the canton of Riobamba who formed a cooperative in 1968 in order to purchase sections of a local hacienda which was owned by the head of the regional branch of the IERAC.<sup>162</sup> (MAG 1977a pp. 29-40) The community was described as a “*minifundio comunal*”, with 115 families (60 *comuneros* with titles to land and 55 *arrimados-apegados*, 600 people in total) sharing 45 hectares of land. The cooperative was formed by 30 of the 60 *comuneros*. The sections of the land purchased by the cooperative totalled 700 hectares, 670 of which were pastoral land (primarily *páramo*), and 30 were cultivable. Irrigation was limited due to the failure of a neighbouring *hacendado* to grant permission to use an irrigation channel that passed through his property. The land was purchased in 1971, three years after the start of negotiations. The cultivable area was divided into small individual plots (< 1 hectare) and one collective plot (5 > 6 hectares). The *páramo* was nominally divided between the members of the

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<sup>161</sup> MAG argues IERAC overpaid the Catholic Church for the land, implying the overpayment was then passed on to the peasants who purchased the land via IERAC. (1977c) See Lyons (2006 pp. 263-71).

<sup>162</sup> The regional head of the IERAC and the owner of the hacienda was Dr. Alfonso Cordero who the FEI later accused of supporting the attempts of local *hacendados* to acquire and sell land via IERAC. (El Espectador 05/06/1972 pp. 1-3)

cooperative but was used collectively. The organisation of the sale of sections of the hacienda provided increased opportunities for the members of the cooperative to secure a living through agricultural production and avoid temporary migration. However, as with the case of the agricultural cooperatives established on state-owned land, the price the cooperative paid for the land was “elevated”, which limited the profitability and undermined the viability of the enterprise. (MAG 1977a p. 38) Furthermore, the cooperative only included half of the *comunero* population, leaving the remaining members of the community restricted to working *mini* and *microfundia*. Tensions emerged within the community as a result. The *cabildo* established an association (i.e. first-grade organisation) to compete with the cooperative but was unable to secure land. MAG notes that the community was weakened and marginalised as a result of the establishment of the cooperative. (1977a p. 35) In sum, the division and sale of the hacienda provided opportunities for half of the community members to secure productive land but the remaining *comuneros* and *arrimados-apegados* were marginalised. The traditional organisational structure of the community was also weakened. The price the cooperative paid for land, as was common in the 1960s and 1970s, undermined the long-term economic viability of the enterprise.

The third case, which gained a degree of notoriety in Chimborazo in the 1970s, involved the reorganisation and redistribution of *Hacienda Galte* which was located in the canton of Guamote. (El Espectador 15/06/1972 pp. 1-3) (MAG 1977a pp. 1-19) (IERAC 1984 p. 25) (Sylva 1986 pp. 162-4) The hacienda stretched across approximately 11,000 hectares of high altitude land three quarters of which the MAG describes as a “desert in which sand is constantly turned over by the wind”. (1977a p. 3) The remaining section of the estate comprised land located in sloped and irregular zones as well as *páramo*. The MAG estimate the population linked to the hacienda in the late 1970s was around 2,000 people, the vast majority of whom the agency characterised as indigenous.<sup>163</sup> With around 1,000 hectares of the hacienda considered to be cultivable, the MAG notes that there was “considerable demographic pressure”

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<sup>163</sup> MAG describes the population as “typically indigenous”. The majority of the population, according to the ministry, were monolingual, speaking only Kichwa. (1977a p. 4)

on the land. (1977a p. 4) IERAC purchased the hacienda after the introduction of the LRAC. Reflecting the ability of landowners to secure high prices for the land they sold to the IERAC (and the probable complicity of local state officials in the sale and purchase of *Hacienda Galte*), the MAG notes that institute had paid the owner an “excessive price” for the estate. (1977a p. 11) The collective organisation of the indigenous workers performed a crucial role in determining the outcome of the redistribution of the hacienda. Under pressure from the workers and the FEI, the institute dissolved the 158 *huasipungo* contracts that existed on the hacienda and redistributed approximately 3,000 hectares to the former *huasipungueros* without cost. The indigenous families were also provided with use of 2,000 hectares of *páramo*. The IERAC proposed the sale of the rest of the hacienda to the workers (approximately 7,500 hectares inc. *páramo*) at a similar price to the one the IERAC had paid the landowner. However, inspired by the FEI, the indigenous workers “emphatically and repeatedly” rejected the proposal. (MAG 1977a p. 7) (Sylva 1986 pp. 161-5) Mirroring the disputes in Cayambe, the FEI demanded that the land be redistributed to the indigenous peasants without cost. The two parties failed to reach agreement and the land that had not been transferred to the indigenous workers was converted into a state-owned enterprise managed by the IERAC. The conflict continued throughout the 1970s. Suggesting the sale of the land at the price proposed by IERAC would be “ruinous” for the peasants, the MAG recommended the sale of the land to a cooperative formed of all of the former workers on the estate at a price significantly below the price the IERAC had paid. (1977a pp. 13-4) The remaining sections of the hacienda were redistributed to the peasant families in the late 1970s early 1980s. (IERAC 1984) The collective organisation of the indigenous families and communities was crucial in influencing the conditions under which land was redistributed, resisting the efforts of the IERAC to recover the full cost of the acquisition of the hacienda by charging elevated prices for the land.

## **6. Summary: empirical and theoretical findings**

This chapter has analysed the redistribution of land to indigenous families, communities, and cooperatives in the 1960s and 1970s. The analysis has shown redistribution proceeded at a slow pace and incorporated a small proportion of



the agricultural land surface of the highland region. Land reform accelerated and generalised the dissolution of *huasipungo*. While agrarian reform legislation provided indigenous families with a greater degree of protection than the private initiative undertaken between 1959 and 1964 (see Chapter 3), numerous landowners manipulated or ignored the legal framework. Relocation and eviction were widespread. The absence of specific provisions for *arrimados-apegados* increased the pressure on the plots some indigenous families secured through the dissolution of *huasipungo*. One of the clear lines of conflict that emerged between the state and indigenous peoples was over the price of redistributed land. The IERAC generally attempted to charge elevated prices while indigenous peoples tried to lower the cost or demand the state redistribute land without cost.

Indigenous pressure was required to activate and influence land redistribution. Regionally, the pressure indigenous and peasant movements exerted on the state in the early 1970s was reflected in the uptick in land redistribution in the late 1970s. Locally, indigenous organisation and mobilisation was influential in expediting and expanding redistribution as well as improving the conditions under which land was transferred. The limited amount of land redistributed in Ecuador suggests the FAO's assertion that "peasants did not have the organizational ability nor the decision-making power to implement agrarian reform" is true on a national level (see Chapter 2). (1980 p. 92) Yet the analysis presented in this chapter has shown that organisation and mobilisation performed a crucial role in increasing the opportunities for indigenous families and communities to secure redistributed land in the highland region.

The chapter has illustrated the importance of scrutinising the structure and operation of redistributive mechanisms (see Chapter 1). If within Polanyi's framework redistribution is understood as "the state gathering goods and redistributing them according to individual needs, not according to prices", then land redistribution was virtually non-existent in the highland region. (Topik 2001 p. 89) The bulk of redistributed land was sold to indigenous peoples and the limited amount of land redistributed meant the individual (and collective) needs of indigenous peoples were infrequently met. The redistributive

mechanism practically coincided with the market mechanism. These points highlight the importance of not automatically attributing particular characteristics to the forms of integration (e.g. equity to redistribution). Empirical analysis of processes and actors is required to reveal the impact and character of redistributive mechanisms. The problems indigenous peoples faced accessing land through land reform illustrates why the FEI and the FURA demanded representation within the state agencies involved in land reform (see Chapter 4). Indigenous and peasant participation in these bodies would not have been a panacea. But it would have had the potential to limit some of the problems associated with the redistributive form of integration (e.g. centralisation of power) and increase the spaces open for indigenous peoples to influence decision making over the use of land. The active roles indigenous peoples performed in land redistribution in the sierra provide support for Polanyi's vision of social change in which human agency performs a central role. (Topik 2001 p. 85)

## **Chapter Six**

### **Land markets and indigenous peoples: activation and development (1964-1979)**

#### **1. Introduction**

The analysis presented in the previous chapter demonstrated the direct impact of land reform in the 1960s and 1970s was limited: less than 10% of the agricultural land surface of the highland region was incorporated into the reform sector and redistributed to various sectors of the rural population. The indirect effect, however, was considerable, practically eliminating semi-feudalist practices, dismantling the traditional hacienda complex, and accelerating the capitalist modernisation of agriculture. One important feature of this transformation was the expansion of land markets. The increase of land market activity in the 1960s and 1970s has been noted by various authors.<sup>164</sup> However, as noted in Chapter 2, the relationship between land reform, land markets, and indigenous peoples has been under-analysed. Moreover, little critical attention is given to the role land markets performed in developing countries in the 1960s and 1970s in the existing Polanyian literature.

This chapter develops a new concept to explore the relationship between indigenous peoples and land markets. The concept draws an analytical distinction between two dimensions of the land market: activation and development. The former refers to the occasional engagement of actors within markets to secure land and the latter relates to the establishment of price-making markets through which the continuous circulation of land between various actors is channelled. The distinction between the two is based on two specific insights taken from Polanyi. First, land is a fictitious commodity that performs crucial non-economic functions. Second, the proliferation of private property rights does not necessarily translate into the expansion of land markets. The important point to be taken from these insights is that the widespread engagement of indigenous peoples in land markets should not be interpreted as the general incorporation of indigenous peoples into land markets. The chapter draws an analytical line

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<sup>164</sup> See, for example, Preston (1976), Martínez (1984), Martínez (1985), Haney & Haney (1987), Forster (1989), Zevallos (1989), Thurner (1989), Zamosc (1994), Lentz (1997), and Waters (2007).

between activation and development to ensure engagement is not conflated with incorporation. The distinction also enables the opportunities and problems land markets created for indigenous peoples to be identified with greater clarity. In broad terms, the chapter argues that the activation of markets opened-up spaces for indigenous peoples to secure land while the development of price-making markets closed them down.

The remainder of this chapter is divided into four sections. The second section provides a rough approximation of the potential reach of price-making land markets in the highland region in the 1960s and 1970s. The activation and development of land markets are then analysed in section three. The fourth section analyses the land distribution in the sierra in the 1960s and 1970s, concentrating on the impact of land reform and indigenous access to land. The empirical and theoretical findings of the chapter are summarised in section five.

## **2. The parameters of land markets in the 1960s and 1970s**

The 1974 national agricultural census provides an indication of the basic parameters of land markets in the highlands in the 1960s and 1970s. The timing of the census is problematic as it does not allow changes that occurred in the second half of the 1970s to be analysed (i.e. when the bulk of land was formally redistributed via agrarian reform). The inclusion of the lowland regions of highland provinces within the census further complicates the analysis. Nevertheless, the examination of the census enables the overriding land structure to be examined and the potential reach of price-making land markets to be approximated.

The census indicates that a decade after the commencement of land reform two-thirds of agricultural units and the agricultural land surface were under private ownership in the highland region (see Table 6.1 below). Officially, landowners held titles to and enjoyed “full property rights” over the land included within this bracket. (INEC 1974 p. i-xiii) The potential for the development of price-making markets was therefore greatest within this category.

<u>Land tenure</u>	<u>Units</u>	<u>%</u>	<u>Land surface (hectares)</u>	<u>%</u>
Privately owned	212,808	66.4	2,039,635	66.3
Agrarian reform and colonisation	14,789	4.6	192,835	6.3
State owned	3,395	1.1	91,614	3.0
Communally owned	10,733	3.4	311,998	10.1
Rented, mixed and other	78,954	24.5	441,666	14.3
<b>Total</b>	<b>320,679</b>	<b>100.0</b>	<b>3,077,748</b>	<b>100.0</b>

Source: My own elaboration based on INEC (1974a).

Comparing the 1954 and 1974 censuses suggests the private ownership of land broadened as land reform and capitalist modernisation advanced. The number of privately owned landholdings increased from 174,023 in 1954 to 212,808 in 1974.<sup>165</sup> However, the increase understates the widening of private ownership as the privately owned category excludes land redistributed via the IERAC (e.g. *huasipungos*). The 1974 census groups these landholdings under “agrarian reform and colonisation”. The units classified within this bracket, which comprise individual and collective holdings, were established through land formally distributed to beneficiaries via agrarian reform and colonisation at the time of the census as well as the land that had been acquired and adjudicated but not titled by the IERAC. (INEC 1974 pp. i-xiii) This group comprised 14,789 units which covered 192,835 hectares of land or 4.6% of the total number of landholdings and 6.3% of the total agricultural land surface.<sup>166</sup> IERAC retained some regulatory oversight over the land included within this category. While the classifications of the 1974 census make precise conclusions impossible to draw, the data provide an insight into the type of land redistributed via agrarian reform between 1964 and 1973. Notably, 41% of the land was classified as woodland and scrubland while only 25% was cultivable. While

<sup>165</sup> Comparisons between the 1954 and 1974 censuses are offered as rough approximations. Differences in methodology and coverage make precise comparisons impossible. (Interview 13) One of the key methodological differences is the use of the “*unidad de producción agropecuaria*” (UPA) in the 1974 census. The UPA includes the plot (s) of land under the control of one agricultural producer (e.g. peasant, cooperative). One UPA can include multiple plots of land as long as the land is located within the same or neighbouring parish (i.e. one UPA does not necessarily equate to one unified landholding). The unit the 1954 census uses – the “*explotación*” - also includes the plot (s) of land under the control of one agricultural producer but is less systematic in its treatment of multiple plots than the 1974 census.

<sup>166</sup> The *reglamento* to LRA was not introduced until September 1974 so this category primarily reflects the land formally redistributed during the first decade of agrarian reform (this is indicated in the notes to the census which state the land relates to land transferred through the “application of *Ley de Reforma Agraria y Colonización*”). (INEC 1974 pp. i-iiix)

there are disparities between the census and land reform figures, the census data provide additional evidence of the limited amount of land redistributed during the first decade of agrarian reform and the delays in providing formal land titles.<sup>167</sup>

The private and state owned land acquired by the IERAC but awaiting formal adjudication and legalisation or being operated by the IERAC is classified under “state owned”. The land included in this group amounted to 91,614 hectares or 3.0% of the agricultural land surface. Over half of this land was classified as woodland and scrubland, providing a further indication of the type of land ultimately redistributed via agrarian reform. The acceleration of the formal redistribution of land via agrarian reform and colonisation between 1975 and 1979 suggests the modest/significant rebalancing from the “privately owned”/“state owned” categories to the “agrarian reform and colonisation” bracket in the late 1970s. While this included individual and collective land titles, the net effect is likely to have been the general diffusion of private property titles. The division of haciendas (outside of the reform sector) is likely to have reinforced this trend.

The “communally owned” category relates to land controlled by cooperatives and communities. The data indicate 3.4% of total landholdings and 10.1% of the agricultural land surface was under communal control. Over 90% of the units and 15% of the land included within this category were usufruct landholdings (i.e. plots of communal land redistributed to community members to use but not transfer or sell). The prevalence of *comunero* landholdings reflects two basic factors: 1) the redistributive potential of some communities and 2) the pressure on communities to divide communal land. The available evidence suggests the latter increased at the expense of the former during the late 1970s, leading to the fragmentation of communal land in some cases.<sup>168</sup> Nevertheless, the existence of usufruct rights as opposed to private property titles restricted the penetration

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<sup>167</sup> IERAC-INDA data suggest the land formally distributed via agrarian reform and colonisation amounted to around 15.7% of the 1974 agricultural land surface of the highland region by the end of 1973 as opposed to the figure of 6.3% reported in the 1974 census. There are numerous explanations for the differences between the two data sets, including the administrative failings of state agencies (e.g. IERAC, INEC), differences in timing between the two data sets etc.

<sup>168</sup> See, for example, Sánchez-Parga (1984a) pp. 16-17 and Martínez (2002a) pp. 39-41. See also Forster (1989).

of land markets. The census provides some indication of the type and geographical characteristics of land under communal control. Following the basic pattern explained in the previous chapter, 47% of the land was *páramo*, indicating approximately half of the communal land base was located between c. 3,300 to 5,000 a.m.s.l (the census indicates around 30% of the total amount of *páramo* in the highlands was under communal control). Only 12% of communal land was classified as cultivable and 14% was scrubland and woodland.

The remaining landholdings are grouped under “rented, mixed and other”. This category includes land that was rented in cash as well as land that was sharecropped or worked under *al partir*, a practice which enabled landless or landpoor peasants to access land through informal redistributive mechanisms. (Sánchez-Parga 1984a pp. 17-18) (FAO 1995 pp. 75-6) (Lentz 1997 pp. 89-90) Land classified under sharecropping and *al partir* accounted for 52.6% of the units within this bracket. The imbalance between the proportion of units and percentage of land included indicate the prevalence of smallholdings within this group.

## **2.1. Land tenure and indigenous peoples**

The inclusion of *al partir* within the agricultural census draws attention to the numerous and varied customs and practices highland indigenous families and communities used to control and access land. The widespread existence of these embedded but mutable practices limited the reach of price-making land markets in the 1960s and 1970s.

Obstacles were evident at the family and the community levels. Family plots were often divided and subdivided between family members and augmented or reduced through marriage or kinship.<sup>169</sup> This involved the formal or informal transfer of the ownership of the land as well as the granting of usufruct rights through practices like *al partir*. Land tenures were therefore embedded within family and kinship networks which restricted the penetration and expansion of markets. The integration of families into communities added another layer of complexity as the control and distribution of land were mediated through

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<sup>169</sup> See Sánchez-Parga (1984b) for a detailed analysis of the distribution of land through *parentesco* on a highland community. See also Ituralde (1980), Lentz (1997) and Martínez (2002a).

communal relations (to varying degrees). (Pacari 1993 p. 401) The bulk of cultivable land within communities was owned at individual-family level but the ownership and control of these landholdings were embedded within communal customs and practices. While not representative of the highland region as a whole, these patterns were evident on the two communities I visited and interviewed in the central highland canton of Guamote. In both cases, the land the families had secured after the break-up of haciendas in the 1970s was only transferred between family and community members. (Interviews 10 and 11)

Individual-family land was sometimes complimented by communal land. The bulk of communal land, as indicated by the census, was *páramo*. The high-altitude grassland was used primarily as pasture but the cultivation of *páramo* became more common as the pressure on land located at lower elevations increased. Titles to communal land were held at the community or trans-community level and usufruct rights to small plot were sometimes granted to community members, as indicated by the prevalence of *comuneros* in the 1974 census. The stock of communal land was unevenly distributed across highland communities. For instance, Martínez reports 250 of 1,318 highland communities owned communal land in the late 1970s. (2002a p. 41) Hence only a small proportion of highland communities had the potential to redistribute land between community members. Yet communal customs and practices still exerted influence over land tenure arrangements at the individual-family level even when communities had no access to communal land.

The existence of these diverse customs and practices highlights the wider importance of land to indigenous families and communities in the 1960s and 1970s. (Sánchez-Parga 1984a; 1984b pp. 164-181) (Rosero 1990 p. 34) (FAO 1995 p. 44) Land performed social, cultural, political and economic functions; its value was derived from a combination of these factors; and, its use, control and distribution were embedded within family and community customs, practices, and networks. When indigenous families and communities secured land through the activation of the market the land tended to remain under indigenous control.<sup>170</sup> In short, the circulation of land among indigenous

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<sup>170</sup> This point is highlighted by Salomon who in relation to relatively prosperous indigenous families in the northern highland canton of Otavalo notes: “Land is alienable property in a sense



peoples tended to follow a different logic to the distribution of land within price-making markets (where economic factors predominated). However, as will be explained in the next section, the gradual development of price-making markets had a considerable impact on the ability of highland indigenous families and communities to access land in the 1960s and 1970s.

### **3. Land markets: activation and development**

The previous section provided a rough approximation of the potential reach of land markets in the highlands in the 1960s and 1970s and explained some of the constraints on the development of price-making markets. This section examines the engagement of indigenous families and communities with land markets. The principal argument advanced is that the activation of land markets opened-up spaces for indigenous families and communities to secure land while the development of land markets closed them down. The activation of land markets refers to the occasional engagement of actors within markets to secure land. The development of land markets relates to the establishment of price-making markets through which the continuous circulation of land between various actors is channelled.

#### **3.1. Socially and culturally embedded market transactions**

Before examining the engagement of indigenous peoples in land markets the nature of the market transactions between landowning elites and indigenous peoples should first be outlined. Following Polanyi, the interactions between the two groups were typically not the impersonal and atomised transactions imagined by neoclassical theorists.

“[Land] transactions did not function according to the laws of the capitalist market; rather, they were embedded within a complex network of social relations: the offer, the price and the methods of payment depended to a large extent on the specific relations between the community buyers and the landowner.” (Lentz 1997 pp. 51-2)

The social and cultural customs and practices land sales and purchases were embedded within performed important roles in determining the terms and

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similar to the white understanding of property but its emotional and prestige value is so great that families almost never sell out.” (1981 p. 423)

conditions of land purchases. In some cases the personalised nature of the transaction worked in favour of indigenous peoples who were able to exploit their relationship with landowners to purchase land on relatively favourable terms (e.g. Thurner 1989; Waters 2007). In other cases the asymmetrical relations between landowning elites and indigenous peoples enabled the former to exploit the latter, with landowners taking advantage of the basic imbalance between supply and demand to drive-up prices and off-load land with little productive potential (e.g. Martínez 1984; Lentz 1997; Huarcaya 2012; Interview 10). The limited impact of land reform on the economic interests of landowning elites ensured market transactions occurred within the context of extreme income and wealth inequalities.

### **3.2. Opening and closing spaces**

The engagement of indigenous peoples in land markets in the 1960s and 1970s was not a new phenomenon but the extent of their involvement increased significantly in the wake of agrarian reform. Opportunities to purchase land started to increase in the early 1960s as the upsurge of indigenous and peasant mobilisation and imminent introduction of agrarian reform encouraged landowners to fragment and divide their landholdings. The introduction of the LRAC and the concomitant strengthening of indigenous-peasant organisation accelerated this process. The arrival of the Rodriguez Lara military government in 1972, the upsurge in indigenous-peasant mobilisation, the rumour of radical agrarian reform, and the introduction of the LRA provided additional impetus in the early 1970s.

Two cases examined by Waters highlight the heterogeneous opportunities that emerged for indigenous families and communities to purchase land in the wake of agrarian reform. The two communities were located in the canton of Salcedo in the northern province of Cotopaxi. The first case involved the division and dissolution of a traditional hacienda once owned by the former conservative president of Ecuador, Gabriel Garcia Moreno. (2007 pp. 131-34) Following a similar trajectory to other highland haciendas, the estate was divided and subdivided as it was passed-down through the family in the late nineteenth and early twentieth centuries. The five granddaughters of Garcia Moreno who held titles to the land in the 1950s and 1960s sold the majority of their portions of the

hacienda between 1961 and 1965 (i.e. when agrarian reform moved to the top of the political agenda). Providing an indication of the actors involved in the development of price-making land markets in the 1960s and 1970s, the bulk of the land was sold to a “new generation” of landowner (presumably mestizo or white). The rest was granted or sold to the indigenous families who had worked on the hacienda under semi-feudal practices (e.g. *huasipungo*). This took the form of the dissolution and transfer of *huasipungos* as well as the sale of land. The sale of the land appeared to take place at the individual-family level but the 200 or so families were integrated into a single community. The precise details are not clear but Waters’ analysis suggests around 400 to 500 hectares of cultivable and irrigated land were purchased by the indigenous families between 1964 and 1977 which, added to the land secured through the dissolution of *huasipungo*, implies the average plot size on the community was around 4 to 4.5 hectares. (2007 p. 131) Notably, the community (along with a neighbouring community) also secured communal ownership of the 21,000 hectares of *páramo* originally integrated into the hacienda through negotiation with the IERAC in 1981. (2007 p. 133) The families were therefore ultimately able to obtain access to large *minifundia* through the activation of the land market and significant tracts of *páramo* through the activation of agrarian reform.

The indigenous families involved in the division of the second hacienda analysed by Waters were less fortunate. (2007 pp. 134-7) The estate was passed-down through a prominent landowning elite family before being sold in the late 1940s to “two urban partners” (presumably mestizo or white). Following the pattern explained in the previous chapter, the owners of the hacienda liquidated *huasipungo* through the relocation of the *huasipungueros*, creating a community on small plots of marginalised land.

“A two-hectare village center was created and 27 parcels, totaling 36.2 hectares, were transferred to 26 former *huasipungueros*. The parcels ranged in size from 0.3 to 1.9 hectares”. (2007 p. 135)

The indigenous families then augmented the plots they obtained through agrarian reform with the purchase of 169 hectares of cultivable land in 1970 and the collective acquisition of 1,529 hectares of *páramo* in 1973. The indigenous peasants linked to the estate were therefore able to increase the amount of land

they received through agrarian reform through the activation of the land market. Yet, the cultivable land, which was located between 3,400 and 3,640 a.m.s.l, was unproductive, receiving “virtually no irrigation water” and “dominated by a heavy unproductive clay soil”. (2007 p. 135) The best quality land was retained by the *hacendados* who formed two haciendas, selling one (349 hectares) to a “veterinarian from the nearby city of Ambato”, and retaining the other (181 hectares). (2007 p. 135) The outcome, Waters explains, was that the two haciendas monopolised “not only the better lower lands, but also the most productive higher elevation lands.” (2007 p. 135) On the one hand, the activation of the land market created opportunities for the indigenous families to secure small plots of unproductive cultivable land and large tracts of high-altitude pastoral land. On the other hand, the development of the land market restricted the possibilities of the indigenous families securing productive land as an urban professional purchased the best quality land at market prices. While the outcome for the other community Waters analyses was more favourable for the indigenous families, a similar, if less stark, pattern emerged, with the rationalised haciendas that rose from the ashes of the traditional estate monopolising the most productive land located at lower elevations and the community situated on higher, albeit still productive, land.

Lentz’s ethnographic study of an indigenous community in the canton of Colta in the central highland province of Chimborazo paints a similar, if more diverse, picture. The diversity of outcomes among indigenous families was rooted in the land acquisitions some of them were able to make in the decades before the start of agrarian reform. While indigenous purchases of land began in the 1920s, the modernisation of the hacienda and the income indigenous workers earned from temporary work on coastal sugar plantations stimulated market activity in the 1950s. (1997 pp. 52-3) The land some indigenous families secured enabled them to limit their dependence on the patron (effectively converting themselves from *huasipungueros* into *yanaperos*). The build-up to agrarian reform accelerated the dissolution of the hacienda and increased the amount of land offered for sale on the market. (1997 pp. 54-9) The landowner’s decision to liquidate *huasipungos* in advance of introduction of the LRAC facilitated his efforts to sell rather than grant land to *huasipungueros*. According to Lentz only

two *huasipungueros* received land in exchange for their labour on the hacienda, the rest (*huasipungueros* and *arrimados-apegados*) were evicted from their landholdings and sold alternative plots. The *huasipungueros* resisted but the “*pro-terratiente*” stance of the labour inspector called in to mediate the dispute ensured the state backed the landowner. The apparent absence of the countervailing force of the FEI or another indigenous organisation seemed to work in favour of the landowner. Following the general pattern, the lands offered for sale were less productive and more marginalised than the *huasipungo* plots the labourers and their families had worked on the hacienda. One former estate worker recalls:

“In the end the people started to buy but they did not sell those *huasipungos* in the *pamba*. Where we are now, on the slopes, around here and down there they started to sell.” (Lentz 1997 p. 54)

The division of the hacienda accelerated after the introduction of the LRAC. Lentz estimates a quarter of the land offered for sale in the late 1960s was purchased by members of the community while the rest was bought by members of neighbouring communities and mestizos from the nearby village of Cajabamba. (1997 p. 56) However, the operation of the land market started to work against the community members in the late 1970s. The refusal of the indigenous families to work on the hacienda and the pressure they exerted on the landowner to sell them land (e.g. the threat of invasion) contributed to the decision of the *hacendado* to divest the remaining sections of the hacienda “*pedazo a pedazo*” (“piece by piece”). (1997 p. 57) But by that stage the landowner was able to offer land at significantly higher prices as the basic imbalance between supply and demand drove prices higher. Lentz estimates the prices the *hacendado* demanded for the remaining sections of the hacienda were fifty times higher than the prices secured in the 1960s while the wages the indigenous workers received were “scarcely” ten times higher. (1997 p. 57) With few or no savings, the indigenous families were effectively priced-out of the market i.e. the development of price-making markets closed-down spaces for indigenous peoples to obtain land, especially productive land.

The situation Lentz reports was evident elsewhere in the highlands as landowners exploited the disparity between supply and demand to secure

elevated prices for land, sometimes pitting one buyer against another to drive-up prices (e.g. Martínez 1984; Thurner 1989; Huarcaya 2012). The escalation of land prices complicated indigenous efforts to purchase land elsewhere in the canton of Colta in the 1970s, according to Martínez. (1985 p. 136) While many of the indigenous families the author investigates were ultimately able to purchase small plots of land, he claims the upsurge in land market activity “benefitted the landowners who bowed to peasant demands but obtained significant earnings from the sale of their properties”. (1985 pp. 152-3) Indigenous peoples were therefore able to obtain land but at elevated prices. The obstacles in front of the indigenous families Martínez investigates in the northern canton of Cotacachi, Imbabura were greater. The price of land in the region effectively, if not totally, blocked indigenous efforts to purchase land as medium and large sized haciendas monopolised the best quality land. (1985 pp. 154-4)

Market prices were a clear obstacle to the indigenous families I interviewed on a small community (between 150-200 inhabitants) in the central highland canton of Guamote, Chimborazo. (Interview 10) Reflecting the failure of the state to implement the LRAC, the community explained that it was only during the build-up to the introduction of the LRA that local *hacendados* started to sell land on a significant scale. The upsurge of indigenous and peasant protests and mobilisations in Chimborazo rattled landowners and a “rumour that the *huasipungueros* were going to take the land from the *hacendados*” began to circulate. The introduction of the law and the escalation of unrest prompted landowning elites to start selling small parcels of land to local indigenous families, some of whom were able to buy a “*cuadra, media cuadra*”. The families on the community were initially offered small plots of pastoral land on the slopes of the valley (“*las laderas*”) for between 28,000 and 46,000 sucres (c. US\$1,200 – 2,000) but the land was not suitable for cultivation. Instead they purchased small parcels of cultivable land located on the banks of the Rio Guamote, two hours walk along a rocky path from the town centre. The land cost approximately 80,000 sucres (c. US\$3,500). The families pooled their limited resources (“*fuimos a conseguir lo que teníamos en nuestras casas*”), paying for the plots with a small deposit and a series of annual instalments.

Later, the elder of the community purchased a plot of land for 25,000 (c. US\$1,100) sucres from one of the daughters of one of the local landowners by pooling the income he secured through wage labour and the economic resources of his extended family. He then paid for the land over a number of years (“*así es como nos endeudamos y logramos pagar un pedacito de tierra*”). Reflecting the general, if not universal, pattern in the highlands the indigenous families therefore purchased land individually but lived communally. The price of land on the market set definite limits on the quality and quantity of land they were able to purchase. Highlighting the economic imbalance between landowning elites and indigenous peoples, the elder’s mother was told the hacienda from which the families purchased land was worth 12 million sucres (c. US\$520,000). The “indigenous people did not have the money” to buy the most productive zones of the haciendas so the owners divided their estates (“*con mucha facilidad*”) between family members. By way of example, the elder explained:

“Dr Francisco Martínez...he took the section opposite called San Rosa and the sister Elena Martínez the section behind...another called Alfonso Martínez and the wives of some *hacendados* they took the section up to the bridge.”<sup>171</sup>

The LRA regulatory framework therefore had little impact on the subdivision of the hacienda and the exchange of land (see Chapter 4). While *páramo* covered nearly 70% of the agricultural land surface of the canton of Guamate in the early 1970s, the community was not located near tracts of the high-altitude grassland. The activation of the land market therefore left the community with small plots of marginal land on the slopes of the banks of the Rio Guamate, without access to *páramo*. The best quality land in the zone, which remained under the control of local elites in the 1960s and 1970s, was available to purchase on the market but at a price that far exceeded the economic capabilities of the indigenous families.

In the case of the indigenous community I interviewed it was the indirect build-up of indigenous and peasant pressure that prompted landowners to sell land. Thurner illustrates the direct impact indigenous organisation and

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<sup>171</sup> The names of the landowners have been changed to protect the identity of the community.

mobilisation had on the activation and development of land markets. Noting a similar pattern to the one identified by Lentz, the author describes how indigenous workers on *Hacienda Gatazo* used the earnings they secured from working on coastal sugar plantations and “small commercial activities” to purchase land and reduce their independence on the patron in the decades before the start of agrarian reform. (2000 pp. 364-5) The introduction of the LRAC accelerated the “expansion of the peasant economy” as a new generation of indigenous leaders established a legally recognised community to “defend and expand its land at the expense of the hacienda”. (2000 p. 366) Indigenous families were therefore able to expand their landholdings through the activation of the land market and increase the amount of land under indigenous control.

Events on the neighbouring *Hacienda Culluctus* followed a different trajectory. The estate was not divided until 1965 (i.e. a year after the introduction of the LRAC).

“In that year, Culluctus was divided in equal parts and in 1972 [i.e. the year the Rodriguez Lara government came to power] each part was sold separately. One half went to the old *mayoral* and *mayordomo* while the other half was sold to a mestizo friend from a nearby village.” (2000 p. 367)

As occurred elsewhere in the highlands, the division, sale and purchase of the hacienda reflected the ethnic division of labour on the hacienda (see Chapter 3). The best quality land was purchased on the market by mestizos. The resistance and organisation of the indigenous peasants performed a crucial role in derailing the plans of one of the new landowners, however. The subsequent attempts of the *hacendado* to sell the pastoral land of the hacienda were blocked by indigenous families and communities who invaded the estate and ultimately secured communal ownership of around half of the land through the intervention of the IERAC. (2000 p. 348 & p. 368) While the development of price-making markets restricted the possibilities of indigenous families securing the most productive sections of the hacienda, collective indigenous action ultimately blocked the commodification of a large part of the pastoral land.



The above analysis shows the division of haciendas and the activation and development of land markets saw the exit of some landowners and the entrance of others. The shift illustrates the threat land reform posed to the traditional landowning elite as a social class and why traditional landowners vociferously opposed reform (see Chapter 3). Sylva's analysis of the demise of traditional landowning elites in Chimborazo leaves little doubt that the change was forced by social and political rather than economic forces.

“The provincial class of landowning elites postponed the transformation for as long as possible but the new correlation of forces...reduced the options open to the class to two: transform into capitalists or remain subject to the intervention of the peasant masses.” (1986 p. 145)

The new class of owners of the medium and large size landholdings that emerged through the division and subdivision of traditional haciendas included the families of landowning elites, former hacienda administrators and managers, and business people and enterprises attracted to the profits available from agricultural production or land speculation. The evidence presented in this chapter indicates the bulk of the most productive land was circulated between these actors within price-making markets or transferred within family networks and offered for sale on the market at the right price. The protection agrarian reform provided for the private property rights of owners of productive land limited the possibilities of expropriation. The relocation of *huasipungueros* supported the efforts of landowning elites to retain the best quality land before offering it for sale on the market (see Chapter 5). Indigenous peasants were generally, if not universally, priced-out of the market for the most productive land. While the activation of the land market created opportunities for indigenous families and communities to secure marginalised land, the development of price-making land markets closed-down spaces for them to obtain productive land. However, as will be explained in Chapter 9, the boundaries of price-making land markets were not fixed. Collective indigenous action once again activated land markets in the 1980s and 1990s, creating new spaces for some indigenous peoples to secure land and reshaping the boundaries of price-making land markets in the sierra.

#### 4. Land distribution in the 1960s and 1970s

The distribution of land experienced significant changes in the 1960s and 1970s. While differences in coverage and methodology between the 1954 and 1974 agricultural censuses preclude precise comparisons, a comparative analysis of the two data sets does provide a broad indication of changes in the structure of ownership between the two periods. The principle changes are illustrated in Table 6.2 (below) and Figure 6.1 (below).

<b>Table 6.2 – Changes in land distribution between 1954 &amp; 1974, Highland Ecuador</b>				
<b><u>Unit size (hectares)</u></b>	<b><u>Units % 1954*</u></b>	<b><u>Units % 1974*</u></b>	<b><u>Land % 1954*</u></b>	<b><u>Land % 1974*</u></b>
< 1	32.2	34.4	1.4	1.6
1 > 4.99	49.5	43.3	10.0	10.1
5 > 9.99	8.6	9.2	5.1	6.3
10 > 19.99	4.1	5.7	4.7	7.8
20 > 49.99	3.0	4.4	7.3	13.8
50 > 99.99	1.4	1.9	7.2	11.9
100 > 199.99	0.5	0.6	5.9	7.6
200 > 499.99	0.4	0.3	9.7	8.9
500 > 999.99	0.1	0.1	7.6	6.7
1000 > 2499.99	0.1	0.1	12.0	9.7
2500 >	0.1	0.0	29.1	15.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

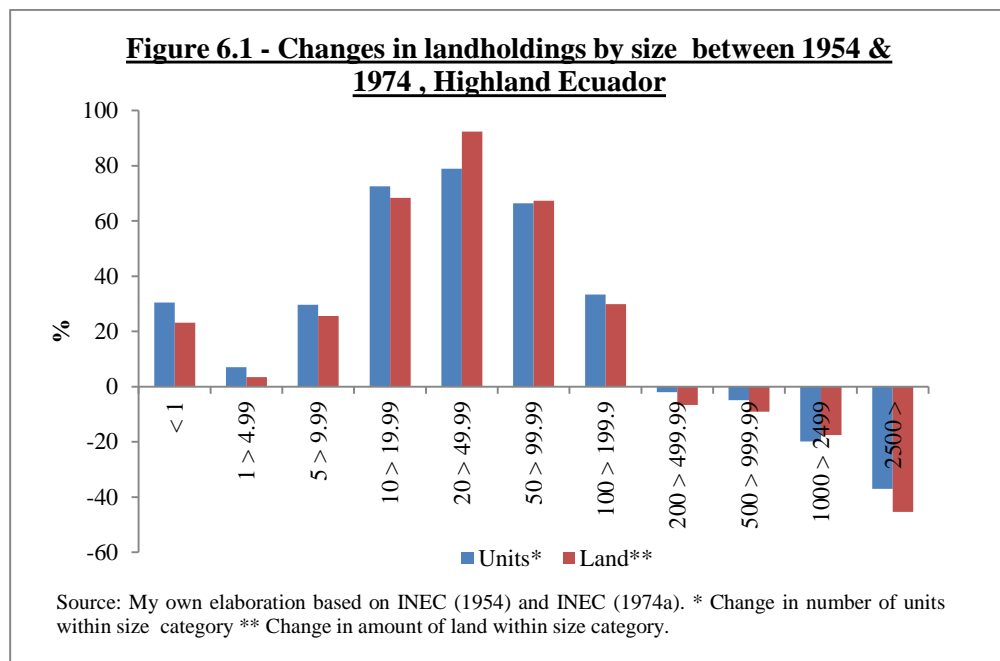
Source: My own elaboration based on INEC (1954) and INEC (1974a). \*Percentage of total units/land.

Three important patterns are discernible:<sup>172</sup>

- 1) The proliferation and division of *minifundia* (<5 hectares). The relative prevalence of *minifundia* (<5 hectares) remained broadly unchanged between 1954 and 1974, with landholdings below 5 hectares accounting for around 80% of landholdings and 12% of the land (see Table 6.2 above). However, the number of units within this range increased. The growth of the number of landholdings at the lower end of the *minifundia* spectrum was rapid: units of less than one hectare (i.e. *microfundia*) increased 31% (see Figure 6.1 below). The number of highland peasant

<sup>172</sup> These broad patterns have been noted elsewhere in the literature (e.g. Bretón 2008b) (see Chapter 2). The analysis in this section provides new insight by considering the impact of land reform and land markets on the land distribution and examining the positions indigenous peoples occupied on the land distribution ladder. Greater clarity is also provided on the impact of colonisation. The analysis presented in Chapter 9 provides further insights into these trends and patterns.

families who were unable to sustain their livelihoods through agricultural production alone therefore increased as the traditional hacienda complex unravelled and capitalist modernisation advanced. While land redistributed via agrarian reform is only partially reflected in the 1974 census, the analysis undertaken in the previous chapter showed land redistribution performed a direct role in expanding the number of units within this sector (e.g. the average plot redistributed through the dissolution of *huasipungo* was 3.6 hectares). The lack of provision agrarian reform provided for the *arrimado-apegado* population was also crucial in increasing the number and reducing the size of landholdings at the lower end of the land distribution as land was subdivided within families.



- 2) The rapid increase in the number of medium (10 > 100 hectares) and medium/large (100 > 200 hectares) sized farms (see Figure 6.1 above). Landholdings between 20 and 49.9 hectares experienced the strongest growth, increasing by 78% in terms of units and 92% in terms of land. Expansion was driven by a variety of factors. First, the threat of expropriation and the acceleration of capitalist development encouraged *hacendados* to divide and consolidate their landholdings which expanded the number of medium size farms (especially within the 100 > 200 hectare range). Second, the fragmentation of haciendas created

opportunities for some mestizo and indigenous peasant producers to ascend the land distribution by securing land through the market, agrarian reform, or a combination of the two mechanisms. Third, the expansion of cooperatives under agrarian reform increased the number of landholdings and the amount of land within the middle range.<sup>173</sup> Fourth, the colonisation of the western lowland regions of highland provinces (especially Pichincha) increased the number of medium-sized farms classified within the sierra. The average size of land distributed via colonisation between 1964 and 1979 was 38 hectares (see Chapter 5), precisely within the range that experienced the most rapid growth between 1954 and 1974.<sup>174</sup> The extent of settlement that took place in the lowland regions of highland provinces suggests colonisation was particularly important in expanding the number of middle range farms in the 1960s and 1970s. Conversely, the average amount of land distributed via colonisation strongly suggests the settlement of the western lowlands performed a negligible role in the expansion of landholdings at the lower end of the land distribution (<5 hectares).

- 3) The rapid decline of extensive haciendas (1000> hectares). The number of units within this bracket dropped 57% while the amount of land declined 63% (see Figure 6.1 above). The fall in the number of extensive landholdings provides the clearest illustration of the dissolution of the traditional hacienda complex, the economic rationalisation of land, and the acceleration of capitalist modernisation of the agrarian structure, trends which accelerated after the introduction of the LRAC in 1964.

While the fall in extensive haciendas (1,000> hectares) and rise in medium-size farms (10 > 100 hectares) reduced land inequality in broad terms, the land distribution remained highly polarised (see Table 6.3 below).

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<sup>173</sup> The 1974 census classifies the collective property of a cooperative or community as one unit. (INEC 1974 p. i-ix)

<sup>174</sup> Extensive colonisation took place in highland provinces before the introduction of the LRAC. According to IERAC-INDA 87,642 hectares of land were distributed via colonisation between 1954 and 1963. The average amount of land per recipient was 126 hectares. Colonisation therefore also had a notable impact on expanding the number of landholdings within the 100 > 200 hectare range between the 1954 and 1974 censuses.

<b><u>Unit size</u></b> <b><u>(hectares)</u></b>	<b><u>Units</u></b>	<b><u>Units as % of</u></b> <b><u>total</u></b>	<b><u>Land surface</u></b> <b><u>(hectares)</u></b>	<b><u>Land as %</u></b> <b><u>total</u></b>
< 1	109,220	34.4	49,758	1.6
1 > 4.99	137,415	43.3	311,414	10.1
5 > 9.99	29,078	9.2	194,321	6.3
10 > 19.99	18,234	5.7	239,064	7.8
20 > 49.99	13,817	4.4	423,339	13.8
50 > 99.99	5,982	1.9	365,978	11.9
100 > 199.99	1,837	0.6	231,944	7.6
200 > 499.99	971	0.3	273,344	8.9
500 > 999.99	314	0.1	207,467	6.7
1000 > 2499.99	201	0.1	299,968	9.7
2500 >	87	0.0	481,116	15.6
<b>Total</b>	<b>317,157*</b>	<b>100.0</b>	<b>3,077,723</b>	<b>100.0</b>

Source: My own elaboration based on INEC (1974a). \* Excludes 3,522 units listed as agricultural enterprises without land.

The data indicate units of less than 5 hectares accounted for 77.7% of landholdings and 11.7% of land while units of more than 100 hectares accounted for 1.1% of landholdings and 48.4% of land. Nearly half of the agricultural land surface was therefore incorporated into landholdings above the upper limit proposed by the FURA in 1973.<sup>175</sup> The comparison between the 1954 and 1974 censuses and the analysis presented in the previous sections indicates the emergence of new forms of land concentration as extensive haciendas fragmented and the number of medium and medium/large-sized landholdings increased. Land reform performed a crucial role in driving this change, promoting the economic rationalisation of land by linking private property rights to economic use and threatening the expropriation of unproductive and underutilised land. It did little, however, to rupture the polarisation of land ownership; prevent new inequalities emerging; or stop the proliferation of *micro* and *minifundia*.

The evidence presented in this thesis indicates most indigenous peoples and families remained located at the lower reaches of the land distribution in the 1970s (< 5 hectares). There were a number of exceptions. For example, drawing on fieldwork undertaken in the late 1960s and early 1970s, Belote & Belote report that in the southern highland canton of Saraguro: “Most nuclear families

<sup>175</sup> The extent of land concentration indicated by the 1974 census is accentuated by the inclusion of communal landholdings (e.g. *páramo*) within the upper ranges of the land distribution.

own more than 15 hectares of agricultural land in scattered plots.”<sup>176</sup> (1981 p. 451) The relative lack of pressure on land in the canton during this period was indicated during the discussion I had with the leaders of the FIIS. (Interview 7) Yet, the general pattern was the prevalence of *minifundia* among the indigenous population. The failure of redistributive and market mechanisms to provide widespread opportunities for indigenous peoples and families to climb the land distribution ladder and secure sustainable livelihoods through agriculture was indicated by the prevalence of *minifundia* (< 5 hectares) in zones with high indigenous densities. The relationship is illustrated in Figure 6.2 (below).<sup>177</sup> The data show that *minifundia* were prevalent throughout the highland region, accounting for at least 60% of total landholdings in every province, but tended to be more common in zones with high indigenous densities. The relationship was strongest in Cañar, Chimborazo, Cotopaxi, Imbabura, and Tungurahua. The clearest outliers were the southern province of Azuay and the northern region of Pichincha.<sup>178</sup> The factors behind the distribution of *minifundia* across the sierra were varied and complex. Yet, the data provide a broad indication of the failure of redistributive and market mechanisms to rupture the basic, though not universal, relationship between indigenous peoples and *minifundia*.<sup>179</sup>

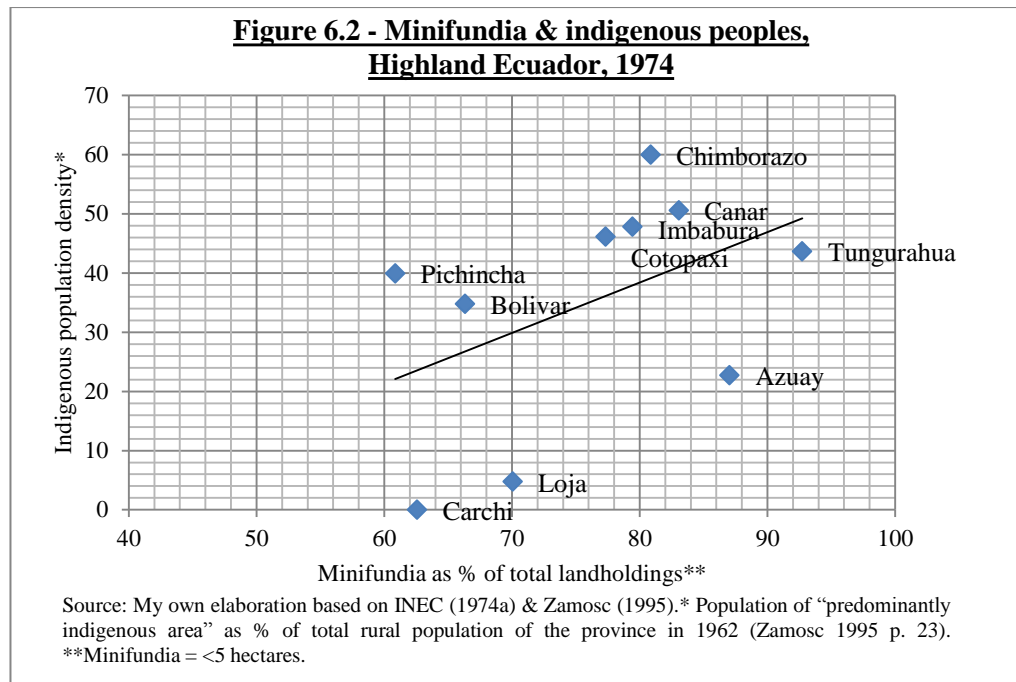
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<sup>176</sup> Casagrande reports a similar situation in Saraguro in the 1960s and 1970s (1981 p. 271). See Belote & Belote (1981) and Macas *et al.* (2003) for insight into the distinct development path followed by the Saraguros.

<sup>177</sup> The limitations of the census and demographic data and the extreme variance within provinces mean the data presented in Figure 6.2 only provide a rough approximation of the relationship between indigenous peoples and *minifundia*. Considerable differences existed in the amount and quality of land indigenous peoples owned or accessed within each of the provinces.

<sup>178</sup> The weakness of the relationship between the two variables in Pichincha is largely explained by the fact the census data refer to the whole province while the indigenous density data excludes the western lowland regions. (Zamosc 1995)

<sup>179</sup> The fact the bulk of land redistribution took place between 1975 and 1979 needs to be taken into account when considering the strength of this relationship (see Chapter 5). However, a similar pattern is also apparent in the long-range data presented in Chapter 9.



## 5. Summary: empirical and theoretical findings

This chapter has explored the relationship between land markets and indigenous peoples in the 1960s and 1970s. The analysis has shown that the market performed a greater role in the rural economy and indigenous peoples became more reliant on markets to obtain land. This was indicative of the larger role markets performed in the “provision of the daily necessities of life” in the rural highlands in the 1960s and 1970s (see Chapter 4). (Polanyi 1947\*)

Within the activation/development concept I elaborated based on Polanyi’s broad insights, the chapter has argued the activation of land markets opened-up spaces for indigenous peoples to secure land while the development of price-making land markets closed them down. The evidence presented in the chapter indicates the bulk of indigenous families and communities were priced-out of markets for the most productive land. The basic imbalance between supply and demand was exploited by some landowners who pitted one buyer against another to drive-up prices and off-load unproductive land. Collective organisation and mobilisation performed a crucial role in activating land markets and increasing the opportunities for indigenous families and communities to secure land.

The analysis has reaffirmed the importance of analysing the implementation of decommodification mechanisms (see Chapters 1 and 5). The regulation

component of land reform placed few real constraints on the operation of land markets. Land reform legislation therefore implied a greater degree of decommodification than was actually achieved. Neale reports a similar finding in his brief but insightful analysis of double movements in rural India in the nineteenth and twentieth centuries. (1994 p. 157)

The chapter has also investigated the distribution of land in the 1960s and 1970s. The analysis has shed new light on the impact of land reform and colonisation on the land distribution and on indigenous access to land (see Chapter 2). Despite the significant changes that took place from the 1950s onwards, land distribution remained highly polarised in the 1970s. Combined with the analysis of land redistribution presented in Chapter 5, the evidence suggests the bulk of the indigenous population remained located at the bottom end of the distribution, owning or accessing plots of less than five hectares. In some cases indigenous families complemented their landholdings with communal access to *páramo*. However, access to the high-altitude grassland was restricted to a relatively small number of indigenous families and communities. New forms of land monopolisation emerged as extensive landholdings gave way to smaller, economically rationalised farms. The quality rather than the quantity of land became more important in determining the distribution and concentration of land, income, and wealth.

Summarising the central double movement argument developed in Chapters 4-6, the analysis has shown that during the 1960s and 1970s: a) the role of land markets increased; b) the regulation of land markets was minimal; c) the redistribution of land was limited; d) the indigenous countermovement failed to transform land reform but performed a crucial role in widening opportunities for indigenous peoples to obtain land through market and redistributive mechanisms; and, e) commodification and decommodification and movement and countermovement took place simultaneously.

The next three chapters develop this argument by analysing the double movement around land reform, land markets and indigenous peoples in the 1980s and 1990s.



## Chapter Seven

### Movements toward and against reform: political struggles over the design of land reform (1979-1994)

#### 1. Introduction

The analysis of the first stage of land reform (1964-1979) presented in the three previous chapters highlighted the crucial role collective organisation and mobilisation performed in expanding spaces for indigenous peoples to obtain land but indicated neither redistributive nor market mechanisms provided them with widespread opportunities to secure productive land. Consequently, the bulk of the highland indigenous population remained trapped at the bottom of the land distribution with limited opportunities to develop sustainable economic strategies based on agricultural production alone.

The double movement that emerged around land reform in the 1960s and 1970s continued in the 1980s and 1990s as indigenous and peasant movements attempted to increase the regulation, redistribution and social control of land. This chapter explores the political struggle over the design of land reform, concentrating on indigenous and peasant attempts to transform land reform. Developing the argument started in Chapters 4-6, the chapter posits indigenous efforts to transform land reform were phases in a longer-term “offensive” struggle rather than “defensive” reactions to structural adjustment and neoliberal reform. Reflecting the radical reading of the double movement, the analysis also shows commodification and decommodification and movement and countermovement continued to take place at the same time.

The remainder of this chapter is divided into five sections. The second section provides the wider political and economic context by sketching the evolution of Ecuador’s political economy between 1979 and 1994. The third section explains the commodification and decommodification dimensions of the legislation that underpinned the second stage of land reform (1979-1994). The evolution of the organisational base of the countermovement is explained in section four. The fifth section examines indigenous efforts to transform land reform, focusing on the 1990 *levantamiento*, the programme advanced by the *Coordinadora Agraria Nacional* in 1993, and the contested introduction of the *Ley de Desarrollo*

*Agrario* in 1994. The main empirical and theoretical findings are summarised in section six.

## **2. The evolution of Ecuador's political economy in the 1980s and 1990s**

Ecuador experienced another period of profound political and economic change in the 1980s and 1990s as it stumbled towards neoliberalism.<sup>180</sup> The change in the direction of economic policies started soon after the military relinquished power in August 1979. The basis for the “return to democracy” was established in January 1978 when a new constitution was approved by referendum.<sup>181</sup> General elections were then staged between July 1978 and April 1979.<sup>182</sup> Jaime Roldós, the candidate for the *Concentración de Fuerzas Populares* (CFP), won a convincing victory at the second round of the presidential elections, beating the conservative candidate, Sixto Durán Ballén into a distant second. Pledging to pursue economic policies that combined growth with equity, Roldós secured the backing of the rural and urban poor as well as public sector workers and other middle-income earners. Faced with a fragmented field of parties and coalitions, the CFP also achieved strong representation within Congress, winning 29 of 69 seats. The centre-left *Izquierda Democrática* (ID) was the second largest force in the legislature, securing 15 seats, while the leftists *Movimiento Popular Democrático* (MPD) and *Frente Amplio de Izquierda* (FADI) each won one seat. (Schodt 1987 p. 141) (Conaghan & Malloy 1994 p. 130) With the ID supportive of Roldós, the president seemingly had a strong political platform to introduce widespread reforms. However, divisions soon emerged within the CFP which stripped the president of support and reduced his ability to drive through legislative changes.<sup>183</sup>

The problems Roldós faced in his first year in office set the tone for the next four years as the government lurched from one crisis to another. (Montúfar 2011 pp. 51-55) Buffeted by rising overseas debt, escalating global interest rates and falling world oil prices the public finances and balance-of-payments started to

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<sup>180</sup> See Appendix 3 for broad economic trends during the 1980s and 1990s.

<sup>181</sup> The constitution did not come into effect until 1979 and is commonly referred to as the 1979 constitution. (RO 800 1979)

<sup>182</sup> The new constitution extended the franchise to illiterates which increased the size of the electorate and provided many indigenous peoples with the right to vote for the first time.

<sup>183</sup> On the divisions that emerged within the CFP see Martz (1980) p. 67, Schodt (1987) pp. 139-42, and Conaghan (1988) pp. 124-7.

weaken in 1981. (CEPAL 1982 pp. 307-8) (Schodt 1987 p. 143) Economic conditions then deteriorated in 1982 and 1983 as the Latin American debt crisis engulfed Ecuador. The government, now with the former vice-president Osvaldo Hurtado at the helm following the sudden death of Jaime Roldós in 1981, introduced a series of structural adjustment policies between 1981 and 1983 as it attempted to shore-up the public finances, support the balance-of-payments, appease international investors, and secure funding from the IMF.<sup>184</sup> Mirroring the policies introduced elsewhere in Latin America in the early 1980s, measures included reducing subsidies, increasing indirect taxes, raising import tariffs, cutting general public expenditure, and devaluing the national currency. (CEPAL 1982 p. 308) (Salgado 1987 pp. 135-7) (Schodt 1987 pp. 150-1) (Conaghan & Malloy 1994 pp. 112-3) (Bulmer-Thomas 2003 pp. 353-63)

The introduction of structural adjustment policies brought the government into conflict with labour movements. The FUT, which united the three main trade unions in 1975, called four general strikes between February 1981 and March 1983. (Corkill 1987 p. 143) Corkill's account of labour mobilisation in the early 1980s indicates the tightrope labour movements walked during this period.

“The demonstrable inability of the unions to sustain an indefinite strike or to maintain solidarity for more than 24 or 48 hours weakened their bargaining position and increased the pressure to compromise...the ever-present threat of military intervention inclined the union leadership to pragmatism.” (1987 p. 143)

Indigenous and peasant movements adopted a similar stance, pressuring the government to accelerate land reform and improve living conditions for the rural poor but stopping short of outright confrontation (Sections 3-5 below). The overall thrust of agrarian policy shifted from agrarian reform to integrated rural development, accelerating the trend that had started in the late 1970s (see Chapters 2 and 4).

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<sup>184</sup> The Roldós-Hurtado government entered into a standby agreement with the IMF in July 1983. (Acosta 2001 p. 371) (Salgado 1987 p. 135)

The conflicts and crises that had plagued the Roldós-Hurtado government provided an opportunity for the right to seize power at the 1984 presidential elections. Campaigning under the slogan “*pan, techo y empleo*” (“bread, housing and employment”), León Febres Cordero, the former president of the *Cámara de Industrias*, won a narrow victory against Rodrigo Borja, the centre-left candidate, in the second round of the elections.<sup>185</sup> (Martz 1985 p. 71) (Conaghan & Malloy 1994 pp. 131-36) Supported by the *Frente de Reconstrucción Nacional* (FRN), a coalition of liberal, conservative, and nationalist parties which enjoyed the enthusiastic backing of the *Cámaras de Producción*, Febres Cordero had conducted an aggressive election campaign, linking centre-left and leftist candidates to the beleaguered Roldós-Hurtado administration and presenting his neoliberal economic programme as a pragmatic and non-ideological response to the crisis. (Martz 1985 pp. 70-72) (Schodt 1987 p. 153) (Montúfar 2011 pp. 64-5) The FRN failed to secure strong support in Congress. Febres Cordero was able to garner sufficient support to drive through reforms in 1985 but was unable to retain control of Congress after the mid-term elections in 1986. (Conaghan & Malloy 1994 pp. 168-9) The pace of neoliberal reform slowed as the political opposition regrouped, social opposition strengthened, and relations between the government and the military soured.<sup>186</sup> Despite agreeing to austerity measures with the IMF, Febres Cordero accelerated public spending to shore-up support for his government, which placed strain on the public finances in 1987 and 1988.<sup>187</sup> (CEPAL 1985 p. 289) (CEPAL 1988 pp. 319-20) (Montúfar 2011 pp. 101-6) (Kaplan 2013 pp. 160-1)

The outcome of four years of conflict, crisis, and reform was a tentative step in the direction of neoliberalism. While “clear preference was given to market mechanisms and the goal of reducing direct and selective controls in the management of the economy”, only modest progress was made. (Salgado 1987 p. 137) The government repressed labour movements and held the minimum wage below inflation to support the private sector and appease the IMF. (Corkill

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<sup>185</sup> Under the 1979 constitution the president was only permitted to serve one term in office.

<sup>186</sup> Febres Cordero faced a minor military revolt in 1986-7. See Martz (1988) and Conaghan & Malloy (1994 pp. 169-70).

<sup>187</sup> The Febres Cordero government entered into three standby agreements with the IMF between 1985 and 1988. (Acosta 2001 p. 371) Ecuador suffered a major earthquake in 1987 which placed additional strain on the government and public finances.

1987 p. 146) (CEPAL 1985 pp. 307-8) However, no meaningful labour reforms were enacted. Elsewhere, rural development and agrarian reform were stalled but not dissolved; import tariffs were lowered but not removed; public spending was reduced then increased; and, exchange rate liberalisation was implemented then reversed. (CEPAL 1986 pp. 308-12) (Conaghan & Malloy p. 159 & pp. 179-81)

Rodrigo Borja, the centre-left candidate, won the 1988 presidential elections on a mandate to stabilise economic conditions and pursue a centre-left economic programme. His party, the ID, secured the largest number of seats in Congress while the group most closely associated with the discredited Febres Cordero government, the *Partido Social Cristiano* (PSC), performed poorly. The Borja government accelerated neoliberal reforms. (Vos 2000 pp. 12-13) (Beckerman & Solimano 2002 pp. 29-30) In addition to lowering trade protection and entering into agreements with the IMF, the regime introduced measures to attract FDI and liberalise labour markets. New flexible labour contracts were introduced; special employment exemptions for manufacturing firms were created; and, the minimum number of workers required to establish new trade unions was doubled. (RO 493 1990) (RO 817 1991) (ILO 2001) Supporting efforts to attract FDI, tame inflation, and placate the IMF, the government also held the minimum wage below inflation, reneging on its commitment to protect the purchasing power of formal sector workers.<sup>188</sup> (CEPAL 1988 p. 319) The promise to reactivate land reform, a move which won Borja support from indigenous voters during the 1988 elections, was also broken. However, the government did create the *Dirección Nacional de Educación Intercultural Bilingüe* (DINEIB) to improve and widen the delivery of bilingual education. (Almeida 1992 p. 53)

The continuation of the economic slump, the upsurge of social unrest, and the failure of the Borja government to fulfil its election pledges opened the door for the right to return to power in 1992. Faced with a debilitated and discredited centre-left, the right was able to dominate the second round of the elections, with

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<sup>188</sup> The Borja government entered into two standby agreements with the IMF between 1989 and 1991. (Acosta 2001 p. 371)

Sixto Durán Ballén defeating Jaime Nebot.<sup>189</sup> Building on gains secured at the 1990 mid-term elections, right-wing parties also secured a commanding position in the legislature. The political stage was set for a decisive move towards neoliberalism. The extent and pace of change was limited by social resistance and conflicts within the right. (Conaghan & Malloy 1994 pp. 228-9) (Zamosc 2005 pp. 198-9) Yet the Durán Ballén government was still able to drive through neoliberal reforms.<sup>190</sup> Trade liberalisation accelerated, privatisation advanced, public sector retrenchment deepened, and, as will be explained below, state-directed land reform ended.

### **3. Commodification and decommodification dimensions of the Ley de Reforma Agraria-Ley de Fomento y Desarrollo Agropecuario**

The final fifteen years of land reform (1979-1994) were underpinned by the legal framework the military regimes of the 1960s and 1970s bequeathed the civilian governments of the 1980s and 1990s: the LRA and LFDA. The former was introduced in 1973 by the reformist Rodríguez Lara government while the latter was promulgated by the conservative military triumvirate in 1979.

The FAO argue at this stage land reform effectively finished and the “role of the state in relation to the intervention in the structure of property...[was]...gradually transferred to the market”. (1995 p. 25) Yet, as demonstrated in previous chapters, the market had assumed a progressively larger role in the distribution of land from the early 1960s and the role of the state in the redistribution of land was minimal. Moreover, as will be explained in the next chapter, indigenous peoples continued to secure land via agrarian reform in the 1980s and 1990s.

While the shift was less radical than the FAO indicate, the new legal framework undoubtedly promoted a greater role for the market. The principal means through which this achieved was the increased protection the LFDA provided for private property rights. Protection was provided in a number of areas. First, the legislation established a new measure of economic efficiency

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<sup>189</sup> The PSC selected Jaime Nebot over Sixto Durán Ballén as presidential candidate. Shunned by the party he was instrumental in founding, Durán Ballén formed a new political party – the *Partido Union Republicana* (PUR) which sponsored his candidacy.

<sup>190</sup> The Durán Ballén government entered into a standby agreement with the IMF in 1994. (CEPAL 1994-1995 p. 207) (Acosta 2001 p. 371)

which reduced the likelihood of expropriation. (Art. 82-3 RO 792 1979) Second, the law provided landowners with the right to receive favourable compensation for expropriated land which reduced the possibility of expropriation taking place, especially in the context of structural adjustment and neoliberalism. (Art. 85 RO 792 1979) Third, reflecting indigenous and peasant attempts to implement agrarian reform from below (see Chapter 5), the legislation introduced punitive measures to prevent land invasions, including the stipulation that people involved in invasions would be excluded from participating in agrarian reform and colonisation. The IERAC was transformed into a quasi-police authority.<sup>191</sup> (Arts. 89-93 RO 792 1979) (Barsky 1988 pp. 250-1) (FAO 2002 pp. 7-8) The heightened protection the law granted private property rights supported efforts of the state to promote agroindustry and the integration of agricultural producers into national and international markets. The law supported this by channelling credit to agroindustrial enterprises; exempting agroindustrial production inputs from import duties; excluding “non-traditional” agricultural goods from export duties; and, promoting links between agricultural producers and consumers markets. (Arts. 46-7 & 70-80 RO 792 1979)

The greater protection the law granted private property rights weakened the redistributive potential of land reform. While the potential for expropriation remained, the criteria for proving the inefficiency and underutilisation of land became even more complicated. The possibilities of securing land through redistribution were further diminished after the insertion of “*inafectabilidad*” clauses into the LRA in 1982. The clauses shielded privately owned land from expropriation by delimiting “*afectación*” (see Chapter 4). The change gave landowning elites additional security over tenure and provided increased impetus for the development of price-making markets. (RO 304 1982) (FAO 2002 p. 7) The regulation agrarian reform imposed on land markets remained largely unchanged. That is, the IERAC was responsible for overseeing the sale and purchase of land within the reform and peasant sectors as well as overseeing the division of agricultural land. The revised framework provided even fewer

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<sup>191</sup> Specifically, the law stated: “The owner of the invaded land will denounce the act to the Executive Director of IERAC or the respective Regional Director or Zone Director of the institution who will verify the acts within twenty-four hours and will, upon proving the invasion, organise the immediate removal of the invaders, counting on the support of the police.” (Act. 90 RO 792 1979)

assurances against the monopolisation of land: the new definition of economic efficiency omitted references to monopolisation altogether. Lack of funding and high staff turnover continued to plague the IERAC and limit its ability to perform its regulative and redistributive functions.

The weakness of the redistributive and regulative dimensions of the LRA-LFDA was reflected in the 1979 constitution which obligated the state to protect the private property rights of proprietors of “efficient” landholdings and orientated agrarian reform towards “economic development” and redistributing “wealth and income”. No explicit reference was made to the redistribution of land and the colonisation of the western and eastern lowlands was offered as the primary mechanism to “equilibrate” the rural population. (Art. 51 RO 800 1979)

<b><u>Table 7.1 – Commodification and decommodification dimensions of the Ley de Reforma Agraria-Ley de Fomento y Desarrollo Agropecuario, 1979-1994</u></b>	
<b><u>Dimension</u></b>	<b><u>Key aspects</u></b>
Land commodification	<ul style="list-style-type: none"> <li>• Private property rights conditioned on economic use of land through “<i>afectación</i>”</li> <li>• Private property rights explicitly shielded through “<i>inafectabilidad</i>”</li> <li>• Proscription of semi-feudal practices (e.g. <i>huasipungo</i>)</li> <li>• Proliferation of private property titles</li> <li>• Bolstering of rural cadastres</li> <li>• Punitive measures to protect against land invasions and occupations</li> </ul>
Land decommodification	<ul style="list-style-type: none"> <li>• Redistribution of land already incorporated into the reform sector</li> <li>• Redistribution of unproductive land (e.g. <i>páramo</i>)</li> <li>• Redistribution of land in areas of “great demographic pressure”</li> <li>• Maximum and minimum limits on sizes of redistributed land: none</li> <li>• Maximum size of landholdings: none</li> <li>• Minimum size of landholdings: none</li> <li>• Transfer and division of landholdings: i) regulation of peasant and reform sectors and ii) regulation of division of rural landholdings</li> <li>• Monopolisation restrictions: weak and undefined</li> </ul>
<p>Source: My own elaboration based on <i>Ley de Reforma Agraria</i>, RO 877, 18 July 1979, <i>Ley de Fomento y Desarrollo Agropecuario</i>, RO 792, 15 March 1979; Decree 144, RO 48, 30 July 1981; Decree 1081, RO 304, 11 August 1982.</p>	

To sum up, the LRA-LFDA continued to promote the commodification and decommodification of land but the balance between the two was tipped even further towards commodification (see Table 7.1 above). The legislative changes reduced the spaces open for indigenous families and communities to secure land



which provided fresh incentive for indigenous movements to attempt to transform land reform.

The next section sketches the organisation base from which indigenous peoples engaged in this struggle. Indigenous and peasant attempts to transform agrarian reform under structural adjustment and neoliberalism are then examined.

#### **4. The evolution of the indigenous countermovement**

The communal base of the indigenous countermovement continued to expand in the 1980s and 1990s. Between 1979 and 1992, the number of registered communities in the highland region increased by 291, taking the total number to 1,574. (Zamosc 1995 pp. 90-94) Zamosc indicates the growth of communities was strongest in regions with high indigenous population densities, continuing the pattern that emerged in the 1960s and 1970s (see Figure 7.1 below).<sup>192</sup> While the number of registered communities continued to grow, communities faced numerous challenges. The scarcity of land; the acceleration of migration; the introduction of new cultural practices; the widening of income and wealth disparities between individuals and families; and, the emergence or strengthening of alternative forms of organisation (e.g. associations) presented serious challenges.<sup>193</sup> Yet, as illustrated by the 1990 and 1994 *levantamientos* (Section 5 below), communities continued to provide a powerful base from which to challenge commodification.

The proliferation of communities continued to support the scaling-up of indigenous organisation. The return to democracy provided additional impetus as state repression decreased and the opportunities to organise increased. Sánchez-Parga reports the existence of seventy-five second-grade and provincial indigenous and peasant organisations in the sierra in the late 1980s. (1989 pp. 249-68) The prevalence of the organisations varied across the region. The provinces with the highest concentration were Chimborazo, Cotopaxi, Imbabura, and Tungurahua, indicating a positive relationship with the distribution of communities. It was in the 1980s that many of the provincial indigenous

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<sup>192</sup> The data refer to the number of registered communities in each province not the actual number of communities that existed.

<sup>193</sup> See Martínez (1992a; 2002a) and Navas (1998).

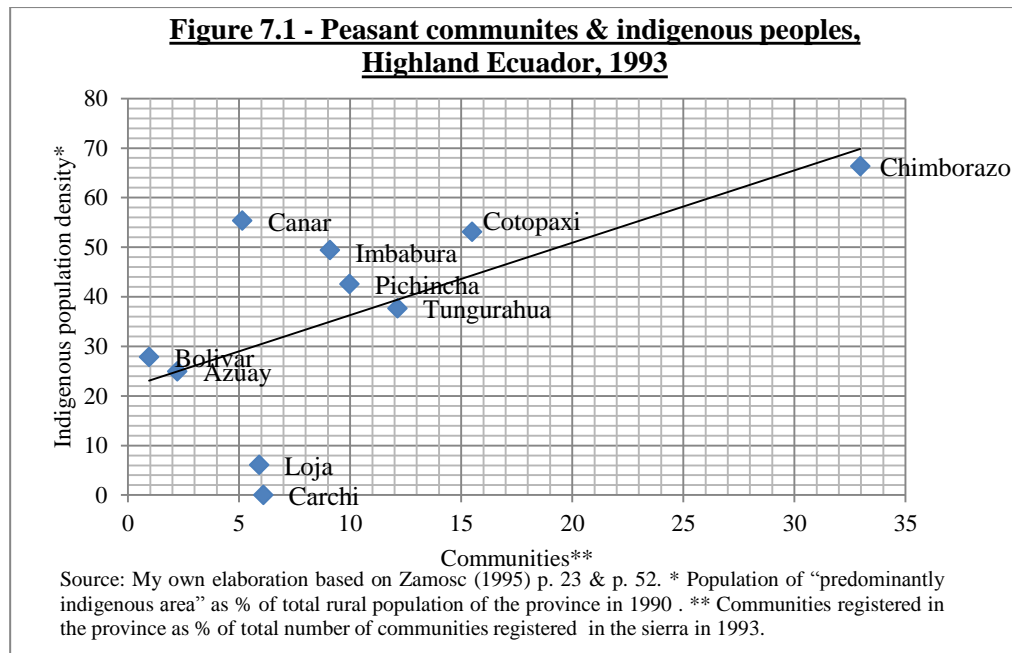
organisations that started to take shape in the 1970s became fully formed (e.g. *Movimiento Indígena y Campesino de Cotopaxi* (MICC), *Confederación del Movimiento Indígena de Chimborazo* (COMICH)).<sup>194</sup> (Interview 9) (MICC 2003) The shift from land reform to integrated rural development saw the state step-up its efforts to establish links with the second-grade and provincial indigenous organisations. For example, according to Sánchez-Parga, the *Unión de Comunidades para el Desarrollo* (Imbabura), *Unión de Organizaciones Campesinas del Norte de Tungurahua* (Tungurahua), *Unión de Organizaciones de Penipe* (Chimborazo), and *Federación de Comunidades de Pungala* (Chimborazo) were established – or restructured - to facilitate the delivery of rural development projects. (1989 pp. 249-68) The policy shift contributed to the development of indigenous organisations with diverse ideologies, strategies, and objectives at the local level.<sup>195</sup> Rivalries between organisations affiliated with different indigenous and peasant movements also caused divisions at the local level in some cases. For instance, in the southern highland canton of Saraguro the *Federación Interprovincial de Indígenas Saraguros* (FISS), which emerged in the 1960s and 1970s, was affiliated with FENOC-I while the *Coordinadora de Organizaciones del Pueblo Kichwa de Saraguro* (CORPUKIS), which developed in the 1980s, was linked to CONAIE (via Ecuarunari).<sup>196</sup> Illustrating the lack of influence some *cabildos* were able to exert over community members, the division between the two organisations was evident within communities, with some families supporting the FIIS and others following the CORPUKIS. (Interview 7) While the two organisations cooperated on certain issues, they were “often critical of or even hostile to each other”. (Macas *et al.* 2003 pp. 226-7)

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<sup>194</sup> For insights into the evolution of second-grade and provincial indigenous organisations in the 1980s and 1990s see Korovkin (1997), Bebbington and Perrault (1999), MICC (2003), Bebbington (2004), Huarcaya (2012), and Cervone (2012).

<sup>195</sup> See, for example, Bebbington (1992) pp. 21-22 and Korovkin (1997) pp. 40-2.

<sup>196</sup> FENOC changed its name in 1988 to the *Federación Nacional de Organizaciones Campesinas-Indígenas* (FENOC-I) then again in 1999 to the *Confederación de Organizaciones Campesinas, Indígenas y Negras* (FENOCIN).



The same was broadly true at the regional and national levels. The *Confederación de las Nacionalidades Indígenas del Ecuador* (CONAIE) integrated the three principal indigenous movements of the coast (COICE), sierra (Ecuadorunari), and oriente (COFENIAE) into one national – or plurinational – movement when it was established in 1986. The movement, which was estimated to represent around 70% of the national indigenous population in the late 1980s, became a powerful voice for indigenous concerns. (Andolina *et al.* 2009 p. 28) The rise of the CONAIE limited the influence of the FENOC-I. Nevertheless, the peasant movement continued to perform important roles in land struggles at the local and national levels. (Zamosc 1994 pp. 47-8) (Becker 2008 pp. 158-9) (Huarcaya 2012 pp. 240-2) The CONAIE and FENOC-I collaborated on certain issues but divisions between them precluded the development of a durable national indigenous-peasant movement which, as will be explained below, ultimately facilitated the efforts of the governments of the 1980s and 1990s to end land reform.

Alliances continued to perform an important role in the operation of the indigenous countermovement in the 1980s and 1990s. CONAIE integrated Ecuadorunari into a national indigenous movement and strengthened the links between highland and lowland indigenous organisations and movements. Building on the changes that occurred in highlands in the 1960s and 1970s, the scaling-up of indigenous organisation at the national level supported the

strengthening of indigenous identity. Through this process, as Yashar notes, “indigenous people developed ethnic identities that referred not only to their local Indian communities but also to a more transcommunity indigenous identification.”<sup>197</sup> (2006 p. 203) The tighter links the highland indigenous movement established with the lowland indigenous movement supported its efforts to transform land reform as issues related to land were also of central importance to lowland indigenous peoples, especially in the Amazonian region where colonisation had caused widespread social dislocation and environmental degradation.<sup>198</sup> While land performed different economic, cultural and social functions for highland and lowland indigenous peoples, the demands of highland and lowland indigenous movements converged on certain issues (e.g. the protection of communal land). CONAIE also provided a stronger platform for indigenous organisations and movements to establish transnational alliances with indigenous and peasant movements, NGOs, and international development agencies. (Jackson & Warren 2005 pp. 551-3) (Yashar 2006 pp. 203-4) (Andolina *et al.* 2009 pp. 31-35) However, reflecting the change in direction of agrarian policies from the late 1970s onwards, the work of NGOs and international development agencies was primarily geared towards rural development rather than land reform. The same was broadly true of religious activists and organisations, even if some continued to support the efforts of indigenous families and communities to resolve land disputes and secure land. Leftist political parties (e.g. the MPD) were more inclined to challenge issues related to economic and political power. However, while leftist parties supported indigenous and peasant attempts to transform land reform, they lacked the political power to influence the legislature (see Section 2). Trade unions also continued to support the efforts of indigenous and peasant movements to force the state to expand the regulative and redistributive dimensions of land reform. But the organised labour movement weakened in the 1980s and 1990s as unemployment and informal employment increased.

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<sup>197</sup> Lentz describes an analogous process in which “the awareness of belonging to a group ‘*nosotros*’ [‘us’], which was initially defined at the local level, has transformed into a feeling of belonging to a large community of indigenous peoples.” (2000 p. 226)

<sup>198</sup> See Rudel (1993), Perrault (2003) and Sawyer (1997; 2004).

To sum up, building on the platform established in the 1960s and 1970s, the indigenous countermovement continued to strengthen in the 1980s and 1990s. The formation of CONAIE in 1986 provided a powerful platform for indigenous peoples to challenge the elite and the state. However, the scaling-up of indigenous organisation was not without strains and tensions. Rivalries between the CONAIE and FENOC-I were evident at the local and national levels while the move to integrated rural development contributed to the emergence of second-grade indigenous organisations with distinct ideologies and objectives.

The next section examines the attempt of the countermovement to transform land reform under structural adjustment and neoliberalism, concentrating on the indigenous-peasant proposal tabled in 1993 and the introduction of *Ley de Desarrollo Agrario* in 1994.

## **5. Indigenous and peasant efforts to transform land reform**

The return to democracy created space for indigenous movements to demand the regulation of land markets, the expansion of land redistribution, and the participation of indigenous and peasant involvement in the implementation of land reform. The situation confronting the bulk of the highland indigenous population provided a powerful incentive for indigenous movements to continue the struggle for land reform.

“Our fundamental problem is that the majority of us have a small parcel of land that does not yield enough to support our families nor satisfy our most basic needs. If our parents or we were able to secure a *huasipungo* or plot of land, we or our children do not even have a *puñado* [handful] of land. This obligates us to work for a low salary, temporarily in some cases; permanent in others...What land are we going to leave our children? None! We cannot divide our land anymore.” (Ecuadorunari 1984 p. 16)

With the spectre of the military returning to power looming, indigenous movements stopped short of launching a “decisive action for the fight for land” in the early 1980s. (Ecuadorunari 1984 p. 13) However, efforts were made to force the Roldós-Hurtado government along the path of radical reform. Indigenous, peasant, and leftist organisations called for the repeal of the LFDA in 1979 but

the correlation of forces within Congress provided them with little hope of overturning the law. (Barsky 1988 pp. 280-1) (Ecuadorunari 2012 p. 6) Ecuadorunari and FENOC then organised a 10,000 people strong mobilisation in Quito in 1980 to raise pressure on the government and convened the *Primer Encuentro Nacional Campesino Indígena* in 1982 to demand “agrarian reform with peasant control”. (Becker 2008 p. 164) (Ecuadorunari 2012 p. 8-9) Shortly afterwards Ecuadorunari called for “a real redistribution of land that ends the monopoly of the few and redistributes land to us in associative and collective form without cost.” (Ecuadorunari 1984 p. 17) The movement also declared “we must demand that the sizes of landholdings are limited.” (Ecuadorunari 1984 p. 17) However, despite committing to continue agrarian reform “under existing legislation”, the Roldós-Hurtado government moved in the opposite direction and introduced legislative changes which provided greater protection for private property rights (see Section 3 above). (Schodt 1987 pp. 138) (Barsky 1988 pp. 284-7)

### **5.1. The 1990 levantamiento and the (re) opening of the land reform debate**

The spaces for the indigenous movements to demand comprehensive land reform narrowed in the mid-1980s as the conservative Febres Cordero government pursued an overtly pro-business agenda and supported the efforts of landowning elites to repress peasant demands. (Rosero 1990) (Dubly & Granda 1991) The pledge of the incoming centre-left president, Rodrigo Borja, to tackle agrarian issues raised hope among the indigenous and peasant population but his government failed to act decisively on agrarian reform. (Rosero 1990) (Cervone 2012) Decades of frustration, suffering, and resistance came to a head in in May and June 1990 when CONAIE spearheaded a *levantamiento* which crippled the highlands and rocked the state and the elite.<sup>199</sup>

The mobilisation comprised two interrelated stages. The first phase involved the occupation of the iconic Santo Domingo Church in Quito by approximately two hundred indigenous peasants from various highland provinces. (El Comercio 31/05/1990 p. A-1) The protestors demanded “the resolution of land conflicts, the end of repression, evictions, and the persecution of peasant

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<sup>199</sup> See Chapter 2 for a list of studies on the 1990 *levantamiento*.

organisations, the cancellation of peasant debts with FODERUMA, and the dismissal of the functionaries of the CRA who have distributed land in favour of landowning elites.” (Hoy 30/05/1990 p. 7A) (El Comercio 31/05/1990 p. A-1) Two days into the occupation the Borja government asked the protestors to leave the church in order to start negotiations but they refused as “their demands had not been attended to on similar occasions” and they had “forever been deceived” by the state. (El Comercio 01/06/1990 p. A-1) The occupation, which included hunger strikes, lasted several days. The second phase involved the blocking of roads and the staging of protests across the highland region. (Hoy 05/06/1990 p. 1 & p. 8) (El Comercio 05/06/1990 p. A-1) (El Comercio 08/06/1990 p. A-1) The communal base of the highland indigenous movement, as Zamosc notes, performed a pivotal role in the mobilisation.

“The overriding point is that it was primarily the community-based local and regional organizations that took the initiative and coordinated popular participation”. (1994 p. 53)

Baltazar Umajinga, one of the founders of the second-grade indigenous organisation *Unión de Cabildos de Zumbahua* (UNOCIZ) and president of the *Movimiento Indígena y Campesina de Cotopaxi* (MICC), also highlights the crucial role local-level indigenous organisations performed in organising the mobilisation: “The planning of the uprising lasted one month...we worked hard communicating between the communities.” (Quoted in MICC 2003 pp. 82-3) The fact the uprising was driven by the bases of the indigenous movement indicates the severity of the situation most indigenous families and communities faced.

The widening of the uprising was accompanied by the broadening of the demands of the protestors. CONAIE made sixteen demands which included the redistribution and legalisation of land in “*forma gratuita*”; the cancellation of debts with state agencies; and, the recognition of Ecuador as a plurinational state. The indigenous movement also demanded the resolution of a number of land conflicts (the conflicts are examined in Chapter 8). (El Comercio (19/06/1990) p. A-5) (Hoy 05/06/1990 p. A8) (Navarro *et al.* 1996 p. 279) According to Martínez “the problem of the land” was the “central point of

conflict”.<sup>200</sup> (1992b p. 74) Zamosc, by contrast, posits structural adjustment and economic conditions as the principal factors behind the *levantamiento*.

“The connection is unmistakable. In content, the 1990 *levantamiento* paralleled what appeared in other Latin American countries as “IMF riots”, a display of popular protest induced by the profound impact of the economic slump and adjustment policies of the 1980s. The shock was particularly painful in the Ecuadorian Sierra because the reforms of the 1970s had improved the situation of the peasants somewhat”.<sup>201</sup> (1994 pp. 52-3)

Zamosc is right to draw attention to the impact of structural adjustment on indigenous families and communities. The macroeconomic downturn of the 1980s exacerbated the precariousness of the lives of the bulk of the rural indigenous population as unemployment increased, real wages plunged, prices escalated, and consumer demand slumped. Reducing the *levantamiento* to an “IMF riot” is problematic, however, as it understates the “offensive” character of the uprising i.e. collective action orientated towards creating laws, policies, and institutions that have never been established (see Chapter 1). The demand to create a plurinational state was a clear indication of this dimension of the mobilisation. The lands conflicts at the heart of uprising were also rooted in the basic failings of land reform (see Chapter 8). Events in the wake of the 1990 *levantamiento* provide a clearer indication of the offensive character of indigenous mobilisations in the 1990s. The next section briefly examines landowning elite responses to the 1990 *levantamiento*. The land reform proposal indigenous and peasant movements presented in the wake of the mobilisation is then examined.

## **5.2. Elite attacks on land reform in the wake of the 1990 *levantamiento***

Echoing earlier periods of heightened indigenous-peasant mobilisation (e.g. 1960-63, 1970-73), landowning elites responded to the escalation of indigenous mobilisation by intensifying their attacks on land reform. A report published in

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<sup>200</sup> The importance of land to the uprising is highlighted by numerous other studies (see Chapter 2)

<sup>201</sup> See Walton ([1989] 2001) for details of IMF-related protests in Latin America in the 1970s and 1980s.



*El Comercio* the day before the start of the 1990 *levantamiento* shows the campaign against land reform was underway before the outbreak of the uprising. Under the heading *Agrarian Reform Has Obstructed Rational Production* the article declared:

“The legal situation of the agricultural landowner is fragile and uncertain...the idea that land should be redistributed among peasants remains in the minds of technicians and planners. The thesis of land redistribution persists which induces a permanent social demand for the appropriation of land under the premise of unjust distribution”.  
(*El Comercio* 28/05/1990 p. A-10)

The campaign against agrarian reform and the defence of private property intensified as the *levantamiento* spread. In an open letter to Rodrigo Borja entitled *In Defence of Private Property and Agricultural Production*, the *Cámaras de Agricultura de la Primera Zona* declared:

“The agricultural producers of Highland Ecuador...request that the national government urgently and energetically enforce the law to re-establish legal normality in the country...Without security over investment and respect for private property no-one can dedicate their daily activities to the production of food, contributing to the decline of inflation and the betterment of the lives of all Ecuadorians.” (*El Comercio* 08/06/1990 p. B-9)

The initial declarations of the *Cámaras de Agricultura* in defence of private property and capitalist agricultural production were followed by more emphatic demands to bring land reform to a close. Indicating the important role the wider network of the *Cámaras de Producción* performed in the offensive, the *Cámara de Industriales de Pichincha* announced:

“While the latent process of agrarian reform persists the promotion of a real rural development with modern production enterprises and the development of agroindustry is not possible...the time has arrived to end the process of agrarian reform.” (*El Comercio* 13/06/1990 p. A-9)

Calls to dismantle land reform were supported by the spread of myths about the reform and the misrepresentation of indigenous demands. Writing a series of opinion pieces in *El Comercio*, Alejandro Carrión, long-term critic of Ecuadorian land reform, was at the forefront of this effort. Responding to CONAIE's demand for the free redistribution and legalisation of land to indigenous peoples, Carrión incorrectly asserted:

“The ‘free distribution of land’ has been undertaken by all governments since the promulgation of the *Ley de Reforma Agraria*, the liquidation of *huasipungo*, the expropriation and the reversion of privately owned land that has been transferred to people, communities and peasant cooperatives.” (El Comercio 19/06/1990 p. A-4)

Manipulating and misrepresenting CONAIE's demands, Carrión also attempted to use the *levantamiento* to widen ethnic divisions and weaken support for indigenous protestors by denouncing the “the racist affirmations of ‘only the *indios* have rights to land’ in a republic in which the constitution grants that right to all Ecuadorians and not only those who belong to the aboriginal race.” (El Comercio 11/06/1990 p. A-4) The influence landowning elites were able to exert over mainstream media continued to provide a valuable weapon in their attacks against the redistribution and regulation of land.

One of the paradoxical effects of the 1990 *levantamiento* was thus to create a platform for landowning elites and agroindustrialists to exert greater pressure on the state to end land reform. Crucially, in contrast to earlier periods of heightened indigenous-peasant mobilisation, the current of mainstream economic ideas flowed unequivocally in the same direction, with the “neoliberal consensus” calling for the removal of market restrictions, the reduced involvement of the state in the economic sphere, and the expansion of the role of the private sector in directing economic change. Within a wider policy framework orientated towards agroindustrial production, market liberalisation, and foreign direct investment, the economic case for land reform had become difficult to sustain. Whereas reform had provided a mechanism for the state to accelerate capitalist modernisation in the 1960s and 1970s, it had become an impediment to capitalist upgrading in the 1980s and 1990s.

The conservative Durán Ballén (1992-96) government and the correlation of forces within the legislature provided landowning and agroindustrial elites with a favourable political environment to escalate their attempts to end agrarian reform and liberalise the agriculture sector. (FAO 1995 p. 25) (Bretón 1997 p. 68) (Sawyer 2004 pp. 152-8) (Zamosc 2005 pp. 195-7) Mirroring earlier periods of heightened agrarian debate and conflict, albeit under very different conditions, various draft agrarian laws were tabled between 1992 and 1994, including proposals advanced by *Instituto de Estrategias Agropecuarias* (IDEA), a think tank linked to the *Cámaras de Agricultura* and USAID, the Executive branch of the Durán Ballén government, and the *Coordinadora Agraria Nacional* (CAN), a network of indigenous-peasant organisations spearheaded by the CONAIE.<sup>202</sup>

### **5.3. The Coordinadora Agraria Nacional (CAN): the indigenous-peasant positive programme**

The CAN advanced the indigenous-peasant vision of agrarian reform. Following a nation-wide consultation with agricultural producers and organisations, the CAN submitted its proposal - *Ley Agraria Integral del Ecuador* – to Congress in June 1993, with the support of the MPD. (CAN 1993a; 1993b) Coming twenty years after the FURA attempted to force the Rodríguez Lara military government along the path of radical agrarian reform, the CAN proposal was the next meaningful attempt of indigenous and peasant movements to increase the regulation, redistribution, and social control of land. The proposal responded to three basic factors: i) the continuation and intensification of the agrarian crisis; ii) the deficiencies of the existing and pre-existing agrarian reform and rural development framework; and, iii) the efforts of landowning elites to end land reform and liberalise the agriculture sector.

The proposal was far-reaching and wide-ranging, including provisions linked to the environment, water, food sovereignty, credit, technical assistance and the redistribution and regulation of land (see also Table 7.3 below).<sup>203</sup> (CAN 1993a) It recognised the role of the state in the regulation and redistribution of land but

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<sup>202</sup> The CAN included a number of indigenous and peasant organisations, including the FENOC-I and the near-defunct FEI, but was dominated by the CONAIE.

<sup>203</sup> This section is limited to the analysis of the aspects of the proposal that relate to the use, control, and distribution of land. The proposal includes many other important and interesting dimensions, the majority of which resonate with Polanyi's thinking.

also aimed to create space for the genuine participation of a broad group of social actors in the direction and application of land reform. The overriding orientation of the proposal was indicated in the preamble which declared “organised rural civil society should perform a lead role in putting the *Ley Agraria* into motion” and “the state should perform a very specific function: administer the law in a fair, agile, and appropriate manner.” (1993a p. 2) The roles the state and society were expected to perform in regulating the use, control and distribution of land were based on the belief that “the market does not have the capacity to rationalise access to land in Ecuador”. (1993a p. 2) Echoing Polanyi, the programme recognised a role for the market in the rural economy but one that was subject to social and political control. Hence it was in almost direct opposition to the market-based land reform model promoted by the World Bank.<sup>204</sup>

The CAN aimed to create a new bureaucratic structure which provided space for indigenous and peasant engagement in the implementation of land reform. (Arts. 3-11 1993a) The programme proposed the inclusion of one indigenous representative, one peasant representative, and one representative of the *Cámaras de Agricultura* within the *Comisión Técnica-Consultora* (CTC), the institution charged with the task of evaluating expropriation claims and establishing the price of redistributed land. (Arts. 11 & 48 1993a) In addition, representatives of indigenous and peasant organisations and movements were also assigned a prominent role in the selection of the *Director Ejecutivo* of the *Instituto Ecuatoriano de Reforma Agraria* (IERA) – the new agrarian reform institute the programme aimed to establish. The *Director Ejecutivo* was to be responsible for directing agrarian reform and establishing and overseeing the regional branches of the IERA. The call for the inclusion of indigenous representatives within the IERA connected with the initial efforts of the indigenous movement to establish a plurinational state in Ecuador, following the tabling of the demand at the 1990 *levantamiento*. The proposal was therefore part of a wider project to transform the state and the relationship between the state and society.

The IERA was expected to fulfil three basic functions: 1) expedite changes in the ownership of land; 2) adjudicate and legalise land in favour of indigenous

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<sup>204</sup> On market-based land reform see Deininger & Binswanger (1999), World Bank (2003) and Borras *et al.* ([2008] 2011).

communities and indigenous and peasant organisations; and, 3) accelerate agrarian reform and rural development. (Art. 5 1993a) Cognizant of the lack of resources IERAC had received from 1964 onwards (see Chapter 2), the CAN established very clear guidelines for financing the IERA, including the redirection of revenues secured from oil and mining and foreign direct investment. (Arts. 17 & 18 1993a) Recognising the growing number of international agencies that had emerged in the 1980s and 1990s to promote indigenous issues, the programme also explicitly permitted the IERA to reach agreements with overseas institutions to raise additional funds.

Establishing clear revenues streams was particularly important as the programme assigned the IERA and the state with central roles in financing land redistribution. The guidelines the programme proposed were a radical departure with previous frameworks. Reflecting the high economic cost indigenous families and communities had to pay to secure land through land reform (see Chapters 5 and 8), the proposal stipulated that 90% of the price of the adjudicated land be covered by the state and 10% by the recipients.<sup>205</sup> (Art. 43 1993a) The owner of the expropriated land was entitled to receive cash payment based on the current cadastral value and the price negotiated through the CTC. (Arts. 28 & 29 1993a) The economic burden of redistribution was therefore expected to fall primarily on the state rather than the recipient.

Whereas the conditions the proposal established for the financing of redistribution were novel, the provisions the programme provided for the expropriation of land were taken from the LRA. (Arts. 19-27 1993a) Hence the primary grounds for expropriation were the “inefficient” and “underutilisation” of land, the indirect management of the landholding, the use of “precarious” tenure arrangements, and the existence of “great demographic pressure”. Private property rights were conditioned on the economic use of land via “*afectación*”. The clearest rupture with the existing framework was the omission of articles related to “*inafectabilidad*” which were used in the 1980s and 1990s to shield the private property rights of landowning elites and capitalist enterprises (see Chapter 8). In short, the programme included similar grounds for expropriation

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<sup>205</sup> Indicating the link between the 1990 *levantamiento* and the CAN, the CONAIE and the Borja government discussed the possibility of the state covering a proportion of the price of redistributed land in the aftermath of the uprising. (Navarro *et al.* 1996 p. 28)

as the LRA but increased the likelihood of expropriation materialising by bolstering the economic capacity of the IERA and increasing the influence of indigenous and peasant organisations within land reform agencies. Moreover, the bulk of the cost of redistribution was expected to be shouldered by the state rather than the beneficiary.

In addition to attempting to expand the redistributive reach of agrarian reform, the CAN proposal also aimed to tighten restrictions on the distribution of land and the operation and reach of land markets. The transfer of *minifundia* was prohibited other than to neighbours, family members, or co-owners; the division of land under 10 hectares was restricted; and, the fragmentation of *páramos*, land redistributed via the IERA, and land owned by cooperatives and associations was forbidden. (Arts. 33-9 1993a) Explicit recognition of traditional customs and practices was also included within the proposal. (Arts. 106-14 1993a) For instance, the programme stipulated the usufruct of land was not for “one moment” equivalent to the acquisition of land and the “alienation” of communal land was proscribed. (Arts. 112-3 1993a) Clear preference for the redistribution of land to indigenous and peasant communities and organisations rather than to individuals was also expressed. (Arts. 40-2 1993a) The CAN therefore aimed to put in place measures orientated towards protecting and increasing communal control of land.

While the CAN proposal provided a basis to increase the regulation, redistribution and social control of land, the proposal was limited in a number of areas. The political and economic environment the CAN emerged within clearly limited the ambition of the proposal. With the neoliberal orthodoxy being broadly, if not wholeheartedly, supported by right-wing and centre-left political parties in Ecuador as well as the bulk of international agencies and overseas governments, the potential for the CAN securing political support for a radical land reform programme was limited. The CAN seemingly attempted to make the proposal more palatable to a wider audience by employing language which chimed with the neoliberal orthodoxy and utilising aspects of previous or existing agrarian reform laws. The former was in evidence in the preamble which “emphasised the need to modernise peasant economies” and convert peasant producers into “dynamic actors of development”. (1993a pp. 1-2) The

latter was reflected in the expropriation clauses, the absence of limits on the size of landholdings, and the lack of meaningful restrictions on the ownership of land.

To sum up, the CAN proposal was a clear break with the existing and pre-existing land reform framework. Exhibiting broad continuity with the FURA proposal of the early 1970s, the programme aimed to increase the regulation of land markets, expand the redistribution of land, increase communal control of land, and create genuine space for the participation of indigenous and peasant organisations in the agencies responsible for regulating and redistributing land. The CAN therefore aimed to tip the balance of land reform firmly towards decommodification.

#### **5.4. The 1994 levantamiento and the contested end of land reform**

Presented with a programme that represented the interests of indigenous and peasant families and communities (i.e. the CAN proposal), the conservative Durán Ballén government (1992-96) elected to advance an agrarian bill that promoted the interests of landowning elites, national capitalist enterprises, and transnational corporations.<sup>206</sup> (Hoy 13/05/1994 p. A-4) (Waters 1995 pp. 7-8) (FAO 1995 pp. 76-7) (Sawyer 1997 pp. 291-302) (Sawyer 2004 pp. 152-209) Drawing inspiration from the proposal developed by the IDEA, the executive branch of the government sent its agrarian development proposal – the *Ley de Ordenamiento del Sector Agrario* - to Congress as a matter of urgency in early May 1994. (Hoy 06/05/1994 p. A-6) (Hoy 17/05/1994 p. A-5)

The decision of the Durán Ballén administration to promote a law that was the antithesis of the CAN proposal prompted CONAIE to reject the law and demand Congress “study and approve” the CAN programme. (Hoy 06/05/1994 p. A-6) (Sawyer 2004 p. 154) In the event, the executive proposal was rejected by Congress but voting was driven by political infighting between factions of the right rather than concern over issues raised by the CONAIE (see Section 2 above). The original executive proposal provided the basis for the hastily redrafted law – the *Ley de Desarrollo Agrario (LDA)* – which was approved by

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<sup>206</sup> See Treakle (1998) for insight into the external pressure exerted on the government. See also Chapter 2.

Congress in early June. (El Comercio 03/06/1994 p. A-1 & 04/06/1994 p. A-1) The legislation was understandably well received by the president of the *Cámaras de Agricultura*, Hernán Fernández de Córdova, who declared the law “contains what the business, indigenous and coastal peasant agricultural sectors hoped for and responds to the aspiration of everyone involved in the ownership of land, security and investment.” (El Comercio 04/06/1994 p. A-1) The leadership of CONAIE adopted the opposite position. Luis Macas, the charismatic president of the movement, claimed the legislation would lead to the “monopolisation of land in the hands of a few” and demanded Sixto Durán Ballén veto the law. (El Comercio 04/06/1994 p. A-1 & p. 3) The CONAIE then held a meeting in the central highland city of Riobamba to discuss what action the movement would take if the president approved the legislation. (El Comercio 09/06/1994 p. A-1) Raising the spectre of another indigenous *levantamiento*, Luis Macas proclaimed:

“We are not going to remain with our arms crossed, knelt on our knees, we will demonstrate our capacity to fight.” (El Comercio 09/06/1994 p. A-1)

The possibility of the CONAIE launching another uprising was not enough to deter Sixto Durán Ballén from approving the LDA in mid-June. (El Comercio, 14/06/1994 p. A-1) (RO 461 1994) CONAIE’s reaction was twofold: i) register a formal complaint with the *Tribunal de Garantías Constitucionales* (TGC)<sup>207</sup> and ii) launch a nationwide *levantamiento* – the “*Movilización por la Vida*” - which swept across the highland and Amazonian regions of the country in late June. (El Comercio 15/06/1994 p. A-1 & B-5) (El Comercio 24/06/1994 p. A-1) (Hoy 24/06/1994 p. A-1) (Guerrero 1996 pp. 13-17) (MICC 2003 pp. 91-2) (Zamosc 2005 pp. 195-9)

The twin-pronged attack forced the Durán Ballén government to negotiate with the CONAIE and other indigenous movements over the content of the LDA. The negotiations, which took place within a commission formed by the

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<sup>207</sup> The TGC declared the LDA unconstitutional in late June 1994 on the grounds the rapid drafting of the law had broken political conventions (i.e. not because of the content of the law). (El Comercio 24/06/1994 p. A-1) (Hoy (24/06/1994 p. A-1) The Supreme Court of Justice overturned the TGC decision in late July 1994, providing a constitutional basis for the revised version of the LDA which was passed into law some days later. (El Comercio 27/07/1994 p. A-1) (Sawyer 1997 p. 305)



government, lasted more than two weeks and included the president, various branches of the state, representatives of the Catholic Church, indigenous and peasant movements (e.g. CONAIE, FENOC-I) and *Cámaras de Agricultura*.<sup>208</sup> (El Comercio 27/06/1994 p. A-1) (Hoy 27/06/1994 p. A-1) (Waters 1995 pp. 8-9) (Guerrero 1996 p. 36) The government and the CONAIE started from distinct negotiating positions: the former offered to reform the LDA through the issuance of supplementary legislation while the latter demanded the legislation be repealed and a new law that took into account the CAN proposal be drafted. (El Comercio 22/06/1994 p. A-7) (Guerrero 1996 p. 15) (García 2003 p. 205)

The government employed the familiar tactics of “divide and rule” to weaken CONAIE’s position and create divisions within the CAN. Sixto Durán Ballén spoke directly with leaders of FENOC-I before the start of the official negotiations and convinced them to support his proposal to reform rather than repeal the law. (El Comercio 22/06/1994 p. A-7) (Hoy 22/06/1994 p. A-6) (Sawyer 2004 p. 185) Hence the government was able to exploit the divisions that had been apparent within the wider indigenous and peasant movement since the formation of Ecuarrunari and the radicalisation of FENOC in the early 1970s (see Chapter 4). Splintering the principal organisations integrated into the CAN enabled the president to declare that “the whole world is not in agreement with the CONAIE” and strengthen his attempt to use the LDA as the foundation for the revised legal framework. (Hoy 22/06/1994 p. A-6) Issuing a veiled threat of military force, the president achieved his objective and the commission began to revise the law in late June. (Sawyer 1997 pp. 351-2) Once the parameters of the negotiations had been established, the commission worked through the legislation article by article and chapter by chapter.<sup>209</sup> (El Comercio, 13/07/94 p. A-1) The revised version of the LDA was then resubmitted to Congress and passed into law in August 1994. (El Comercio 30/07/1994 p. A-1) (RO 504 1994)

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<sup>208</sup> Both CONAIE and FENOC-I complained that the composition of the commission was unevenly weighted towards the government with more than twenty state officials and only a handful of indigenous and peasant representatives. (El Comercio 28/06/1994 p. A-1) (Hoy 28/06/1994 p. A-1) See Sawyer (1997 pp. 348-52).

<sup>209</sup> On the negotiations see Guerrero (1996) and Sawyer (1997; 2004).

**Table 7.2 – Overview of principal changes to the  
Ley de Desarrollo Agrario, June-July 1994**

<u>Dimension</u>	<u>Article*</u>	<u>Revision/addition</u>	<u>Example*</u>
Objective of law	2	Revised to include elements related to food sovereignty & environmental protection.	“...guarantee to feed all Ecuadorians ...within a framework of sustainable management of natural resources”.
Agrarian policies	3	Amended to include i) increased protection for communal property; ii) recognition of the right of indigenous, <i>montubios</i> & <i>afroecuatorianos</i> to increase their income through agricultural production; and iii) explicit reference to agrarian reform.	“...the perfection of agrarian reform, providing credit, technical assistance & protection to those who were beneficiaries [of agrarian reform] & to those who access land in the future through the application of this law.”
Social function of land	20	Modified to include reference to food sovereignty.	“...land performs its social function when...it guarantees to feed all Ecuadorians”.
Land invasions & occupations	23 & 31	Amended to reduce role of INDA in the involvement of the investigation & denouncement of land invasions & occupations.	“...in the case of invasions & occupations of land the dispositions included in the Constitution of the Republic & other relevant laws will be applied.”
Communities & communal-owned land	24	Revised to i) increase the proportion of community members required to divide communal land and/or convert communities into alternative forms of organisation from simple majority to two-thirds; and, ii) proscribe the fragmentation of <i>páramos</i> .	“...the division of <i>páramos</i> is prohibited”.
Expropriation of land	32	Augmented to include expropriation on grounds of “great demographic pressure” & modified to reduce unused periods from three to two years.	“...privately owned land can be expropriated...when the landholding is subject to great demographic pressure”.
Water use & control	42-46	Modified to restrict the possible privatisation of water.	“...water is a national resource of public use & as such is inalienable.”
Source: My own elaboration based on RO 461 (1994) & RO 55 (1997). * Article (s) & passage of revised law.			

Table 7.2 (above) summarises the principal revisions brought about through the negotiation process.<sup>210</sup> The table shows that indigenous and peasant negotiators were able to force a significant number of revisions. Echoing the CAN proposal, the changes related to two broad areas: 1) the protection of communal resources (e.g. Arts. 24 & 42-46) and 2) the commitment to agrarian reform (e.g. Arts. 3 & 32).

The most important change in relation to this investigation related to the division of communal land. While fragmentation was permitted, the threshold for communal approval was raised from a simple to a two-thirds majority. Moreover, the division of *páramos* was proscribed, which provided protection for the communal land indigenous communities had retained or secured under land reform. Nevertheless, as Bretón notes, the overriding orientation of the law remained firmly titled towards the liberalisation of agriculture and the “real fundamental differences were minimal”, particularly in relation to the use and distribution of land. (1997 pp. 71-2) (Sawyer 2004 pp. 208-9)

Comparing the LDA and the CAN proposal provides a clearer indication of the gap between the indigenous-peasant and state-elite visions of land reform and rural development. Waters claims:

“In essence, the mobilization showed that indigenous proposals for agrarian reform legislation emerged as the yardstick against which other proposals would be measured. The attempt by landowner associations, conservative politicians, and the government to bypass that proposal ultimately failed”. (1995 p. 15)

Yet, as Table 7.3 indicates, the approved version of the LDA was far removed from the CAN proposal in relation to the mechanisms it put in place to regulate and redistribute land.<sup>211</sup>

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<sup>210</sup> Emphasis is given in Table 7.2 to issues related to the use, distribution, and control of land.

<sup>211</sup> Table 7.3 also focuses on issues related to the use, distribution, and control of land. The other aspects of the law and proposal are not reported and compared.

**Table 7.3 – Comparative analysis of the Ley de Desarrollo Agrario and the CAN agrarian proposal, 1993-1994**

<b><u>No.</u></b>	<b><u>Dimension</u></b>	<b><u>CAN*</u></b>	<b><u>LDA**</u></b>
1	Role of market	Marginal & constrained	Central & expanded
2	Expropriation of land	Ten grounds including the expropriation of land due to “great demographic pressure”.	Four grounds including the expropriation of land which does not fulfil its “social” functions on the grounds of “great demographic pressure”.
3	Expropriation value	Based on current cadastral value plus investments.	Based on market value.
4	Payment for redistributed land	90% assumed by the state & 10% by recipient.	100% assumed by recipient.
5	Regulation of division & distribution of privately owned land	Division of landholdings less than 10 hectares restricted; authorisation to divide landholdings above 10 hectares; transfer of <i>minifundia</i> limited; & division of redistributed land proscribed.	None.
6	Regulation of communal land	Division of communal land prohibited.	Division of communal land permitted with two-thirds community approval except <i>páramo</i> & forest.
7	Indigenous-peasant involvement within agrarian reform/ development institute	Two indigenous & peasant representatives within <i>Comisión Técnica-Consultora</i> & indigenous & peasant influence over appointment of the <i>Director Ejecutivo</i> of the IERA.	Two indigenous, peasant, & <i>afroecuatoriano</i> representatives within <i>Consejo Superior</i> of INDA.
8	Financing of land reform/development institute	Revenues streams from i) oil & mining; ii) ecotourism; iii) import & export duties; & iv) foreign direct investment	No specific revenue streams stipulated.

Source: My own elaboration based on CAN (1993a), RO 524 (1994), & RO 55 (1997). \* *Proyecto de Ley Agraria Integral del Ecuador* (CAN 1993a) \*\* *Ley de Desarrollo Agrario* (RO 55 1997) & *Reglamento General de la Ley de Desarrollo Agrario* (RO 524 1994).

The starkest difference related to the role assigned to the market. In effect, the programmes started from opposite positions. Whereas the CAN proposed a marginal and constrained role for the market, the LDA promoted a central and enlarged function. The organisational composition of the IERA and the INDA also provides clear evidence of the fundamental differences between the two programmes. Though the LDA created space for indigenous and peasant representation within the INDA, the committee indigenous and peasant representatives were integrated into was vested with little power (see below). The CAN proposal, by contrast, placed indigenous and peasant representatives within the body charged with the task of establishing prices for expropriated land and influencing expropriation claims. Comparing the financing of the IERA and the INDA reveals additional differences. While the CAN proposal established clear and significant revenue streams for the financing of IERA, the LDA provided no clear sources of funding for INDA.

Briefly considering the commodification and decommodification dimensions of the LDA provides a further indication of the difference between the law and the CAN proposal.

Commodification was promoted in a variety of ways. First, the legislation emphatically and enthusiastically liberalised the market for privately owned land: “The sale and purchase and transfer of privately owned agricultural land are free and require the authorisation of no-one.” (Art. 35 RO 55 1997) While the change was significant, it was less radical than implied because of the failure of the IERAC to regulate the transfer and division of land under land reform. (FAO 1995 p. 77) Second, the legislation increased protection for private property rights by effectively ruling out the possibility of expropriation. The primary means through which this was achieved was the reduction and modification of the expropriation clauses, the dilution of the “social” functions of land, and the removal of the concept of *afectación*. (Arts. 20, 21 & 32 RO 55 1997) Third, following the policy proscriptions of international institutions in the 1980s and 1990s (e.g. World Bank), the law placed increased emphasis on land titling. (Arts. 26, 38 & 39 RO 55 1997) (Interview 15) Fourth, notwithstanding the important revisions introduced during the negotiations, the law opened the door to the fragmentation and commodification of communal land (excluding.

*páramo*).<sup>212</sup> (Art. 24 RO 55 1997) (Martínez 1998 pp. 180-1) (Navas 1998 pp. 190-5)

Decommodification was primarily limited to the regulation of communal land. The law eliminated the role of the state (via the IERAC) in regulating the transfer and division of privately owned land and effectively closed the state redistribution mechanism opened by the LRAC in 1964. While the “great demographic pressure” clause inserted into the final version of the legislation was similar to the article included in the LRA, as Bretón also notes, the clause was only applicable to land that failed to perform its “social” function. (Arts. 19-21 RO 55 1997) (Bretón 1997 p. 71) The vagueness of the “social” functions of land rendered the clause virtually meaningless. In the unlikely event a legal basis was established for the expropriation of privately owned land, the landowner was entitled to receive the “commercial value” in cash prior to expropriation, which placed further brakes on expropriation and provided additional assurances for landowning elites and capitalist enterprises. (Art. 33 RO 55 1997) (FAO 2002 p. 8) (Nieto 2004 p. 100)

The space the LDA created for representatives of indigenous and peasant organisations within the *Consejo Superior* of INDA should be seen in light of the limited regulative and redistributive dimensions of the law. (Art. 30 RO 524 1994) (Art. 4 RO 745 1995) (Art. 29 RO 55 1997) Indigenous and peasant movements achieved their long-standing demand of securing representation within the institute responsible for overseeing – or “perfecting” - agrarian reform but only when the institute was incapable of performing the task and the *Consejo Superior* was toothless. Decisions related to the expropriation of land were taken by the *Director Ejecutivo* and *Directores Distritales* rather than the *Consejo Superior*. (Art. 11 RO 745 1995) (Art. 33 RO 55 1997) Waters suggests the granting of authority to the *Directores Distritales* was a positive step as at that local level “presumably, local indigenous voices could be better heard”. (1995 p. 9) However, the organisational structure of INDA appeared to be designed to work in the opposite direction: to limit the power of the national committees which included indigenous and peasant representatives.

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<sup>212</sup> The window the LDA opened to fragment communal land legally was only momentary. Under continued pressure from the CONAIE, the 1998 constitution proscribed the division of communal land. (Art. 84 RO 1 1998)

To sum up, indigenous and peasant pressure forced numerous revisions to the LDA but the approved legislation was far removed from the proposal the CAN submitted to Congress in 1993 (via the MPD). The gap between the law and the proposal is crucial for understanding the nature of the 1994 *levantamiento*. While the *levantamiento* was launched after the approval of the LDA, the failure of the Durán Ballén government to consider the CAN proposal was central to indigenous grievances. From this angle, the mobilisation appears as largely “offensive” (i.e. attempting to transform the existing framework) rather than primarily “defensive” (i.e. aiming to protect the existing framework).

## **6. Summary: empirical and theoretical findings**

This chapter has analysed the political struggle over the design of land reform during the 1980s and 1990s, concentrating on indigenous and peasant attempts to transform land reform legislation.

The analysis has shown the legislative framework the military dictatorships of the 1970s bequeathed the civilian governments of the 1980s provided increased protection for private property rights and limited the possibilities of land redistribution. Despite the pressure indigenous and peasant movements exerted on the Roldós-Hurtado administration to accelerated agrarian reform, the government travelled in the opposite direction and introduced legislative changes that strengthened the protection of private property rights. Reforms introduced in the 1980s therefore weakened land reform but the overriding legal framework that underpinned the last fifteen years of the reform was established in the 1960s and 1970s.

The winding down of land reform in the 1980s was one factor behind CONAIE’s decision to launch the 1990 *levantamiento*. The economic slump of the 1980s was another. However, drawing on the defensive/offensive framework (see Chapter 1), this chapter has argued interpreting the uprising as a response to structural adjustment masks the “offensive” character of the mobilisation. The chapter has made a similar claim about the 1994 *levantamiento* which was orientated towards transforming rather than protecting existing laws, policies and institutions.

The political struggle over the LDA provides clear support for Polanyi's assertion that sectors of society will mobilise to prevent or limit fictitious commodification. The CAN programme explicitly rejected the commodity view of land and proposed a framework that would subject the market to social and political control. The Durán Ballén government's decision to ignore the proposal and introduce a law that travelled in the opposite direction prompted the CONAIE to launch another *levantamiento*. While the decommodification potential of the final version of the LDA was limited, the CONAIE was able to introduce some important measures which limited land commodification (e.g. protection of communal land). Silva also recognises the Polanyian nature of the 1994 *levantamiento*. (2009 pp. 164-66) However, while noting the limitations of the land reform of the 1960s and 1970s, he places greater emphasis on the defensive rather than offensive character of the uprising, claiming the mobilisation was the "crest of the second wave of anti-neoliberal contention". (2009 p. 164) Silva also draws a different conclusion over the scale of the revisions to the LDA, claiming the changes "substantially decommodified" land and other resources. (2009 p. 166) The reading of past events, as will be explained in Chapter 10, has a considerable bearing on how current developments in Ecuador are interpreted.

The conflict over the LDA also presents some challenges to Polanyi. The struggle brings the thorny issue of power relations to the fore. The ability of the CONAIE to force the government to revise the LDA illustrated the political power indigenous peoples had accumulated through decades of collective organisation and mobilisation. However, the extent of the revisions and the orientation of the new agrarian regime also demonstrated the limits of that power. Universal suffrage had clearly not transformed the Ecuadorian state into the "organ of the ruling million" and the economic and political power of landowning elites continued to impede efforts to promote decommodification (see Chapters 1 and 4).

While the CAN was unable to translate its vision of land reform into law, collective organisation and mobilisation were able to widen the spaces open to indigenous peoples to secure land through land reform and land markets in the 1980s and 1990s. The opportunities that emerged for indigenous families and



communities to obtain land during the period are examined in the next two chapters.

## Chapter Eight

### Land redistribution and indigenous peoples (1979-1994)

#### 1. Introduction

This chapter explores the redistribution of land to indigenous families and communities during the period 1979-1994. The analysis reveals basic continuities in the implementation of land reform and the important role indigenous organisation and mobilisation performed in expediting and expanding land redistribution. In doing so, the chapter sheds additional light on the operation of the double movement and the character of the 1990 and 1994 *levantamientos*. The chapter also provides a detailed overview of land redistribution in the highland region between 1964 and 1994.

The remainder of this chapter is divided into four sections. The second section gives a snapshot of agrarian reform between 1980 and 1994 to provide an indication of the extent and pace of land redistribution under structural adjustment and neoliberalism. The third section explores the implementation of the redistributive component of land reform in the 1980s and 1990s by the analysing a selection of cases opened or resolved during the period. The land conflicts that provided the backdrop for the 1990 *levantamiento* are also discussed. The fourth section examines the overall reach of land redistribution in the highland region, explaining the principal patterns that emerged over three decades of reform. The main empirical and theoretical findings of the chapter are summarised in section five.

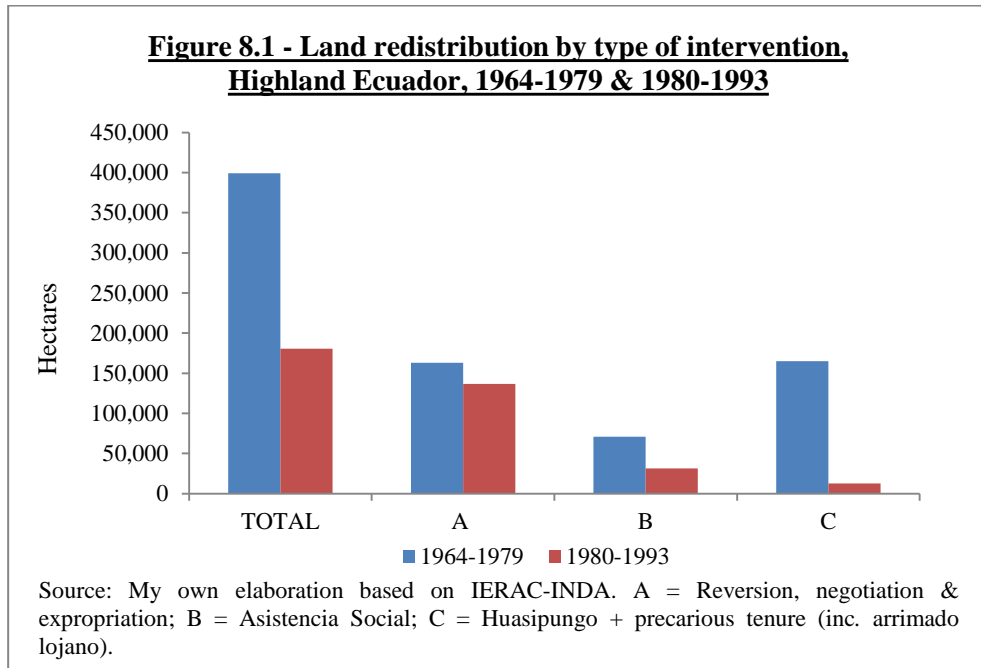
#### 2. Snapshot of land redistribution in the 1980s and 1990s

The opportunities for indigenous peoples to obtain land via agrarian reform gradually diminished between 1980 and 1994.<sup>213</sup> Whereas approximately 399,213 hectares were redistributed to around 50,000 beneficiaries between 1964 and 1979 (see Chapter 5), roughly 181,750 hectares were transferred to around 20,000 recipients between 1980 and 1994. Figure 8.1 (below) shows the

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<sup>213</sup> This chapter covers the period 1979-1994 but the land reform data presented in this section relate to the period 1980-1994 to avoid overlap with the figures reported in Chapter 5.

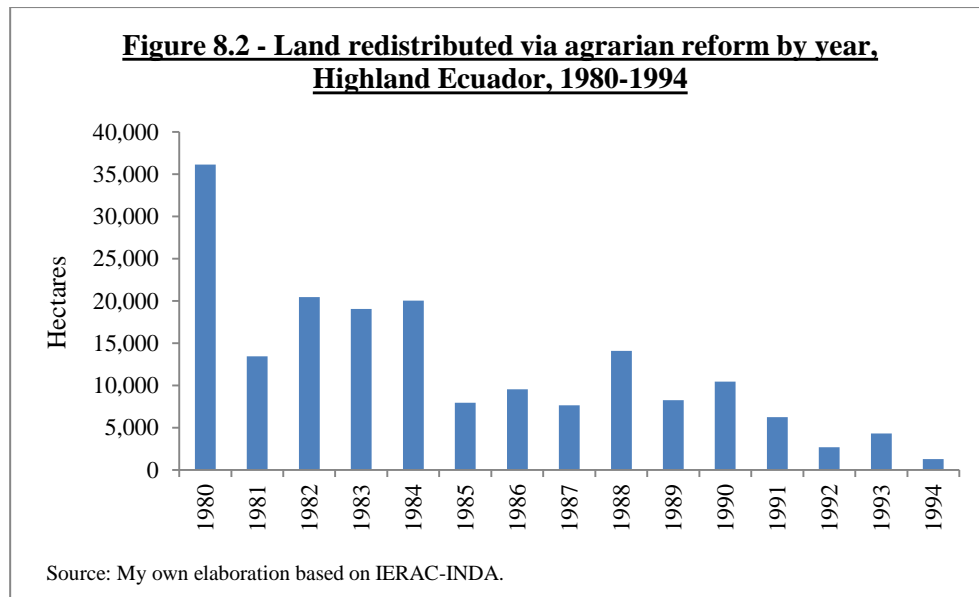
total amount of land redistributed by the type of intervention during the two periods.<sup>214</sup>



The chart reveals a crucial difference in the composition of land redistribution: redistribution was spread between the various types of intervention between 1964 and 1979 but concentrated in the reversion, negotiation, and expropriation of privately owned land between 1980 and 1994.<sup>215</sup> While the amount of privately owned land redistributed in the 1980s and 1990s partly reflected the lags in transferring land incorporated into the reform sector in the 1960s and 1970s, the shift highlights the dilemma the state faced under structural adjustment and neoliberalism: the continuation of redistribution became increasingly reliant on the incorporation of privately owned land into the reform sector. Rather than traverse this path, as noted in the previous chapter, the civilian governments of the 1980s and 1990s increased the protection for private property rights and attempted to divert the indigenous and peasant population along the road of integrated rural development.

<sup>214</sup> The data in Figure 8.1 refer to the period 1964-1993 as figures for 1994 are not available for the type of intervention. (IERAC-INDA)

<sup>215</sup> Chiriboga (1984a) reports a similar finding at a national level between 1964 and 1984.



The rate of redistribution provides some indication of the orientation of the governments of the 1980s and 1990s towards reform and the opportunities open to indigenous and peasant families, organisations, and movements to obtain land (see Figure 8.2 above).<sup>216</sup> The land redistributed under the Roldós-Hurtado government (1979-84) included land not formally redistributed in the 1970s (see Chapter 2). However, the relatively high rate of redistribution also reflected the new spaces that emerged for indigenous and peasant families and communities to seek the resolution of existing land claims and make new demands for the land. Opportunities to obtain land then decreased as the conservative Febres Cordero government (1984-88) mothballed agrarian reform. (Salgado 1987 p. 142) (Rosero 1990 pp. 34-5)

Redistribution picked-up slightly in the opening years of the Borja government. The data suggest the 1990 *levantamiento* forced the government and the IERAC to address some outstanding land claims and disputes (i.e. indigenous mobilisation momentarily expanded the redistributive dimension of land reform). However, the state response was timid and redistribution declined again in 1991 and 1992 as the government channelled indigenous demands for land through the FEPP, a religious NGO (see Chapter 9).

Data collated by Rosero provides an indication of the attitude of the Borja government towards reform. (1990 p. 41 & pp. 68-69) Utilising the

<sup>216</sup> The data presented in Figure 8.2 only provide an approximation of the actual rate of redistribution (see Chapter 5).

*inafectabilidad* clauses inserted into agrarian reform legislation in the early 1980s, the IERAC provided explicit protection for 14,761 hectares of land between August 1988 and July 1990 while the institute incorporated 7,564 hectares of land into the reform sector during the same period (see Table 8.1 below). Of the total amount of land incorporated into the reform sector only 296 hectares was expropriated, the rest was reverted to the IERAC. Greater emphasis was therefore placed on protecting rather than challenging private property rights. Notably, President Rodrigo Borja attempted to conceal the limited progress his government had made on reform in the wake of the 1990 *levantamiento*. Visiting indigenous communities in Chimborazo and Tungurahua in June 1990, the president proclaimed:

“From the first day my government began to search for solutions to every indigenous problem...one and half million hectares have been transferred to peasants through agrarian reform...the small amount of money the government has we are redistributing equally to everyone without privileges”. (Quoted in *El Comercio* 12/06/1990 p. A-1)

The president went on to pledge to work to resolve the problems of indigenous peoples and treat them like “brothers and human beings with the same rights and the same obligations.” (Quoted in *El Comercio* 12/06/1990 p. A-1) However, his declarations on land reform had little foundation, making his promise to treat indigenous peoples with respect particularly hollow.<sup>217</sup> While the IERAC distributed approximately 1,635,100 hectares of land between 1988 and 1990, 1,571,887 hectares was via colonisation and only 63,233 hectares was via land reform (only around half of which was redistributed in the highland region). (IERAC-INDA)

The Borja government set the stage for the winding-down and the effective closure of the state redistribution mechanism under the conservative Durán Ballén government (1992-96).

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<sup>217</sup> Selverston-Scher (2001) pp. 63-4 reports that she was told a similar story by the Director of IERAC (see Chapter 2). The analysis presented in this chapter indicates most of the land disputes to which the director referred were resolved in the lowlands through colonisation rather than highlands through land reform.

<b>Table 8.1 – Reversion, expropriation &amp; protection of privately owned land, Highland Ecuador, August 1988 to July 1990</b>					
<b>Province</b>	<b>Reversion</b>	<b>Expropriation</b>	<b>Reversion + Expropriation</b>	<b>Protection</b>	<b>Balance*</b>
Azuay	392	112	504	3,856	-3,352
Bolivar	276	7	283	307	-24
Cañar	722	-	722	193	529
Carchi	51	-	51	871	-820
Chimborazo	1,122	134	1,256	1,303	-47
Cotopaxi	1,474	39	1,513	1,604	-91
Imbabura	52	-	52	1,425	-1,373
Loja	1,290	-	1,290	83	1,207
Pichincha	1,862	5	1,867	5,118	-3,251
Tungurahua	28	-	28	-	28
<b>Total</b>	<b>7,268</b>	<b>296</b>	<b>7,564</b>	<b>14,761</b>	<b>-7,197</b>

Source: My own elaboration based on Rosero (1990 p. 41 & pp. 68-69). I modified the figures reported above to correct for the errors in the published data acknowledged by Rosero (1990 p. 64). Hectares of land. Discrepancies are due to rounding. \* Balance = (Reversion + Expropriation) – Protection.

### **3. Land claims, conflicts and redistribution**

Following the pattern that emerged in the 1960s and 1970s, the collective organisation and mobilisation of indigenous peoples were required to activate the redistributive dimension of agrarian reform in the 1980s and 1990s. While the opportunities to secure land progressively diminished as structural adjustment and neoliberalism advanced, highland indigenous families, communities and organisations were still able to secure land through state redistribution. The drawn-out nature of land redistribution, which was partly due to the cumbersome land reform bureaucratic structure, ensured many of the claims that were lodged in the opening decades of the reform were not resolved until 1980s and 1990s. Nevertheless, new claims were also submitted. Data reported by Korovkin provide a broad indication of the pace at which indigenous families and communities lodged land claims from the early 1970s to the early 1990s. Summarising the land claims submitted to the IERAC in Chimborazo (i.e. the province with the largest indigenous population in the sierra), the author reports 97 claims were lodged between 1971 and 1977, 104 between 1978 and 1984, and 75 between 1985 and 1991 (up to August). (1997 p. 29) Efforts to secure land through land reform therefore progressed at a relatively steady, if moderating, pace over two decades.

Legal and extra-legal methods continued to be employed to activate land redistribution. Successful land claims, which often started with attempts to purchase land directly from the landowner to avoid state involvement, typically went through various overlapping stages: the lodging of the land claim; the initial assessment of the IERAC; the processing of the claim; the judgement of the CRA and IERAC; the occupation of the land; the renegotiation of the demand with the IERAC; and, the eventual redistribution of land. (Martínez 1985b p. 170) (Rosero 1990 pp. 49-50) (Martínez 1992 p. 73) (Vallejo 1996 p. 146) (Cervone 2012 pp. 139-43) Throughout, landowner repression was often employed to attempt to break the spirit of the claimants and protect private property i.e. landowners frequently used legal and extra-legal methods to attempt to block land redistribution.

The employment of legal and extra-legal methods to attempt to activate and block land redistribution is highlighted by two cases Thurner analyses in the central highland canton of Colta, Chimborazo.<sup>218</sup> (Thurner 1989; 2000) The first case involved the battle for control of a small but productive plot of land located on the remnants of *Hacienda Gatazo*, a privately owned hacienda which had been extensively subdivided through the family and the market in the decades before and after the introduction of the LRAC. (1989 pp. 13-20) The plot of land under dispute in the early 1980s was cultivated, irrigated, and covered 20 hectares. Following the pattern noted above, the community at the centre of the land struggle, which was historically linked to the hacienda through semi-feudal practices, attempted to purchase the land before filing a demand for expropriation with IERAC in 1983. (1989 p. 21) The community members had organised a strike prior to lodging the expropriation claim, leaving the land virtually unused in the early 1980s. Using the personal relationships they had developed with the landowners and the financial resources they had accumulated through small-scale agricultural production, two relatively affluent members of the community broke ranks and attempted to purchase the plot of land in 1984. The *cabildo* of the community stopped the sale by committing more resources to the expropriation case, pressuring the IERAC to resolve the land claim, and organising the occupation and cultivation of the land. Thurner implies a twofold

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<sup>218</sup> See Chapters 5 and 6 for earlier developments on the haciendas and communities Thurner analyses.

motivation for the land invasion: 1) tactical (i.e. to block the sale of the plot); and, 2) economic (i.e. to work the land to pay for the legal fees associated with the expropriation case and the possible purchase of the land). (1989 pp. 21-2 & pp. 27-9) Mirroring the land disputes channelled through the IERAC in the 1960s and 1970s, the price the landowners demanded for the land was a significant barrier to the settlement of the claim. The commodity view of land, as Thurner indicates, filtered through to the redistribution component of agrarian reform.

“The gap between IERAC’s standard estimated value and the price demanded by the heirs, *who cited market values to justify their demands*, was enormous.” (1989 p. 21, emphasis added)

Four years after the land claim was initially lodged, the IERAC and the CRA rejected the demand. The community continued to pursue the claim with the IERAC before agreeing to purchase the land directly from the landowners in the late 1980s, having given up on land reform. (1989 p. 22 & p. 36)

The outcome of the land claim pursued by a nearby community on the remnants of *Hacienda Culluctus* was more favourable, even if the dispute was far from conflict-free. (Thurner 1989; 2000) The subdivision of the landholding in the decades after the introduction of the LRAC left indigenous families with tenuous legal rights to the *páramo* they had collectively used for pasture in the decades before and after the dissolution of the hacienda in the mid-1960s. The decision of the owner of half of the hacienda to sell sections of *páramo* in 1983 brought that sharply into focus. The families grouped into a community, submitted a claim for the expropriation of 250 hectares of the *páramo* with IERAC, and then occupied the land. The landowner responded by hiring “off-duty rural police to carry out threats against the ‘invaders’”. (1989 p. 24) Two indigenous protesters were killed. The death of the peasants seemingly expedited the land claim and the 250 hectares of *páramo* was redistributed to the community in 1983. The landowner, Thurner notes, received less than market value for the *páramo* but remained the owner of “over 500 hectares of the hacienda’s best land”. (1989 p. 24)



Huarcaya's analysis of the ultimately successful attempt of a group of indigenous families and communities to force the expropriation and redistribution of *Hacienda Quinchuquí*, a collection of landholdings that stretched across approximately 700 hectares of good quality land in the northern highland canton of Otavalo (Imbabura), highlights the protracted and contested nature of land redistribution.<sup>219</sup> (2012 pp. 203-69) The first demand for expropriation was made in 1977 on the grounds that the owner of the hacienda continued to use outlawed semi-feudalist practices (*yanapa*) to operate the estate. (2012 pp. 234-5) Following the LRA, the members of the eight communities involved in the land claim channelled their demand through a pre-cooperative which was established to make the expropriation claim. The IERAC and the CRA rejected the demand in 1978. (2012 p. 243) While some members of the pre-cooperative left after the decision, the majority remained, lodging another claim in 1978 on the grounds of "great demographic pressure". (2012 p. 245)

The landowner adopted a variety of tactics to block or limit the second claim, including the repression of claimants and the offer to settle the dispute "out of court" by selling sections of the hacienda to the pre-cooperative at elevated prices. Concurrently, the *hacendado* started to sell plots of land to affluent indigenous artisans from nearby communities and villages. (2012 pp. 249-51) In doing so, the landowner established alliances with indigenous groups who supported his efforts to block expropriation. In effect, two rival indigenous groups emerged: peasant families integrated into the pre-cooperative who wanted to secure the hacienda through redistribution and artisan producers who wanted to purchase sections of the hacienda through the market. The rivalry between the two groups manifested in violent confrontations in 1980 and 1981 after members of the pre-cooperative occupied sections of the hacienda and the *hacendado* supported the efforts of the rival group to expel them forcefully. While the return to democracy in 1979 failed to halt landowner and police repression, conditions under the Roldós-Hurtado government proved more conducive for the members of the pre-cooperative to attempt to force the expropriation of the hacienda. With the case receiving considerable media

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<sup>219</sup> Some of the details included within the analysis of this case are based on personal communication with Sergio Huarcaya in 2012.

coverage, the CRA ruled in favour of the claimants in 1981 and around one third of the hacienda (approximately 235 hectares) was sold to the pre-cooperative via the IERAC in 1983, nearly seven years after the initial claim was lodged.<sup>220</sup>

In addition to illustrating the various stages claims tended to pass through and the lengthy battles indigenous peoples had to fight to secure land through agrarian reform, Huarcaya's analysis also draws attention to the crucial role activism, networks and alliances performed in indigenous struggles over land, spreading knowledge of land reform legislation and providing indigenous peoples with the knowhow to make expropriation demands. This was evident on numerous levels. Having learned about the LRA from a neighbouring community which had successfully forced the expropriation and redistribution of sections of a local hacienda, the leaders of the pre-cooperative began to communicate the details of the law to members of other communities. Highlighting the lack of effort the state invested into communicating and implementing land reform, Huarcaya notes most of the members of the community were completely unaware agrarian reform legislation even existed. (2012 p. 230) Illustrating the important role alliances with other social groups performed in activating land redistribution, the members of the pre-cooperative then received support from FENOC and leftist lawyers who helped them build a case for expropriation. Huarcaya notes the FENOC "provided legal and public relations support, writing letters to state authorities and newspapers, getting leaders out of prison, and building coalitions with other organizations." (2012 p. 240) Representatives of the leftist political parties and coalitions MPD and FADI also visited the communities and the lawyer of the pre-cooperative was a member of the MPD. (2012 pp. 241-2)

One important point emerges from the case which illuminates a wider feature of land reform from 1973 onwards: indigenous awareness and understanding of reform started to spread as legal obstacles to the implementation of reform began to increase. The injustice and frustration this engendered were important factors behind the 1990 *levantamiento*. The CONAIE's declarations at the uprising

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<sup>220</sup> By the time sections of the hacienda were transferred to the pre-cooperative it comprised 233 members (i.e. around one hectare per member of the cooperative). Following the general trend in the highlands, once the loan secured to purchase the sections of the hacienda was repaid the land was divided between the members.

captured this sentiment: “Efforts have been exhausted through legal channels: the people have the say”.<sup>221</sup> (Quoted in Navarro *et al.* 1996 p. 279)

The time, energy, and resources indigenous peoples invested into land claims is highlighted by the attempts of a small community in the northern highland province of Imbabura to secure redistributed land. In the early 1980s, the community lodged a claim with the IERAC to expropriate the “nearly abandoned” *Hacienda Tunibamba* on the grounds of “great demographic pressure”. (Martínez 1992b p. 73) The hacienda stretched across 123 hectares of land. State agencies (e.g. MAG, IERAC) acknowledged the existence of “great demographic pressure” on numerous occasions. However, despite the persistent demands the community made on the IERAC, the institute failed to redistribute the land. (Martínez 1992b p. 73) (Rosero 1990 p. 74) The community, Martínez notes, were left with little option but to occupy the hacienda. (1992b p. 73) Following the 1990 *levantamiento*, the land was eventually adjudicated to the community, enabling the families to increase the size of their landholdings from 0.5 to 1.6 hectares (the average plot size between the approximately 60 families integrated into the community).<sup>222</sup> (Martínez 2002b p. 97) (Rosero 1990 p. 61) (Dubly & Granda 1991 pp. 90-91)

The *Hacienda Tunibamba* case was one of a number of the land conflicts that provided the immediate backdrop for the 1990 *levantamiento*. Collating data from the CONAIE, human rights organisations, legal advocates for indigenous organisations, and IERAC archives, Rosero reports the existence of 111 unresolved land conflicts in the highland region in 1990.<sup>223</sup> (1990 pp. 47-51) Cross-referencing figures collated by Rosero and data reported by the *Cámaras de Agricultura* indicates land conflicts were scattered across the highlands but concentrated in regions with high indigenous densities (e.g. Chimborazo, Cotopaxi, and Imbabura) (see Figure 8.3 below).<sup>224</sup> (El Comercio 28/05/1990 p.

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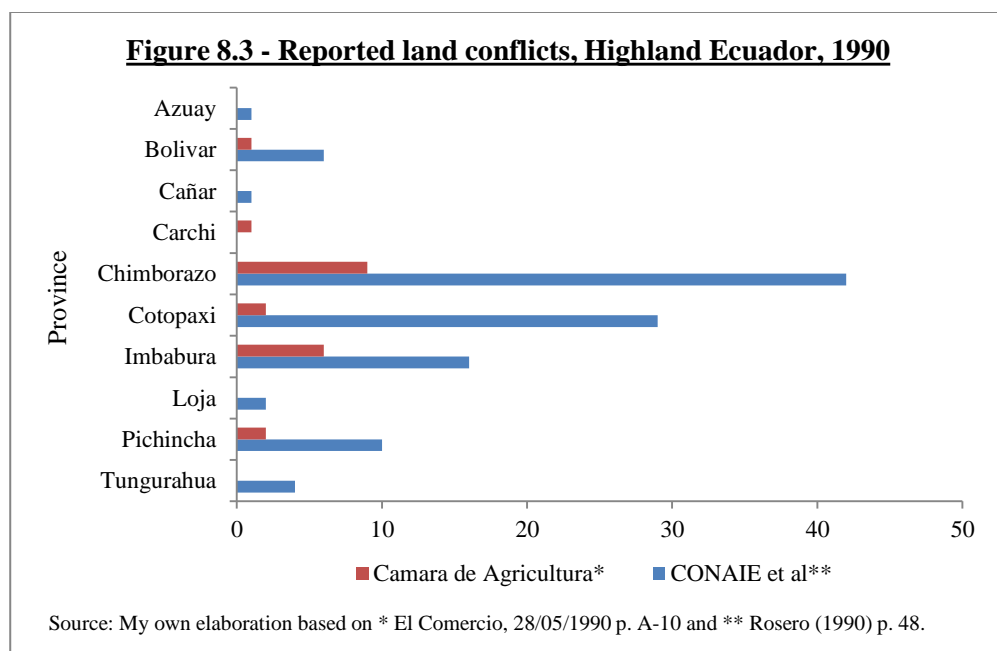
<sup>221</sup> See also Martínez (1992b p. 73).

<sup>222</sup> See Pacari (1993) p. 399 for a vivid depiction of the “great demographic pressure” facing a group of indigenous families and communities in the province of Chimborazo in the 1980s and 1990s.

<sup>223</sup> As Rosero (1990) and Cervone (2012) note, not all conflicts were between peasants and elites, some were inter-peasant disputes.

<sup>224</sup> The *Cámara de Agricultura* data only refer to the northern highland provinces and are therefore not representative of the region as a whole (the figures exclude possible conflicts in Azuay, Cañar, and Loja).

A-10) Three additional points emerge from the data that shed light on the nature of the land conflicts and the operation of the countermovement. (Rosero 1990 p. 48 & pp. 73-93) First, communities performed a significant role in the land claims. Of the 111 cases, 63 involved communities and 37 involved associations. Only two involved cooperatives. The prominent role communities performed in the land disputes indicates the essentially collective nature of the indigenous fight for land, reinforcing the points made elsewhere in this thesis. Second, land conflicts were registered throughout the highlands but multiple disputes were recorded in some parishes and cantons.<sup>225</sup> While numerous factors influenced the location of disputes, the concentration of conflicts within certain zones suggests the wider existence of patterns similar to the ones Huarcaya identifies i.e. the spread of awareness, knowledge and knowhow between families and communities at the local level. Third, the two most frequent grounds provided for expropriation were “great demographic pressure” and “abandonment”.<sup>226</sup> While no precise conclusions can be drawn from the aggregate data, the nature of the claims hints at the legitimacy of indigenous land demands, especially as the rate of population growth in regions with high indigenous densities was generally elevated.



<sup>225</sup> For example, three conflicts were reported in the parish of Gonzalez Suarez, Otavalo (Imbabura) and three incidents were reported in the parish of Cangahua, Cayambe (Pichincha).

<sup>226</sup> Rosero does not provide the grounds for expropriation for all of the land conflicts (probably due to the failings of the underlying IERAC data). The above observation only relates to the cases for which grounds for expropriation are provided.

The analysis of the specific outcomes of the land conflicts is outside the boundaries of this investigation.<sup>227</sup> However, as noted above, the response of the Borja and Durán Ballén governments was limited. The 1990 *levantamiento* forced the resolution of some land conflicts but land redistribution remained on a downward curve until agrarian reform was drawn to a close in 1994. The FEPP assisted land purchase scheme, which is examined in the next chapter, resolved some existing land conflicts but numerous disputes remained partially or totally unresolved. *El Comercio* reported that there were over 2,000 land conflicts ongoing in the highland region in June 1994. (*El Comercio* 04/06/1994 p. A-3) Over 1,200 cases were reported in the region covered by the *Región Central Oriental* branch of IERAC, which included the highland provinces of Bolívar, Chimborazo, Cotopaxi, and Tungurahua as well as the eastern lowland province of Pastaza, 1,012 of which were categorised as being investigated and 200 listed as having been resolved. (*El Comercio* 04/06/1994 p. A-3) While the sustained and concerted efforts of indigenous families, communities, organisations, movements increased the amount of land redistributed, land conflicts remained commonplace and issues related to the distribution of land remained unresolved in many areas.

The next section evaluates the overall reach of three decades of land redistribution in the highland region and the basic patterns that emerged between land redistribution and indigenous peoples.

#### **4. Overview of land redistribution between 1964 and 1994**

The total amount of land redistributed in the highland region between 1964 and 1994 was roughly 580,962 hectares or 12.2% of the 2000 agricultural land surface. Table 8.2 (below) provides a breakdown of land redistribution across the ten highland provinces. The general patterns outlined in Chapter 5 for the period 1964-1979 were also evident for the period 1964-1994. Most land was redistributed in the southern province of Loja (26.8%), the central province of Chimborazo (20.9%) and the northern provinces of Pichincha (12.7%) and Cotopaxi (12.1%). Over 70% of the total amount of land redistributed was done so within these four provinces. The amount of land redistributed in relation to

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<sup>227</sup> See Cervone for insight into the outcome of a small number of land conflicts in Chimborazo. (2012 pp. 139-43)

the agricultural land surface was greatest in Chimborazo (25.7%), Cañar (19.0%), and Loja (15.7%).

<b><u>Table 8.2 –Land redistributed via agrarian reform by province, Highland Ecuador, 1964-1994</u></b>					
<b><u>Province</u></b>	<b><u>IPD*</u></b>	<b><u>Land redistribution (hectares)</u></b>	<b><u>Average amount per recipient (hectares)</u></b>	<b><u>Proportion of total land redistribution (%)</u></b>	<b><u>Proportion of land surface ** (%)</u></b>
Azuay	24.94	29,884	9.98	5.15	4.88
Bolivar	27.86	16,684	11.08	2.87	4.38
Cañar	55.31	49,005	13.32	8.44	18.98
Carchi	0.00	17,335	5.15	2.98	9.95
Chimborazo	66.35	121,349	8.23	20.89	25.74
Cotopaxi	53.06	70,465	8.68	12.13	15.41
Imbabura	49.38	14,595	5.03	2.51	5.15
Loja	6.05	155,734	10.98	26.81	15.65
Pichincha <sup>228</sup>	42.57	73,441	5.10	12.65	7.93
Tungurahua	37.64	32,471	6.33	5.59	15.91
<b>Total</b>	<b>37.85</b>	<b>580,962</b>	<b>8.18</b>	<b>100.00</b>	<b>12.20</b>

Source: My own elaboration based on IERAC-INDA, Zamosc (1995) & INEC (2000). \* IPD = Indigenous Population Density - population of “predominantly indigenous area” (API) as % of total rural population of the province/region in 1990 (Zamosc 1995 p. 23). \*\* % of total agricultural land surface in 2000.

Figure 8.4 (below) shows the relationship between the relative amount of land redistributed and the relative size of the indigenous population, using the API in 1990 as an indicator of the indigenous population of the ten highland provinces. The general, if not universal, relationship between the relative amount of land redistributed and the relative size of the indigenous population was stronger between 1964 and 1994 than between 1964 and 1979 (see Chapter 5).<sup>229</sup> On a broad level, the strengthening of the relationship was due to a) the general increase in indigenous population densities in the 1980s and 1990s and b) the relative increase in the amount of land redistributed in provinces with high indigenous population densities under structural adjustment and

<sup>228</sup> See Chapter 5 for comments on important differences between the indigenous population density and land reform data in relation to Pichincha.

<sup>229</sup> The breakdown of the relationship for Imbabura is explained by a variety of factors. These include: the absence of state-owned land; the prevalence of relatively productive farms (which remained outside the reach of agrarian reform); and, the potential for small-scale agricultural producers to secure income through artisan production (which allowed for increased engagement in land markets and decreased reliance on agrarian reform). The breakdown of the relationship for Pichincha is largely explained by the disconnection between the indigenous population and agrarian reform data (see Chapter 5).

neoliberalism.<sup>230</sup> These two factors indicate the desire of indigenous peoples to remain in the rural highlands and attempt to secure land through agrarian reform. Within tight parameters, the data suggest indigenous peoples were relatively successful in achieving this goal. However, as the cases analysed within this thesis have indicated (e.g. MAG 1997c; Thurner 1989; Waters 2007), the overall stock of land redistributed to indigenous peoples included a considerable amount of *páramo*.

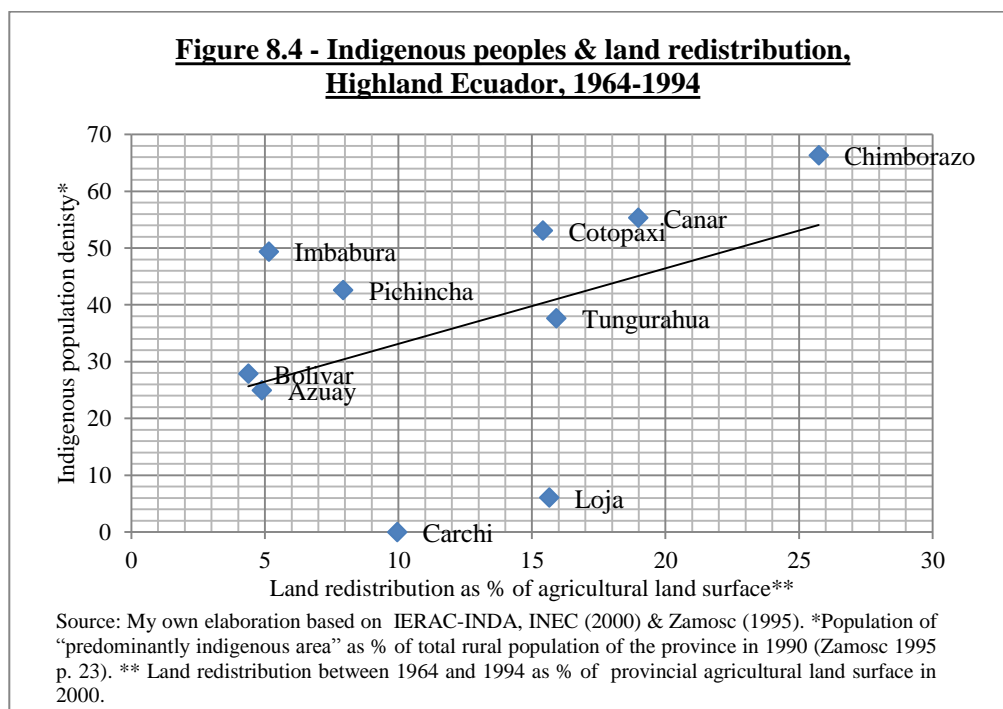
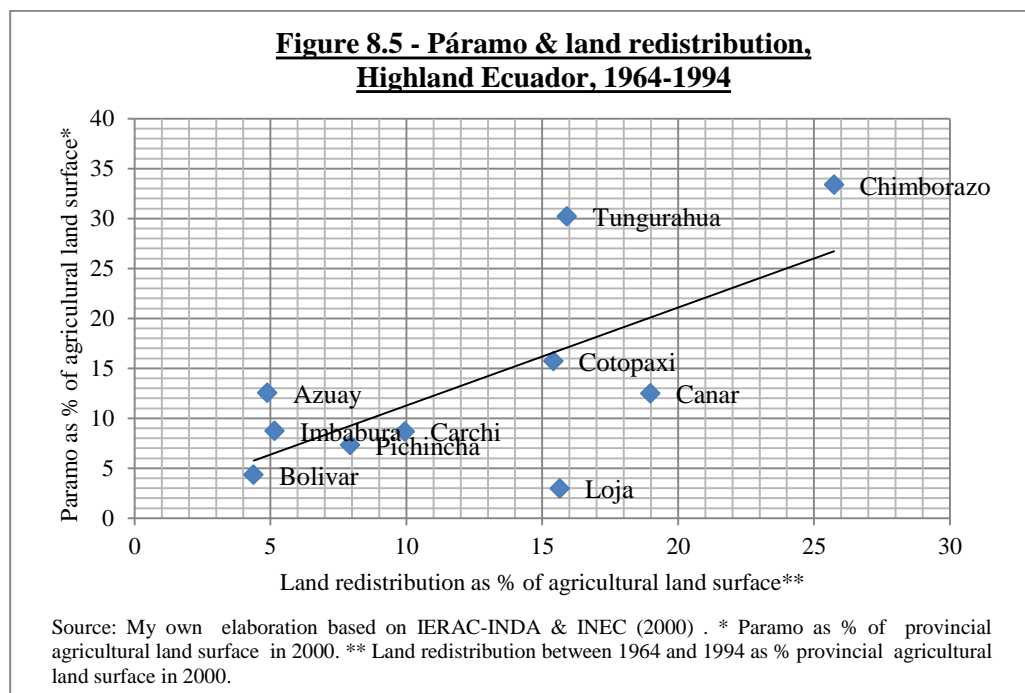


Figure 8.5 (below) provides additional support for this observation. The data indicate *páramo* performed a particularly important role in Chimborazo, the province where the relationship between the relative size of the indigenous population and the relative amount of land redistributed was the strongest. The data also suggest *páramo* performed important roles in Tungurahua, Cotopaxi, and Cañar, provinces with relatively high indigenous population densities.<sup>231</sup> The redistribution of the high-altitude grassland exaggerates the reach of land reform as large tracts of the land were redistributed collectively to a relatively

<sup>230</sup> Zamosc reports the population of API as % of the total rural highland population increased from 35.4 to 37.9 between 1962 and 1990. On provincial level, notable increases were registered in Chimborazo (from 60.0 to 66.4), Cotopaxi (from 46.1 to 53.1) and Cañar (from 50.6 to 55.3). The most notable decrease was recorded in Tungurahua (from 43.6 to 37.6).

<sup>231</sup> The agricultural land surfaces of Pichincha and Cañar include a significant amount of land located in the western lowlands so *páramo* accounts for a larger proportion of the highland zones of these provinces than indicated in Figures 8.5.

small number of communities. Moreover, while the *páramo* performed crucial roles in the economic strategies and cultural practices of indigenous families and communities, the topographic and environmental characteristics of the land placed definite constraints on its use. (Martínez 2002a) (Mena *et al.* 2011) (Interviews 16 and 17) The data provide additional support for the claim that the land redistributed in the sierra was among the most marginalised and least productive in the region and the space open for indigenous families and communities to secure productive land was limited.



The data presented in Table 8.3 (below) shows land redistribution by type of intervention.<sup>232</sup> Examining the data at this level sheds further light on the implementation of land reform in the highland region between 1964 and 1994 (see Chapter 2).<sup>233</sup>

The first group (A) includes privately owned land that was incorporated into the reform sector via reversion, negotiation, and expropriation. The land classified in this group accounted for 52% of the total amount of land redistributed in the highland region. While the aggregate data do not allow for

<sup>232</sup> IERAC-INDA does not report land redistribution by type of intervention in 1994. Table 8.3 therefore relates to the period 1964-1993 and the combined total amount of land redistribution reported in the table does not correspond to the total reported in Table 8.2.

<sup>233</sup> Table 8.3 follows the categories reported by IERAC-INDA with the exception of *arrimado lojano* which is grouped under “precarious forms of tenure” to improve the presentation of the data.



precise conclusions to be drawn, various sources indicate the bulk of privately owned land was incorporated into the reform sector through reversion and negotiation rather than expropriation (e.g. MAG 1977c; Martínez 1985; Rosero 1990). The figures indicate the spaces open to indigenous peoples to secure privately owned land varied across the highlands. Possibilities were greatest in the central and southern provinces (e.g. Cañar, Chimborazo) and lowest in the northern regions (e.g. Cotopaxi, Imbabura), indicating spaces were generally widest in regions where the capitalist modernisation of agriculture was weakest and the quality of land was poorest.<sup>234</sup> The data provide additional support for the claim land reform and land commodification posed greater threats to traditional rather than modernising landowning elites (see Chapters 2 and 3).

**Table 8.3 – Land redistributed via agrarian reform by type of intervention, Highland Ecuador, 1964-1993**

<b>Province</b>	<b>A*</b>	<b>%**</b>	<b>B*</b>	<b>%**</b>	<b>C*</b>	<b>%**</b>	<b>D*</b>	<b>%**</b>
Azuay	20,999	70.6	3,438	11.6	27	0.1	5,287	17.8
Bolivar	12,293	74.2	265	1.6	998	6.0	3,022	18.2
Cañar	27,048	55.2	18,645	38.1	0	0.0	3,301	6.7
Carchi	6,915	39.9	6,343	36.6	1,881	10.9	2,195	12.7
Chimborazo	71,684	59.2	27,774	22.9	3,039	2.5	18,677	15.4
Cotopaxi	27,065	38.6	17,911	25.6	5,317	7.6	19,758	28.2
Imbabura	3,792	26.0	2,042	14.0	2,669	18.3	6,069	41.7
Loja	74,908	48.1	0	0	80,710	51.9	0	0
Pichincha	24,055	32.9	25,348	34.7	6,752	9.2	16,941	23.2
Tungurahua	30,785	95.2	540	1.7	197	0.6	804	2.5
<b>Total</b>	<b>299,543</b>	<b>51.7</b>	<b>102,306</b>	<b>17.7</b>	<b>101,589</b>	<b>17.5</b>	<b>76,054</b>	<b>13.1</b>

Source: My own elaboration based on IERAC-INDA. A = Reversion, negotiation & expropriation; B = Asistencia Social; C = Precarious tenure (inc. arrimado lojano); and, D = Huasipungo. \* Hectares of land. \*\* % of total land redistribution by province and total.

The second group (B) comprises state-owned land that was administered by the AS in the decades prior to the introduction of the LRAC. The land included within this category accounted for 18% of the total amount of land redistributed in the highland region. While the redistribution of AS haciendas created spaces for indigenous peoples to obtain land, opportunities were restricted to a relatively small number of families and communities (see Chapter 5). Opportunities for indigenous peoples to secure state-owned land were further limited by the fact the entire stock of AS land was seemingly not redistributed via the IERAC. While the unreliability of the data caution against drawing firm

<sup>234</sup> Chiriboga (1984a) reports a similar pattern between 1964 and 1984 (see Chapter 2).

conclusions, the figures suggest around 30,547 hectares of land were not redistributed by the time agrarian reform drew to a close in 1994 (see Table 8.4 below).<sup>235</sup>

<b><u>Table 8.4 –Asistencia Social land redistributed via agrarian reform, Highland Ecuador, 1964-1994</u></b>				
<b><u>Estimated stock</u></b> <b><u>(hectares)</u></b>	<b><u>Redistributed via agrarian reform</u></b> <b><u>(hectares)</u></b>			<b><u>Not redistributed</u></b> <b><u>(hectares)</u></b>
<b><u>&lt;1964</u></b>	<b><u>1964&gt;1979</u></b>	<b><u>1980&gt;1994</u></b>	<b><u>1964&gt;1994</u></b>	<b><u>1964&gt;1994</u></b>
132,853	71,033	31,273	102,306	30,547
Source: My own elaboration based on CIDA (1965) p. 112 & IERAC-INDA.				

The third group (C) includes land redistributed through the dissolution of *arrimado lojano* after the introduction of the LRAC and the eradication of other semi-feudal practices after the introduction of the LATPA. The land accounted for 18% of the total amount of land redistributed in the highland region. The majority of the land within this category was redistributed to mestizo peasants in the province of Loja. However, the redistribution of land worked under other forms of precarious tenure is likely to have provided some opportunities for indigenous peoples to secure land, especially in provinces with high indigenous densities (e.g. Chimborazo, Cotopaxi).

The fourth group (D) comprises land redistributed through the dissolution of *huasipungo* after the introduction of the LRAC (see Table 8.5 below). The land accounted for 13.1% of the total amount of land redistributed, the bulk of which was transferred to indigenous families in the opening years of reform (see Chapter 5). The important points to recall about the redistribution of the land are as follows. First, the relocation of indigenous families to less productive land was widespread i.e. the conversion of usufruct rights into private property rights was rarely one-to-one. Second, the circumvention of the law was commonplace,

<sup>235</sup> The estimated amount of non-redistributed land reported in Table 8.4 appears conservative. MAG-IERAC-JUNAPLA recorded the total stock of AS hacienda land as 169,767 hectares in the mid-1970s. (1977 p. 51) The agencies also reported “ex-Asistencia Social landholdings exist which still have not been transferred to the IERAC.” (1977 p. 51) There are a number of possible explanations and the apparent failure of the IERAC to redistribute all of the land. The unreliability and inconsistency of the data may account for some of the shortfall. It is possible, for example, that redistributed land was not registered by IERAC or was listed under another category (e.g. *huasipungo*, *arrimado lojano*). However, administrative and data issues are unlikely to account for the entire shortfall. The time IERAC took to divide, redistribute and sell AS estates and the value of the most productive sections of the haciendas suggest some of the land was sold to landowning elites, agricultural enterprises, or urban developers rather than redistributed to indigenous and mestizo peasant families and communities.

providing landowning elites with opportunities to evict *huasipungueros* or sell them land on the market i.e. numerous indigenous families were excluded from this component of land redistribution. Third, agrarian reform legislation provided no explicit provisions for the *arrimado-apegado* population which meant members of indigenous families were often integrated into the plots of land ex-*huasipungueros*.

**Table 8.5 – Redistribution of huasipungos, Highland Ecuador, 1964-1994**

<u>Province</u>	<u>Huasipungo (hectares)</u>	<u>Recipients</u>	<u>Average size (hectares)</u>	<u>Proportion of total* (%)</u>
Azuay	5,287	1,431	3.69	6.9
Bolivar	3,022	314	9.62	3.9
Cañar	3,301	912	3.62	4.3
Carchi	2,195	916	2.40	2.9
Chimborazo	18,677	4,441	4.21	24.6
Cotopaxi	19,758	4,054	4.87	26.0
Imbabura	6,069	1,275	4.76	8.0
Loja	0	0	0.00	0.0
Pichincha	16,941	4,937	3.43	22.3
Tungurahua	804	560	1.44	1.1
<b>Total</b>	<b>76,054</b>	<b>18,840</b>	<b>4.04</b>	<b>100.0</b>

Source: My own elaboration based on IERAC-INDA. \* Proportion of total amount of *huasipungo* land redistributed between 1964 and 1994.

## 5. Summary: empirical and theoretical findings

This chapter has examined the redistribution of land to indigenous families and communities between 1979 and 1994 and provided a global overview of land redistribution between 1964 and 1994. In doing so, the chapter has shed new light on the role indigenous peoples performed in land reform and the overall reach of the reform in the highland region (see Chapter 2).

The analysis has shown that the redistribution of land continued to proceed at a slow pace and the opportunities for indigenous peoples to secure land steadily diminished as land reform drew to a close. Continuing the trend that emerged in the 1960s and 1970s (see Chapter 5), indigenous organisation and mobilisation was required to obtain the relatively small amount of land that was redistributed i.e. social pressure was required to activate the redistribution component of land reform. Cross-referencing land reform and sociodemographic data indicated the impact of land redistribution was greatest in regions with high indigenous population densities. The relationship was stronger for the period 1964-1994

than 1964-1979 suggesting indigenous peoples were relatively successful in securing land in the 1980s and 1990s. However, the analysis has also indicated the total stock of land redistributed to indigenous peoples between 1964 and 1994 included a significant amount of *páramo*. The significant role *páramo* performed within land redistribution provides basic support for the assertion that agrarian reform provided few opportunities for indigenous families and communities to secure productive land. The geographic distribution of redistributed privately owned land lends additional support to this claim, with opportunities to secure land greatest in regions where capitalist modernisation was weakest and land quality was poorest.

The difficulties indigenous peoples experienced attempting to secure land and the relatively small amount of land redistributed illustrates why the CAN attempted to include indigenous and peasant representatives within the bodies charged with the task of assessing expropriation claims, eliminating the CRA, creating mechanisms to lower the cost of securing redistributed land, and ensuring land reform received adequate funding (see Chapter 7). The analysis provides further support for the claim that careful consideration must be paid to the structure and implementation of decommodification mechanisms when investigating social, political and economic issues through a Polanyian lens.

## **Chapter Nine**

### **Land markets and indigenous peoples: activation and development (1979-1994)**

#### **1. Introduction**

This chapter explores the opportunities that emerged for indigenous peoples to secure land through the market under structural adjustment and neoliberalism. Remaining within the activation/development framework elaborated in Chapter 6, the analysis shows that collective organisation and mobilisation continued to create spaces for indigenous peoples to obtain land in the 1980s and 1990s. The boundaries of price-making land markets shifted as increased amounts of land came under indigenous control in some zones. In other areas, however, indigenous families and communities remained locked-out of the markets for the most productive land.

The rest of this chapter is divided into five sections. The second section estimates the basic parameters of land markets in the highland region, using the 2000 agricultural census as an indicator of the land tenure structure. The activation and development of land markets under structural adjustment and neoliberalism are then analysed in section three. The fourth section examines the FEPP assisted land purchase scheme which performed an important role in the activation of land markets in the early 1990s. The distribution of land in the highland region in 2000 is analysed in section five. The principal empirical and theoretical findings of the chapter are summarised in section six.

#### **2. The parameters of land markets in the 1980s and 1990s**

The 2000 agricultural census provides an indication of the basic parameters of land markets in the 1990s and 2000s.<sup>236</sup> The analysis is hampered by the inclusion of the western lowland zones within the highland region and the lack of detail in certain areas.<sup>237</sup> Nevertheless, examining the census data enables the evolution of land tenure to be investigated, the overriding land structure to be

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<sup>236</sup> To avoid repetition the sources used for this section are INEC (1974a), INEC (2000a), and INEC (2000b) unless otherwise stated.

<sup>237</sup> The 2000 census also only reports a limited amount of data at the regional level (see Chapter 1). The small differences between the regional totals reported in Table 9.1 and 9.3 are due to differences in the underlying data. The 2000 census also includes less detail than the 1974 census in other areas (e.g. communal land).

examined, and the potential reach of price-making land markets to be approximated.

<b>Table 9.1 – Land tenure, Highland Ecuador, 2000</b>				
<b><u>Land tenure</u></b>	<b><u>Units</u></b>	<b><u>%</u></b>	<b><u>Land surface (hectares)</u></b>	<b><u>%</u></b>
Privately owned	409,346	72.1	3,544,508	74.4
Communal and cooperative	5,119	0.9	286,892	6.0
Occupied	19,087	3.4	157,989	3.5
Rented, sharecropped and <i>al partir</i>	12,146	2.1	68,220	1.4
Mixed and other	121,921	21.5	704,722	14.8
<b>Total</b>	<b>567,619</b>	<b>100.0</b>	<b>4,762,331</b>	<b>100.0</b>
Source: My own elaboration based on INEC (2000a) & INEC (2000b).				

The data indicate three quarters of the agricultural land surface (3,544,508 hectares) was under full private ownership (i.e. titled land under individual or corporate ownership) (see Table 9.1 above). Landowners within the “privately owned” category had the right to determine the use and transfer of land. The category includes landowners who secured land through the family and the market as well as beneficiaries of land reform and colonisation. The inclusion of the latter group reflected the liberalisation of the reform sector after the introduction of the LDA in 1994 (i.e. beneficiaries of agrarian reform no longer required authorisation to transfer land). The potential for the development of price-making markets was greatest within this bracket.

Comparing the 1974 and 2000 censuses suggests the potential boundaries of price-making land markets broadened from the 1970s onwards, continuing the trend that emerged between 1954 and 1974 (see Chapter 6). The number of privately owned titled landholdings increased from 212,808 to 409,346 and the proportion of privately owned land rose from 66% to 74%.<sup>238</sup> Numerous factors contributed to the relative and absolute increase: i) the basic protection agrarian reform legislation granted private property rights (especially after 1979); ii) the continued fragmentation of small, medium, and large-sized landholdings; iii) the absolute growth of the rural population; iv) the colonisation of the western lowland regions of highland provinces; v) the proliferation of private property

<sup>238</sup> The 1974 and 2000 censuses both use the UPA as a measure of agricultural units which makes the comparison between the two censuses more reliable than the comparison between the 1954 and 1974 censuses (see Chapters 1 and 6). However, comparisons between the 1974 and 2000 censuses remain approximations of actual changes in the agrarian structure between the two time periods.

titles through agrarian reform and land titling programmes; and, vi) the division of communally owned land.

The last factor was reflected in the amount of land under communal control in 2000. Whereas 311,948 hectares (10% of the agricultural land surface) was included within this bracket in 1974, 286,892 hectares (6% of the agricultural land surface) was incorporated in 2000. The land included in this category comprised community and cooperative owned land which was worked collectively or allocated to community members to work individually (i.e. *comuneros*). A variety of factors contributed to the division and reduction of communally owned land between the two censuses: i) the overriding pressure on land; (Haney & Haney 1987 pp. 126-30) (Martínez 2002a) ii) the ambiguity and limitations of the legal framework related to the division of communal land (especially before 1994); (Martínez 1998 pp. 180-81) (Navas 1998) iii) the pressure state agencies exerted on some communities to fragment communal land (e.g. *páramo*); (Forster 1989) iv) the desire of some peasants to divide communally owned land, especially cooperatives. (Interview 1) (Navarro *et al.* 1996)

The remaining 25% of units and 20% of land were classified under “occupied”, “rented, sharecropped and *al partir*”, and “mixed and other”. The first category includes land worked by producers who did not have legal title to the land or who worked it without a formal rental agreement. The bracket includes producers who worked land with or without the consent of the landowner. The second category includes land worked by producers with written or verbal rental contracts as well as farmers with sharecropping or *al partir* agreements. Studies undertaken in the sierra suggest *al partir* was more prevalent in the region than indicated by the census, highlighting the informal mechanisms peasants continued to use to access land (e.g. FAO 1995; Lentz 1997; Martínez 2002a). The third bracket includes land that fell outside of the other categories (e.g. land that was in the process of being transferred through inheritance) as well as land that was under more than one of the tenures covered by the census. The “occupied” and “mixed and other” categories provide an indication of the amount of land that was untitled and outside the reach of formal land markets at the time of the census. (FAO 2002) (Interviews 12 and 15)

Indigenous customs and practices continued to limit the expansion of price-making markets in the highland region (see Chapter 6). That is, in most cases economic and non-economic (e.g. cultural, social, spiritual) factors continued to influence the value and distribution of land and the circulation of land between indigenous peoples continued to follow a different logic to the distribution of land within price-making markets. The non-commodity view of land remained widespread. “For indigenous people”, Maria Andrade of CONAIE noted in the wake of the 1990 *levantamiento*, “land is not a business but life and the resource upon which we totally depend.” (Hoy 09/08/1990 p. A-3) Echoing this view, the FAO note “the influence of indigenous culture and networks of traditional knowledge that govern land transactions in the zone.” (2002 p. 5) The agency also reports that:

“In indigenous-peasant communities...the indigenous view of land influences the transactions that they undertake, they do not only involve the exchange of one good for another, but exchanges within the community and only between members of the same community.” (1995 p. 44)

The pattern of exchanges the FAO describes was not universal (nor immutable). It was, however, broadly representative of the transactions that took place within the community I interviewed in Guamoto, Chimborazo. (Interview 10) Land sales and purchases had occurred when members of the community migrated but only between members of community and land was most commonly acquired through inheritance.

The next section traces the activation and development of land markets under structural adjustment and neoliberalism. The FEPP assisted land purchase programme, which performed an important role in widening indigenous access to land in the early 1990s, is then examined.

### **3. The activation and development of land markets under structural adjustment and neoliberalism**

The extent to which land markets opened-up (via activation) and closed-down (via development) spaces for indigenous families and communities to obtain land continued to be contested under structural adjustment and neoliberalism.



Indigenous organisation and mobilisation continued to perform a crucial role in widening opportunities to purchase land. On a local level, the pressure indigenous families and communities exerted on landowners increased the amount of land available on the market. Thurner notes, for example, that land sales to indigenous peasants in Colta, Chimborazo were “the indirect result of the social and political threats of invasion and expropriation made concrete in labor indiscipline and other forms of local resistance.” (1989 p. 29) On a wider level, the 1990 *levantamiento* also encouraged landowners to sell land. The FAO indicate, for example, the uptick in land market activity registered in Colta, Chimborazo in 1990 and 1991 was the result of the “*conmoción*” (“upset”) caused by the uprising. (1995 p. 51) (Interviews 1 and 2) However, at the same time, the economic downturn of the 1980s and 1990s complicated indigenous efforts to purchase land. On the one hand, the rise in unemployment and decline in real wages limited the possibilities of indigenous peoples rechanneling income secured from wage labour into land purchases. On the other hand, the increase in the price of agricultural inputs and the decline in demand for agricultural produce reduced the income indigenous families obtained from market production.

The impact of the economic slump on the income of indigenous families was compounded by the escalation of land prices in the 1980s and 1990s. The FENOC capture the general panorama facing indigenous and mestizo peasants in the early 1980s:

“Taking advantage of the scarcity of productive land, the understandable desire of the peasant to acquire land, and the demographic pressure in certain *minifundistas* zones, landowners have attempted to sell their land at the *precio de oro* [price of gold]...The growing disequilibrium between the price of land and the income of the *minifundistas* progressively diminishes the possibilities of a transformation”. (1984 p. 9)

Land prices were driven higher by a variety of factors. First, the basic imbalance between supply and demand, which was exacerbated by the continued growth of the rural population, placed general upward pressure on prices in most regions. (Forster 1989 p.119) (Thurner 1989 pp. 21-30) (Korovkin 1997 p. 36) (Martínez

2002 p. 99) Second, the LRA-LFDA strengthened the protection of private property rights which increased the value of privately owned land. (Turner 1989 p. 24) (Vallejo 1996 p. 180) Third, urbanisation drove land prices higher in areas close to expanding towns and cities. (RO 48 1981) (Rosero 1990 pp. 61-2) Fourth, the speculative tactics of landowning elites escalated prices in some cases. (Korovkin 1997 p. 36) Fifth, the entrance of new economic actors and the development of the agroexport sector triggered rapid price increases in certain zones.

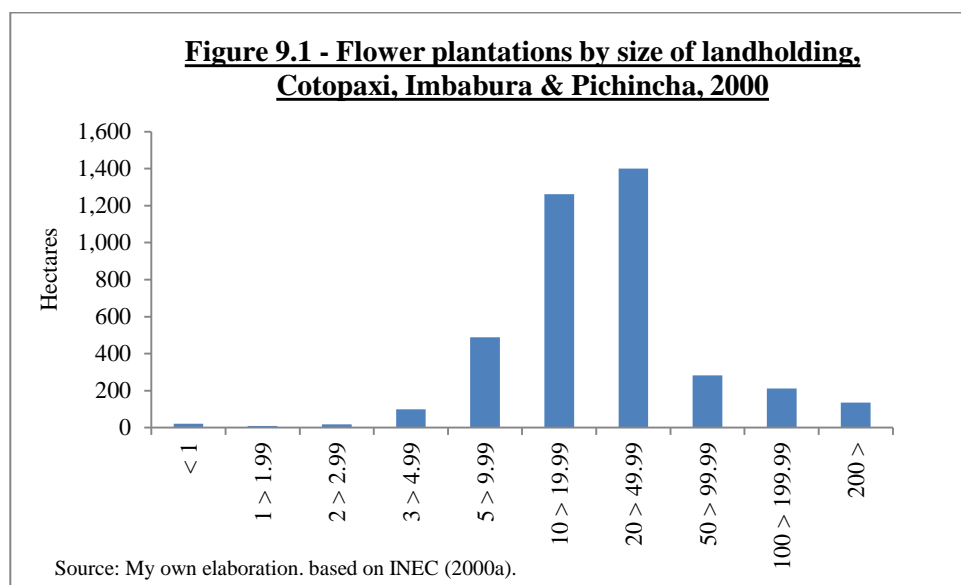
The development of the agroexport sector in the sierra had a significant impact on land markets. Historically, as noted in Chapter 3, agricultural export production in Ecuador was concentrated on the coast while production for the domestic market was concentrated in the sierra. The geographic boundaries of the agroexport sector expanded in the 1980s and 1990s as the state encouraged the production of “non-traditional” exports (e.g. flowers). Revisions to land reform legislation also lent support to agroexporters. The increased protection the LRA-LFDA granted private property rights gave national and international investors greater assurances over their investments. The introduction of the LDA then provided additional impetus by liberalising the market for privately owned land and practically eliminating the possibility of expropriation.<sup>239</sup>

The promotion of agroexport, the liberalisation of trade and capital flows, and the modification of agrarian legislation had a particularly big impact in the northern provinces of Cotopaxi, Imbabura, and Pichincha. Highly productive land, favourable climatic conditions, and good links with overseas markets made the region particularly appealing for agroexporters. The starkest illustration of the development of primary export production in the zone was the proliferation of flower producers. The northern highland region is located on the equator at zero or close-to-zero degrees latitude which makes it particularly well suited to the production of flowers (e.g. roses). Its topographical characteristics are also favourable, especially at lower elevations where the land is flatter, temperature

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<sup>239</sup> Tellingly, the limited grounds the law provides for expropriation is noted by the Office of the United States Trade Representative. (USTR 2010 p. 31)

higher, and irrigation securer.<sup>240</sup> Flower producers started to operate in the zone in the late 1980s as national and overseas investors realised the productive potential of the zone at a time when barriers to investment were falling and overseas markets were expanding.<sup>241</sup> (FAO 1995 pp. 62-3) Having grown at a moderate pace in the 1980s, flower production expanded at a rapid rate in the 1990s, becoming one of Ecuador's most important export sectors by the end of the decade. (Korovkin 2004 pp. 87-91) Elevated land prices and considerable capital requirements precluded the involvement of peasant producers within the sector. The only spaces open to peasant families to engage in flower production were as wage labourers on plantations. (Korovkin 2004 pp. 91-106) (Rubio 2008 pp. 67-9)



Flower plantations fitted within the pattern of rationalised medium-sized landholdings that developed under land reform (see Figure 9.1 above). While some covered over 200 hectares, most ranged between 10 and 50 hectares. Crucially, the land incorporated into the flower sector was among the most productive in the highland region. The basic pattern that emerged was the monopolisation of the most productive land located at lower elevations by

<sup>240</sup> The considerable demands flower production places on water supplies was one of the factors that stimulated the growth of CODEMIA, a powerful indigenous-peasant water committee that regulates irrigation water in and around the canton of Cayambe. (Interview 5)

<sup>241</sup> Background information on the flower sector is derived from the informal discussions I had with flower producers in the canton of Cayambe in 2010 and 2011 as well as interviews with indigenous organisations, NGOs, and water committees in the region. (Interviews 3, 4, 5, 8 & 16) Personal communication with Emilia Ferraro, who undertook ethnographic research in the zone in the 1990s, is also drawn upon.

flower producers (national, overseas and international enterprises) and the restriction of peasant producers (mestizo and indigenous) to the most marginalised zones at higher elevations. Summarising the situation in the canton of Cayambe in 1988-1992, the FAO provide a glimpse of the structure of the land market in zones where flower plantations emerged:

“On one side there is the good quality land to which only national and overseas enterprises have access...The other market is the peasant market for land of medium and low quality...Because of elevated prices the peasants cannot purchase land in the valley and the businesspeople are not interested in the land at higher elevations”.

(FAO 1995 p. 54)

The interviews I conducted with indigenous organisations and NGOs in the canton of Cayambe support the pattern the FAO describe. (Interviews 3, 4, 5, 8 and 16) César Andrango, the president of the *Unión de Organizaciones Populares de Ayora y Cayambe* (UNOPAC), a second-grade indigenous-peasant organisation that comprises fifteen communities and 950 families, said the expansion of the flower sector had “totally changed the mode of living” in the region. (Interview 16) Members of nearly every family his organisation represented worked in the flower plantations at some stage. The shift saw indigenous men and women working Monday to Saturday in the flower plantations and having little time to spend working the land.<sup>242</sup> The price of land in the region limited the possibilities of plantation workers redirecting income into land purchases. Fernanda Vallejo, who worked in Cayambe for the rural development NGO, Heifer, also emphasised that it was impossible for peasant producers to purchase land in the most productive zones due to elevated prices. (Interview 4) Fausto Sanaguano, who had previously worked in Cayambe for the same NGO, reported a similar situation. (Interview 3) In short, the development of price-making markets and the expansion of primary export production closed-down the spaces open to indigenous peoples to acquire land.

The next section examines the role the religious NGO, FEPP, performed in the activation of land markets. The section shows opportunities to secure land

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<sup>242</sup> See Korovkin (2004), Rubio (2008) and Deere & Contreras (2011).

through the activation of market remained but the development of price-making markets limited the possibilities of indigenous peoples securing land in certain zones.

#### **4. FEPP assisted land purchase scheme (1990-1995)**

The *Fondo Ecuatoriano Populorum Progressio* (FEPP), an Ecuadorian NGO linked to progressive sectors of the Catholic Church, performed a significant role in the activation of the land market in the wake of the 1990 *levantamiento*.<sup>243</sup> In economic terms, the NGO transformed latent indigenous demand into effective demand by providing interest bearing loans to communities and organisations to purchase land on the market.

The FEPP first supported indigenous efforts to obtain land in the 1970s when it provided a loan to indigenous families and communities to purchase land after their attempt to secure land via the IERAC had failed.<sup>244</sup> The NGO continued to provide loans on an *ad hoc* basis in the 1980s before considerably expanded its operations in the early 1990s. The shift was a result of four interrelated factors: i) the availability of fresh revenue streams to fund the operation of the NGO; ii) the continuation of the land crisis; iii) the inability of peasants to secure land via the market or the IERAC; and, iv) the upsurge in rural conflicts, unrest, and protests.

The importance of the 1990 *levantamiento* was emphasised during the interview I conducted with Alonso Vallejo, the General Coordinator of the FEPP, Chimborazo. (Interview 1) The basic impact was twofold. On the one hand, the uprising increased the desire of the NGO and the Borja government to respond to the demands of indigenous families and communities (even if, as explained in the previous chapter, the state response was weak). On the other hand, the *levantamiento* encouraged landowning elites to offer land for sale on the market in the face of heightened indigenous pressure. The impact of the mobilisation was particularly strong in the province of Chimborazo. For example, according to Vallejo, the uprising persuaded landowning elites in Guamate to sell the

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<sup>243</sup> My analysis of FEPP is restricted to the role the NGO performed in supporting indigenous attempts to secure land between 1990 and 1995. Refer to Navarro *et al.* (1996) and Bretón (2008a) for wider analyses of the NGO. See also Cervone (2012).

<sup>244</sup> Cervone indicates the FEPP supported indigenous efforts to secure land via agrarian reform in 1970s. (2012 p. 76) However, the NGO did not perform a formal role within the reform. (Interview 1)

remaining sectors of their haciendas. (Interview 1) Luis Alberto Tuaza, who worked and conducted research in Guamote in the 1990s, also told me indigenous pressure was a crucial factor behind the decision of landowning elites to sell the remnants of their haciendas. (Interview 2) The FAO, as noted, also report a notable increase in land market activity as a result of the *levantamiento* in the neighbouring canton of Colta. (1995 p. 51) Echoing developments in 1972 and 1973, indigenous mobilisation therefore activated land markets in the province and increased the spaces open to indigenous peoples to secure land.

The fresh revenue streams the FEPP obtained to expand its loan operations sprung from a controversial source: the Catholic Church's purchase of tranches of Ecuador's overseas debt on international bond markets.<sup>245</sup> (Navarro *et al.* 1996 pp. 51-63) The *Conferencia Episcopal Ecuatoriana* (CEE) reached agreement with the Borja government in late 1990 (i.e. some months after the *levantamiento*) to purchase \$US28 million of discounted overseas debt, convert the debt into sucres (via the *Banco Central del Ecuador*), and invest the funds into social programmes in Ecuador. (Navarro *et al.* 1996 pp. 280-1) One of the five schemes agreed between the government, the CEE and the BCE was the *Programa Nacional de Servicios Integrados las Comunidades Indígenas*. The programme comprised two elements: i) the provision of loans to indigenous, mestizo and afroecuatoriano peasants to purchase and legalise land;<sup>246</sup> and, ii) the funding of rural development programmes. The initiative received the equivalent of US\$10 million of funding, US\$6 million of which was channelled into the purchase and legalisation of land and US\$4 million was dedicated to rural development programmes. (Navarro *et al.* 1996 p. 62)

The framework that underpinned the land purchase scheme was formulated by the FEPP, CEE, and BCE. However, the *Cámaras de Agricultura* and the CONAIE influenced the design of the framework. The former channelled its demands through the BCE, the agency with ultimate responsible for overseeing the use of the funds channelled through the FEPP. Landowning elites also

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<sup>245</sup> The source of funding was controversial as religious activists and social movements had questioned the legitimacy of Ecuador's overseas debt, the bulk of which was accumulated by the military dictatorships of the 1960s and 1970s.

<sup>246</sup> On a national level, the FEPP classify 61% of the total number of people who purchased land through the programme as indigenous. (Vallejo 1996 p. 167) The proportion of indigenous beneficiaries is likely to have been higher in the highland region than in the country as a whole.

visited the offices of FEPP to seek assurances over the programme. (Navarro *et al.* 1996 p. 74) The pressure the *Cámaras de Agricultura* exerted over the BCE was reflected in the inclusion of the following clauses with the regulatory framework: i) the proscription of the use of funds to purchase land that had been “invaded” in the previous five years;<sup>247</sup> ii) the “free and voluntary” agreement of the landowner to sell land; and iii) the purchase of land at “market prices without subsidies”. (Navarro *et al.* 1996 p. 73) The latter directed its demands through the FEPP and the CEE. The pressure the CONAIE exerted over the FEPP and the CEE was reflected in the inclusion of the leaders of the movement within the *Comisión Tripartita*, the committee charged with the task of overseeing and promoting the land purchase initiative. (Navarro *et al.* 1996 pp. 85-6)

Notwithstanding the influence of the CONAIE, the FEPP programme resembled the “willing seller” “willing buyer” market-based agrarian reform model in which the distribution of land is channelled through the market and the principal role of the state is to provide loans to fund the purchase of land at market prices. (Deininger & Binswanger 1999) (World Bank 2003) The FEPP effectively performed the role of the state within the assisted purchase scheme. Three basic conditions were set on the provision of loans: i) loans were only granted to communities, associations, cooperatives etc. (i.e. not to individuals); ii) recipients of credit were obligated to work the land collectively until the loan was repaid; and, iii) borrowers were obliged to contribute at least 10% of the cost of the land purchase. (Interview 1) (Navarro *et al.* 1996 pp. 89-93)

Table 9.2 (below) summarises the FEPP assisted land purchases undertaken in the highland region between April 1990 and July 1995. The programme involved 5,204 people who purchased a combined total of 27,232 hectares of land. Indicative of the broad shift from state to private initiatives under neoliberalism, the total surpassed the total amount of land that was redistributed in the highland region via IERAC between 1990 and 1994. (IERAC-INDA)

The following sections explain the principal features and outcomes of the programme.

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<sup>247</sup> This restriction was subsequently relaxed, according to the FEPP. (Navarro *et al.* 1996 p. 65)

<b>Table 9.2 – FEPP assisted land purchases, Highland Ecuador, April 1990- July 1995</b>						
<b>Province</b>	<b>Organisations</b>	<b>Members</b>	<b>%*</b>	<b>Land (hectares)</b>	<b>%**</b>	<b>Average (hectares)</b>
Azuay	2	215	4.13	17	0.06	0.08
Bolivar	19	725	13.93	1,963	7.21	2.71
Cañar	6	126	2.42	474	1.74	3.76
Chimborazo	51	1,896	36.43	17,258	63.37	9.10
Cotopaxi	20	975	18.74	5,028	18.46	5.16
Imbabura	9	716	13.76	976	3.58	1.36
Loja	4	37	0.71	60	0.22	1.62
Pichincha	4	110	2.11	1,326	4.87	12.05
Tungurahua	10	404	7.76	130	0.48	0.32
<b>Total</b>	<b>125</b>	<b>5,204</b>	<b>100.00</b>	<b>27,232</b>	<b>100.00</b>	<b>5.23</b>

Source: My own elaboration based on Navarro *et al.* (1996) p. 142. \* Members as % of total. \*\* Land as % of total.

#### **4.1. Land prices**

Land purchases were based on market prices. This position, which was insisted on by the *Cámaras de Agricultura*, was seemingly unquestioned by the FEPP. (Interview 1) The distribution of land at market prices was not a radical departure from land reform as landowning elites generally secured high prices for land sold to the IERAC which the institute then typically passed on to the recipients of the land (see Chapters 5 and 8). The approach was a significant departure from the CAN proposal, however, which placed the economic burden of the distribution of land on the state rather than the recipient (see Chapter 7).

While the FEPP accepted the market price of land as the barometer of the real value of land, the NGO negotiated with landowners to lower prices. The peasant organisations involved in the land purchase also performed a role within the negotiation process. The FEPP claim that on a national level an average reduction in price of 28% was secured through negotiation. (Vallejo 1996 p. 177) However, the discount the FEPP report was between the “offered” and “agreed” price which does not equate to a reduction between the “market” and “agreed” price. That is, landowners are likely to have started negotiations by demanding above market prices. The largest discounts were secured in Chimborazo, suggesting prices were driven down by the strength of indigenous organisation and scale of indigenous mobilisation, factors which also enabled indigenous



families and communities to secure more favourable outcomes under land reform in some cases (see Chapter 5).

Notwithstanding the price reductions secured through negotiation, the acceptance of the market price of land as the real value of land had a number of important consequences. First, the operation of the programme took place in the context of rapidly increasing land prices which enabled landowners to receive elevated prices. (Vallejo 1996 p. 179) The scheme therefore provided a useful mechanism for landowners to realise substantial returns on land. Second, the programme appeared to place upward pressure on land prices which increased the cost of purchasing land through the scheme and complicated the attempts of indigenous peoples not involved in the programme to obtain land. (Rosero 1990 pp. 61-2) (FAO 1995) (Vallejo 1996 pp. 180-1) Third, the economic cost of securing land through the scheme was elevated. This dissuaded some indigenous families and communities from participating in the programme and saddled indigenous peoples who did participate with relatively high levels of debt. (Vallejo 1996 p. 169) The FEPP, according to Vallejo, experienced very few problems with the repayment of loans and many peasant organisations cleared their debts in advance of schedule. (Interview 1) Bretón claims, however, the elevated cost of land sometimes reduced the viability and cohesion of the organisations as members temporarily migrated to secure income to repay loans. (2008b pp. 194-6) Fourth, the price of land limited the reach of the programme, especially in the northern sierra where the most productive and best situated land was located. Indicating the impact of export agriculture on land markets, Vallejo notes:

“In the province of Imbabura the land market is restricted and the prices are very high, especially in areas where enterprises that produce flowers for export markets are located.” (1996 p. 164)

The average price of a hectare of land purchased through the FEPP office responsible for the province of Imbabura (where flower exporters operated) was over four times higher than the average price of land purchased through the branch responsible for the province of Chimborazo. (Vallejo 1996 p. 178) The former purchased 3.3% of the total amount of land acquired through the FEPP programme but absorbed 11.5% of total funds whereas the latter purchased

59.4% of land but absorbed 54% of funds.<sup>248</sup> (Vallejo 1996 p. 161) Consistent with the activation/development framework, the development of price-making markets limited the opportunities for indigenous peoples to obtain land in certain zones.

#### **4.2. Land characteristics**

The FEPP paid considerable attention to the type of land purchased through the scheme, something the IERAC failed to do in most cases. (Interview 1) The credit indigenous peoples were able to access through the scheme enabled them to purchase good quality land in some cases. For example, Alonso Vallejo explained to me that the sections of the haciendas landowning elites decided to sell in Guamote were located along the floor of the valley. Indigenous families and communities, who owned marginal land located at higher elevations, had spent decades “looking down” on the most productive land in the zone. (Interview 1) The credit supplied by the FEPP enabled them to secure the land that had remained out their reach under land reform. Nevertheless, as indicated above, on a broader level the bulk of the most productive and the best situated land in the highland region remained out of the programme’s reach.<sup>249</sup> Nearly two-thirds of the land purchased through the scheme was located in Chimborazo where the land was typically less productive and more remote than land located in Cotopaxi, Imbabura and Pichincha (see Table 9.2). Echoing land reform, the land channelled through the FEPP also included a significant amount of *páramo*. For example, the majority of 10,950 hectares of land acquired by *Asociación de Pomacocha* in the canton of Alausí, Chimborazo comprised *páramo*. (Interview 1) (Vallejo 1996 p. 152) (Rosero 1990 p. 84) This single transaction accounted for over one-third of the total amount of land purchased through the scheme in the highland region between 1990 and 1995. The acquisition skews upward the average amount of land purchased per participant (see Table 9.2). If the transaction is stripped out of the Chimborazo data the average amount of land purchased in the province drops from 9.1 to 3.4 hectares. The bulk of

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<sup>248</sup> The figures reported by Vallejo relate to the entire FEPP programme and do not therefore correspond with the data reported in Table 9.2.

<sup>249</sup> On a national level, FEPP classified 10% of the land purchased through the scheme as “highly productive” and 61% as “medium quality”. (Vallejo 1996 p. 193)

transactions yielded an average of less than 3 hectares per person, with participants securing an average of less than 1 hectare in numerous cases.

#### **4.3. Land purchases and land conflicts**

The land purchased through the scheme was concentrated in provinces where the intensity of land conflicts was greatest (e.g. Chimborazo, Cotopaxi), illustrating the basic link between the expansion of FEPP operations and the upsurge in rural unrest in the late 1980s and early 1990s. (Interview 1) (Vallejo 1996 p. 215) The programme had the greatest impact resolving or easing conflicts in the province of Chimborazo. (Bretón 2008a p. 196) The basic reason for the level of success in the province was twofold: indigenous pressure was strongest and the price of the land was within the reach of the programme. While the FEPP had less success in resolving land conflicts elsewhere in the highlands, the organisation still had an important impact in alleviating or eliminating tensions in certain cases. (Vallejo 1996 p. 146 & p. 154) In stark contrast to land reform, the speed with which the FEPP negotiated sales and provided loans contributed to the alleviation of tensions and conflicts.

#### **4.4. Communal versus individual ownership**

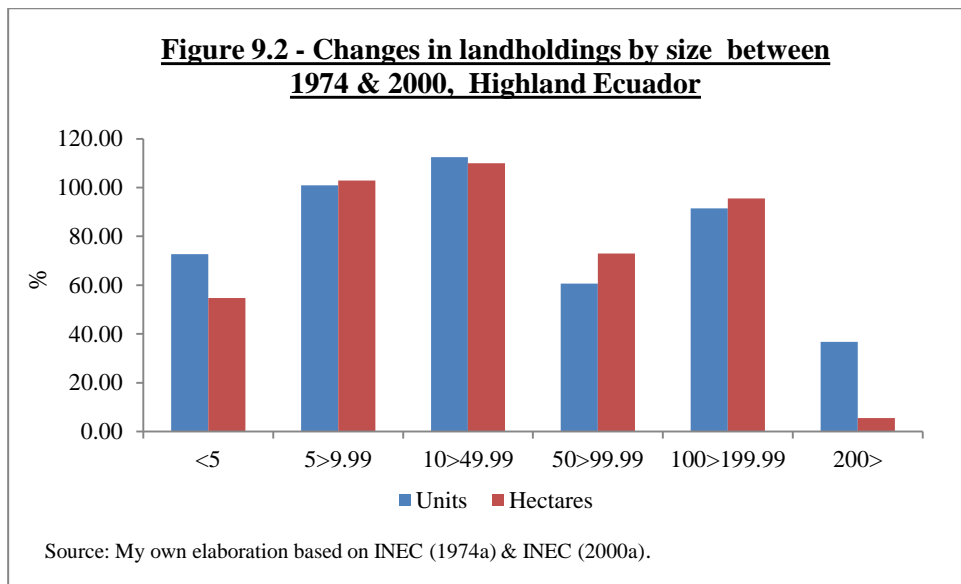
Collective organisation was a precondition for participating in the scheme. (Interview 1) Credit was only extended to communities, associations or cooperatives and involvement in the scheme was conditioned on agreement to work the land collectively until the loans had been repaid. Resembling the pattern that emerged under land reform (see Chapters 5 and 8), the FEPP note that new organisations were sometimes formed within existing communities as not all of the members of the community were willing or able to participate in the scheme. (Vallejo 1996 p. 169) The amount and price of land were obstacles for the wider involvement of indigenous peoples within the programme. Generational factors were also important as older members of communities tended not to participate in the scheme. (Vallejo 1996 p. 169) (Martínez 1998 pp. 178-9) The FEPP programme therefore contributed to the diversification of local-level indigenous organisations (see Chapter 7). (Zamosc 1995) (Vallejo 1996 pp. 145-57) (Martínez 1998 pp. 177-83)

Virtually all of the organisations involved in the scheme divided the land purchased through the FEPP after repaying their loans. (Vallejo 1996 pp. 209-11) (Interview 1) While this clearly surprised the FEPP, the move was in keeping with the basic pattern of indigenous landownership in the highlands, which, with the exception of *páramo*, was concentrated at the individual-family rather than community level. Inheritance was given as one of the principal reasons for wanting to divide land, indicating the importance of the family unit. Notably, the FEPP do not report that decisions to fragment land were based on the desire to sell the land on the market. (Vallejo 1996 pp. 209-11) Alonso Vallejo emphasised this point during our discussion. (Interview 1) He told me that in “very few cases” had indigenous peoples decided to sell land and when land was exchanged it had been transferred to family members - a “brother” or “uncle” - not to “outsiders”. Tellingly, according to Vallejo, decisions to fragment land were based on the desire of indigenous peoples to work the land in accordance with “their own forms of organisation” which were based on the “principles of reciprocity and redistribution”. (Interview 1) Thus, following the pattern described in this thesis, the land tended to remain under indigenous control and worked under traditional customs and practices after being purchased on the market.

To sum up, the FEPP performed a crucial role in activating land markets and opening spaces for indigenous peoples to secure land. Indigenous pressure and mobilisation was a crucial factor behind the decision of the FEPP to introduce the assisted land purchase scheme and the decisions of landowning elites to offer sale on the market. However, the best quality land in the sierra remained out of the reach of most participants i.e. the development of price-making land markets closed down spaces for indigenous peoples to secure land, especially in zones where agroexporters operated. Notwithstanding price reductions secured through negotiation, the use of the market price as a barometer for the real value of land limited the reach of the programme and ensured the cost of accessing land for participants in the scheme was elevated.

## 5. Land distribution in the 1980s and 1990s

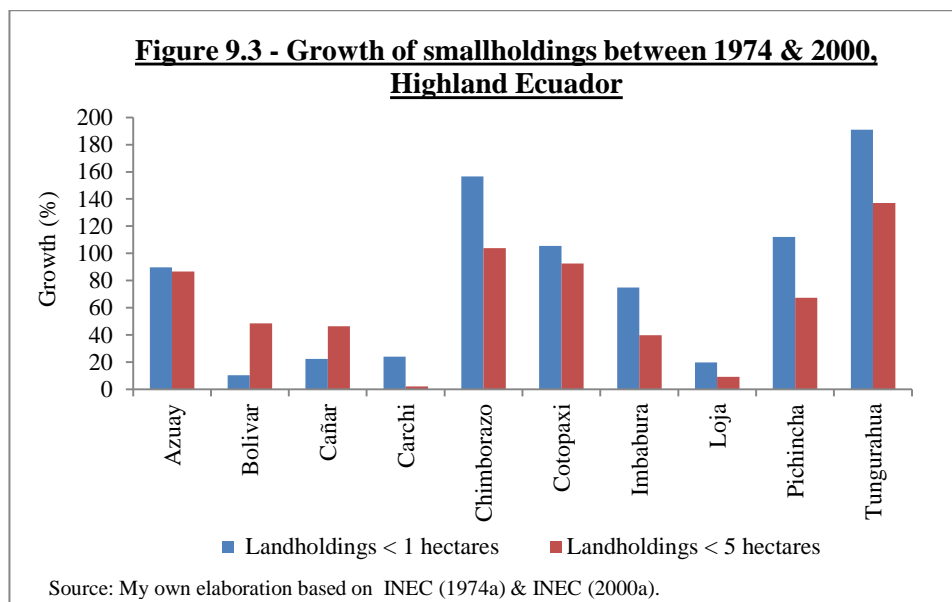
The land distribution experienced significant changes in the sierra in the 1980s and 1990s.<sup>250</sup> The best indicator of the land distribution during this period is the 2000 agricultural census which was the first national survey published after the 1974 census. Comparing the two censuses suggests the three basic trends that emerged between 1954 and 1974 continued between 1974 and 2000 (see Chapter 6). That is, i) smallholdings proliferated and fragmented; ii) medium-size farms expanded; and iii) extensive landholdings declined. This section examines these trends in greater detail. The positions indigenous peoples occupied within the land distribution is then approximated.



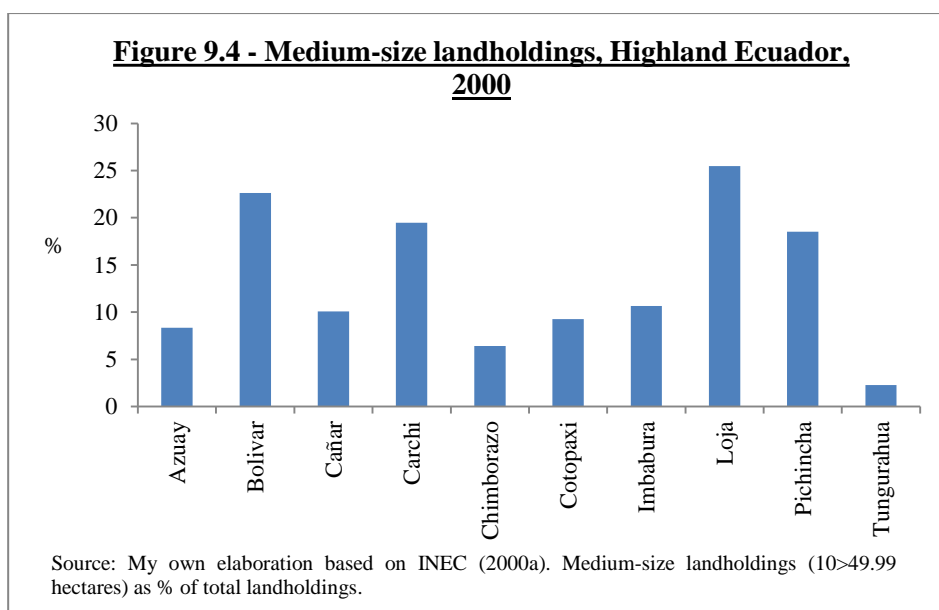
- 1) The proliferation and fragmentation of *minifundia*. Continuing the trend that started to accelerate after the introduction of the LRAC, the total number of *minifundia* increased sharply between 1974 and 2000, rising by 73% or 179,259 units (see Figure 9.2 above). The gap between the growth of units and the expansion of land within this range points towards the continued fragmentation of smallholdings. This was reflected in the continued growth in the number of units at the bottom end of the *minifundia* spectrum: units of less than 1 hectare (i.e. *microfundia*) increased by nearly 100%. The expansion in the number of smallholdings varied markedly across the highlands (see Figure 9.3 below). Growth

<sup>250</sup> To avoid repetition the sources used for this section are INEC (1974a), INEC (2000a), and INEC (2000b) unless otherwise stated.

was strongest in the central and northern provinces of Chimborazo, Cotopaxi, and Tungurahua. The analysis presented in the previous chapter indicates land reform continued to perform a direct role in proliferating landholdings at the lower end of the land distribution. The average amount of land participants in the FEPP scheme secured suggest the majority of them also remained within the lower tier of the land distribution, although some may have secured sufficient land to climb into higher brackets. On a general level, the data indicate that neither redistributive nor market mechanisms provided widespread opportunities for peasant producers to climb the land distribution ladder.



- 2) The proliferation of medium-size landholdings. Units within the middle range of the land distribution also experienced rapid growth (see Figure 9.2 above). Numerous factors influenced this expansion, including the subdivision of traditional haciendas, the colonisation of the western lowland regions of highland provinces, and the emergence of medium-size capitalist enterprises orientated towards the export market (e.g. flower producers - see Figure 9.1). Growth of medium-sized units was registered across the highlands. However, the relative amount of landholdings varied significantly across the highlands. The provinces with the highest proportion of landholdings within the 10 > 49.9 range – the group which experienced the strongest growth between 1974 and 2000 - were Bolivar, Carchi, Loja, and Pichincha (see Figure 9.4 below).



- 3) The decline of extensive landholdings. The number of extensive (200 > hectares) units increased between 1974 and 2000 but at a much slower rate than small and medium-sized units (see Figure 9.2 above).<sup>251</sup> Furthermore, the total amount of land within this range increased at a slower rate than the total number of units which indicated the further fragmentation of extensive landholdings. The highest concentration of units within this range was in the provinces of Pichincha and Loja where large tracts of land were utilised for cattle and dairy farming. A significant number of landholdings within the 200 > hectare range comprised *páramo*, especially in the central highland provinces of Pichincha, Cotopaxi, Chimborazo and Tungurahua.

### 5.1. Estimating the positions indigenous peoples occupied within the land distribution

The overriding distribution of land in the sierra remained highly polarised in 2000. Table 9.3 (below) shows *minifundia* accounted for 75% of units and 12% of the land surface while extensive landholdings accounted for 0.4% of units and 30% of the land surface.<sup>252</sup> However, the expansion of medium-sized landholdings increased the importance of units in the middle range of the land distribution, especially within the 10 > 49.99 hectare bracket.

<sup>251</sup> The largest land distribution bracket in the 2000 agricultural census is 200 > hectares.

<sup>252</sup> As a proportion of landholdings above 200 hectares were under communal control in 2000, the census data accentuates the actual degree of land inequality in the highland region.

<b><u>Farm size</u></b> <b><u>(hectares)</u></b>	<b><u>Units</u></b>	<b><u>Units as % of</u></b> <b><u>total</u></b>	<b><u>Land surface</u></b> <b><u>(hectares)</u></b>	<b><u>Land as % of</u></b> <b><u>total</u></b>
< 1	217,000	38.23	83,106	1.75
1 > 1.99	92,144	16.23	122,115	2.56
2 > 2.99	56,735	10.00	131,477	2.76
3 > 4.99	59,926	10.56	222,152	4.66
<b>&lt; 5</b>	<b>425,805</b>	<b>75.02</b>	<b>558,850</b>	<b>11.73</b>
5 > 9.99	58,417	10.29	394,197	8.28
10 > 19.99	38,744	6.83	517,097	10.86
20 > 49.99	29,376	5.18	873,843	18.35
50 > 99.99	9,612	1.69	632,864	13.29
100 > 199.99	3,517	0.62	453,614	9.53
200 >	2,152	0.38	1,331,862	27.97
<b>Total</b>	<b>567,622</b>	<b>100.00</b>	<b>4,762,331</b>	<b>100.00</b>

Source: My own elaboration based on INEC (2000a).

The analysis presented in this and previous chapters suggest the bulk of highland indigenous families remained at the lower end of the land distribution (i.e. < 5 hectares). The 2000 census provides support for this claim. Table 9.4 (below) shows the prevalence of *microfundia* (< 1 hectare) and *minifundia* (< 5 hectares) in each of the highland provinces in 1974 and 2000. The data illustrate a number of important points. First, *minifundia* were the most common form of landholding in each of the highland provinces, ranging from 51% of landholdings in Loja to 94% of units in Tungurahua. Second, the prevalence of *minifundia* exhibited a high degree of continuity between 1974 and 2000. Only in Loja, where the proportion of smallholdings dropped from 70% to 51%, was the relative size of the *minifundia* population significantly reduced. Third, *minifundia* were more prevalent in provinces with high indigenous population densities.<sup>253</sup> The positive relationship between the two variables is illustrated in Figure 9.5 (below). The relationship was strongest in the provinces of Cañar, Chimborazo, Cotopaxi, and Imbabura but also discernible in Tungurahua. Conversely, as Figure 9.6 (below) illustrates, medium-size landholdings (10 > 49.99 hectares) were more prevalent in regions with low indigenous densities. The two patterns are reflected in the growth of small and medium size landholdings reported in Figures 9.3 and 9.4 (i.e. growth of small/medium

<sup>253</sup> Using different data and classifications, Zamosc reports a similar pattern between indigenous peoples and smallholdings in the highland region in the early 1990s (see Chapter 2). (1995 pp. 33-43)

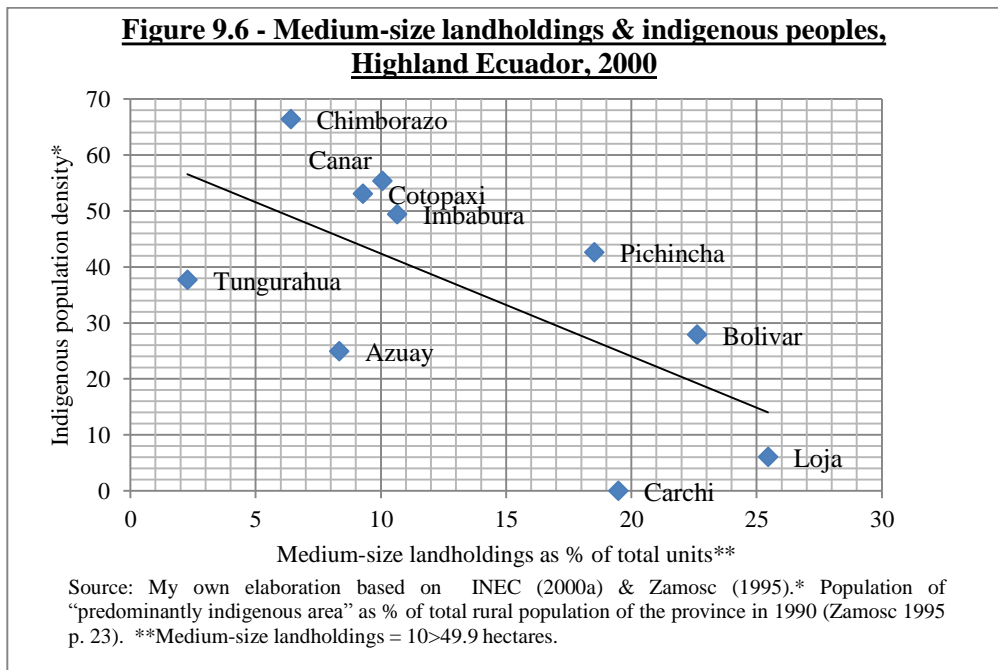
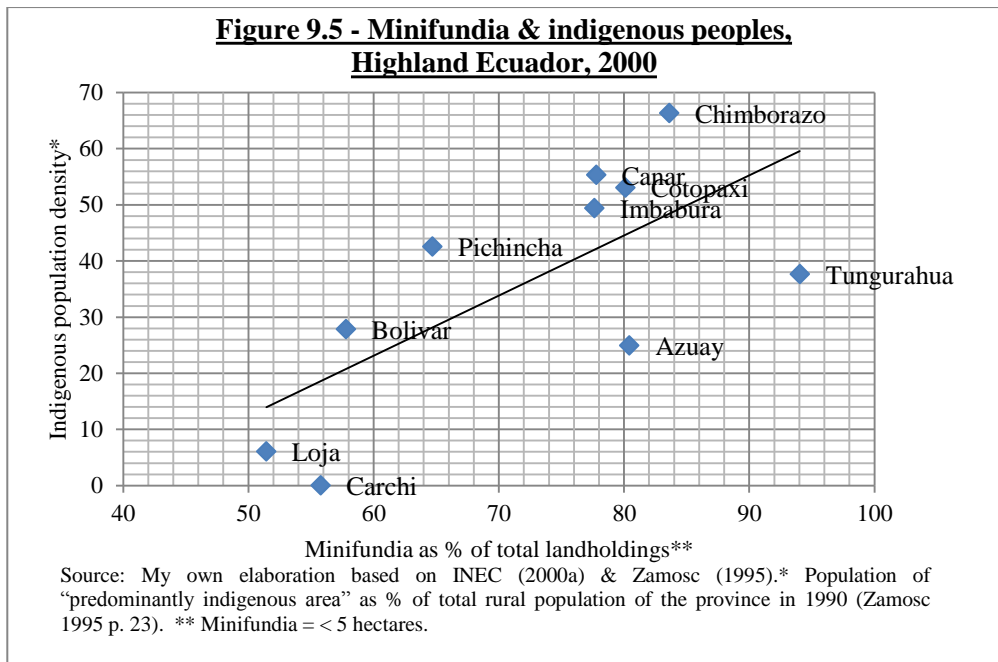


landholdings was higher/lower in regions with high/low indigenous population densities). Taken together, the data suggest the number of indigenous peoples involved in the expansion of small/medium landholdings was higher/lower than for the rural population as whole. Fourth, the relative size of the *microfundia* population increased in most provinces as well as in the region as a whole. The prevalence of *microfundia* was also above average in each of the provinces with high indigenous population densities. The picture painted by the census was reflected in the interviews I conducted with indigenous organisations and communities. For example, the average size of the landholding of the 950 families integrated into the UNOPAC was around one hectare, according to the president of the organisation, César Andrango. (Interview 16)

**Table 9.4 – Prevalence of minifundia & microfundia,  
Highland Ecuador, 1974 & 2000**

<b>Province</b>	<b>IPD*</b>	<b>Minifundia** (&lt;5 hectares)</b>		<b>Microfundia ** (&lt;1 hectare)</b>	
		<b>1974</b>	<b>2000</b>	<b>1974</b>	<b>2000</b>
		Azuay	24.94	87.04	80.42
Bolivar	27.86	66.34	57.80	23.23	15.06
Cañar	55.31	83.06	77.78	47.65	37.29
Carchi	0.00	62.58	55.77	14.22	15.38
Chimborazo	66.35	80.86	83.62	28.41	36.98
Cotopaxi	53.06	77.32	80.11	33.60	37.15
Imbabura	49.38	79.44	77.63	40.13	49.03
Loja	6.05	70.06	51.43	18.99	15.30
Pichincha	42.57	60.86	64.69	29.27	39.41
Tungurahua	37.64	92.73	94.04	53.02	66.03
<b>Average</b>	<b>37.85</b>	<b>73.39</b>	<b>72.33</b>	<b>30.80</b>	<b>35.47</b>

Source: My own elaboration based on INEC (1974a), INEC (2000a) & Zamosc (1995). \* IPD = Indigenous Population Density - API population as % of total rural population of the province/region in 1990. (Zamosc 1995 p. 23) \*\* Landholdings of <1 and <5 hectares as % of total landholdings.



Combining the land redistribution data reported in the previous chapter and *microfundia-minifundia* data presented in this chapter indicates land redistribution tended to have a larger impact in provinces with high indigenous population densities and *microfundia-minifundia* tended to be more prevalent in provinces with high indigenous population densities. Using a different dataset and time period, Zamosc reports a similar pattern. (1995 pp. 37-43) He notes “despite the greater reach of agrarian reform the predominantly indigenous cantons are characterised by a greater degree of *minifundismo*”. (1995 p. 42)

However, Zamosc overlooks one of the reasons for the positive relationship between the two variables: the significant amounts of *páramo* redistributed in zones with high indigenous population densities (see Chapters 5 and 8). On an aggregate level land redistribution in these zones tended to comprise small plots of cultivable land and large tracts of *páramo*. One of the consequences of this was the increased pressure indigenous families and communities placed on the *páramo* in the decades after the introduction of agrarian reform.<sup>254</sup> The overexploitation of the high-altitude grassland caused environmental damage and social conflicts in some cases. For example, the overuse of the *páramo* for pasture in Cayambe threatened irrigation and created tensions between communities. The second-grade indigenous and peasant organisation UNOPAC ultimately persuaded a number of local communities to limit the grazing of animals but the members of the communities were unable to secure increased access to land at lower elevations to compensate for the reduced use of the grassland which placed significant strain on their economic strategies. (Interviews 16 and 17)

The 2000 census provides another indication of the position highland indigenous peoples occupied in the land distribution. The census includes data which indicate the ethnicity of agricultural producers (see Table 9.5 below).<sup>255</sup> Unfortunately, the data are at the producer rather than landowner level (i.e. the producer was not necessarily the landowner). Nevertheless, they provide a further indication of indigenous access to land. A number of points can be drawn from the table. First, the data show indigenous producers were more concentrated at the lower end of the land distribution (< 5 hectares) than all ethnic groups combined. Excluding Cañar, that was the case in each of the highland provinces as well as in the region as a whole. Second, the average size of landholdings worked by indigenous producers was smaller than the average size of landholdings worked by all ethnic groups combined. With the exception of Carchi (where only a handful of producers who self-identified as indigenous

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<sup>254</sup> On changes in the use and control of *páramo* see Mena *et al.* 2011. See also Forster (1989), Navas (1998) and Martínez (2002a).

<sup>255</sup> The ethnicity of the producer was determined by self-identification on the day of the census. (Interview 13) The census includes the following ethnic groups: “mestizo”, “white”, “indigenous”, “black”, and “other”. For simplicity, the data reported in this section are restricted to indigenous producers and total producers.

were located), that was the case in all of the highland provinces as well as in the region. Third, indigenous engagement in agriculture varied across the highlands but was elevated in most provinces and in the region as whole. Indigenous producers accounted for 28% of all agricultural producers while indigenous peoples accounted for around 15% of the total rural population.<sup>256</sup> On a basic level the data point towards the important role land and agriculture performed within the economic strategies of highland indigenous families at the turn of the millennium, reinforcing the points made throughout this thesis about the strong, though by no means fixed, links between indigenous peoples and land.

**Table 9.5 – Indigenous producers by size of landholding,  
Highland Ecuador, 2000**

<u>Province</u>	<u>IPD*</u>	<u>Indigenous producers ** (%)</u>	<u>Total minifundia producers *** (%)</u>	<u>Indigenous minifundia producers *** (%)</u>	<u>Total average landholding (hectares)</u>	<u>Indigenous average landholding (hectares)</u>
Azuay	24.94	10.31	81.54	88.05	6.15	4.83
Bolivar	27.86	23.58	58.19	66.47	9.56	7.27
Cañar	55.31	30.36	79.08	78.15	6.78	6.60
Carchi	0.00	0.50	55.34	71.74	13.01	15.35
Chimborazo	66.35	65.94	82.95	85.91	5.33	4.12
Cotopaxi	53.06	36.17	80.28	80.62	6.31	5.58
Imbabura	49.38	45.28	76.14	88.05	8.81	3.29
Loja	6.05	6.88	50.25	68.48	15.72	7.82
Pichincha	42.57	19.13	64.50	75.27	13.43	6.38
Tungurahua	37.64	24.14	93.45	95.09	2.78	3.08
<b>Average</b>	<b>37.85</b>	<b>27.57</b>	<b>75.15</b>	<b>83.59</b>	<b>8.04</b>	<b>4.81</b>

Source: My own elaboration based on INEC (2000a) & Zamosc (1995). \* IPD = Indigenous Population Density - API population as % of total rural population of the province/region in 1990. Zamosc (1995) p. 23. \*\* Indigenous producers as % of total producers within province. \*\*\* Landholdings of less than 5 hectares as % of total landholdings within province.

To sum up, the three broad patterns of land distribution that emerged in the decade before and after the start of land reform continued in the 1980s and 1990s. That is, a) the proliferation and fragmentation of *minifundia* advanced; b) the number of medium-size units increased; and c) the relative abundance of extensive landholdings decreased. By cross-referencing demographic and census

<sup>256</sup> Table 9.5 shows a strong relationship between the indigenous producer data and the indigenous population density figures calculated by Zamosc. The largest difference is evident in Pichincha, a province, which, as previously explained, Zamosc adjusts to exclude subtropical regions in the western lowlands (see Chapter 3). The general strength of the relationship between the two variables indicates the robustness of Zamosc's data and provides support for their use within this thesis.

data, the section has indicated the bulk of highland indigenous producers remained at the bottom end of the land distribution (< 5 hectares). The findings are consistent with the analysis presented in this investigation i.e. neither redistributive nor market mechanisms provided widespread opportunities for highland indigenous peoples to climb the land distribution ladder. However, these broad patterns should not be overstated. The diversity of the indigenous population and the agrarian structure of the highlands and the unevenness of the socioeconomic transformation the region experienced between the 1960s and 2000s caution against making sweeping generalisations. In some cases, the combination of land reform, the activation of land markets, and the strengthening of indigenous organisation enabled indigenous families to obtain sufficient land to pursue sustainable economic strategies based on agricultural production alone. In some areas (e.g. Guamate, Chimborazo) the combination of these factors enabled indigenous peoples to take ultimate control of the majority, if not all, of the agricultural land surface. The ultimate success indigenous peoples enjoyed in gaining control of land in these regions suggest the “economic defeat” Korovkin described in the 1990s was called too early (see Chapter 2). (1997 p. 27) However, this was only possible through decades of resistance, struggle, and sacrifice which took their toll on the land and the environment (e.g. through the overexploitation of *páramo*), the socioeconomic development of indigenous peoples (e.g. through the economic resources committed to secure land), and the cohesion of indigenous communities (e.g. through temporary and permanent migration). Moreover, numerous indigenous families were left with marginal plots of land in areas where the bulk of the land came under indigenous control as well as in zones where landowning elites and capitalist enterprises monopolised the bulk of the best quality land. Thousands of others “exited” the rural economy completely under land reform, migrating permanently to towns and cities rather than facing a precarious and uncertain future in the countryside.<sup>257</sup> Finally and crucially, the land distribution data points toward the generalisation of *minifundia* and *microfundia* across the sierra, illustrating the precarious situation the bulk of highland peasants faced at the turn of the millennium irrespective of their ethnic group.

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<sup>257</sup> See Kramkowski (1989) for insight into indigenous peoples and families who permanently migrated in the wake of land reform.

## **6. Summary: empirical and theoretical findings**

This chapter has analysed the relationship between land markets and indigenous peoples and the evolution of land tenure and land distribution in the highland region in the 1980s and 1990s. The analysis has cast new light on indigenous struggles over land and the position indigenous peoples occupied in the land distribution at the turn of the millennium (see Chapter 2). The chapter has also provided a fresh perspective on the operations of the FEPP in the early 1990s.

Remaining within the activation/development concept, the chapter has argued the activation of land markets opened-up spaces for indigenous peoples to obtain land while the development of price-making markets closed them down. In broad terms, the pattern that emerged in the 1980s and 1990s was similar to the one that developed in the 1960s and 1970s: activation provided opportunities for indigenous peoples to secure marginal land while development restricted possibilities for them to obtain productive land. However, the FEPP assisted land purchase scheme provided a small number of indigenous peoples with opportunities to obtain land that had previously been out of their reach. The chapter explained that the direct and indirect pressure indigenous peoples exerted over landowners performed a crucial role in this process. The boundaries of price-making land markets shifted as increased amounts of land came under indigenous control in certain areas (e.g. Guamate). However, in other areas (e.g. Cayambe) indigenous peoples remained locked-out of the market for the most productive land. The emergence of the agroexport sector restricted the opportunities for indigenous peoples to secure land, especially in the northern highland provinces of Cotopaxi, Pichincha, and Imbabura. However, the development of price-making land markets had already severely restricted the possibilities of them securing land in these zones. Viewed in historical perspective, the agroexport sector therefore reinforced an existing trend rather than established a completely new pattern of land concentration. The general panorama supports Polanyi's assertion that markets are contested spaces which are constructed and reconstructed by social and political as well as economic forces.

The analysis of the 2000 agricultural census data has provided support for the claim that neither redistributive nor market mechanisms provided widespread

opportunities for indigenous peoples and families to climb the land distribution ladder. *Minifundia* were more prevalent in provinces with high indigenous population densities while medium-size landholdings were more widespread in provinces with low indigenous densities. The analysis of the ethnic breakdown of agricultural producers recorded in the 2000 census pointed in the same direction. However, the data also indicated the general prevalence of *minifundia* across the highland region, showing the challenges the bulk of the rural poor faced regardless of their ethnic group.

## **Chapter Ten**

### **Conclusion: empirical, theoretical and methodological dimensions**

#### **1. Introduction**

This thesis started by claiming Karl Polanyi's "double movement" concept provides a rich framework to examine the change in the direction of economic policies in Latin America over the last three decades. This was not a novel claim. Numerous authors have drawn on the double movement to explore social, political and economic change in Latin America since the 1980s. The originality of the central argument I have developed in this thesis stemmed from adopting a radical reading of the concept and asking whether it was possible that some of the double movements witnessed in the 1980s and 1990s were phases in longer-term struggles linked to the role markets perform within societies. I set out to answer this question by examining the evolution of land reform, land markets, and indigenous mobilisation in Highland Ecuador between 1964 and 1994. The short answer this thesis has provided is the double movement around land reform, land markets, and indigenous peoples started in the 1960s and 1970s and continued in the 1980s and 1990s. Commodification and decommodification and movement and countermovement took place simultaneously throughout the period under investigation. Within the limits of a single case-study, the thesis has provided support for reading the double movement as an essential contradiction in modern capitalist societies.

This chapter summarises the main empirical and theoretical insights that have emerged out of the analysis and considers the implications of the research for contemporary developments in Ecuador. The next section summarises the contributions the thesis has made to our understanding of Ecuadorian land reform. The fresh light the thesis has shed on the use and reading of the double movement is then explained in section three. The last section examines current struggles over land and natural resources in Ecuador, concentrating on the attempt of indigenous and peasant movements to bring the use and distribution of land under social control. The section provides insight into one of the issues discussed in Chapter 1: the extent to which contemporary Latin American states



have alleviated tensions related to the commodification of land. Possible avenues of future research are signposted throughout the chapter.

## **2. Land reform, land markets and indigenous mobilisation**

The empirical investigation has focused on Ecuadorian land reform. The topic has received a significant amount of scholarly attention (see Chapter 2). The fresh insights I have provided have come from examining the whole cycle of land reform, focusing on the relationship between land reform and indigenous peoples, and investigating land reform through a Polanyian lens. This section summarises the main contributions the thesis has made to the existing literature, focusing on the key points related to i) the political struggle over the design of land reform; ii) the implementation of land reform, and iii) the relationship between land reform and land markets.

### **2.1. Political struggles over the design of land reform**

The thesis has provided fresh insight into indigenous and peasant attempts to transform land reform (Chapters 4 and 7). Within a Polanyian framework, I characterised this struggle as an attempt to increase the social control of land in the face of escalating commodification. Efforts to create room for indigenous and peasant participation in agencies responsible for regulating and redistributing land and to expand and protect communal ownership of land were integral parts of this struggle. This element of the study involved the examination of the land reform proposals tabled by the FURA (1973) and CAN (1993) and the comparative analysis of these proposals and the laws introduced by the Rodríguez Lara (1972-76) and Durán Ballén (1992-96) governments. The analysis provided fresh insight into the imprint indigenous and peasant movements were able to leave on the legislation: considerable differences between the proposals and the laws were apparent on both occasions. The findings indicate the state's failure to take seriously indigenous and peasant demands from the 1960s to the 1990s. I placed the 1990 and 1994 indigenous *levantamientos* within this long-term political struggle. In doing so, I emphasised the “offensive” as opposed to “defensive” character of the mobilisations. This interpretation contrasts with authors who characterise the uprisings as reactions to structural adjustment and neoliberal reform (e.g.

Zamosc 1994; Silva 2009). The offensive/defensive framework I developed to examine indigenous struggles over land might provide researchers with a useful tool to gauge the political implications of the demands of social movements in Ecuador and elsewhere in Latin America.

In addition, the thesis has provided a detailed analysis of the content and evolution of land reform legislation between 1964 and 1994, casting new light on the political struggle over reform and the orientation and design of the programme (Chapters 4 and 7).

## **2.2. Implementation of land reform**

The thesis has provided greater clarity on land redistribution in the highland region and the role indigenous peoples performed in the process (Chapters 5 and 8). The investigation involved the detailed analysis of official land reform data and the close examination of a number of local-level cases between 1964 and 1994.

One of the principal points that emerged from the analysis was sustained and concerted indigenous pressure was required to activate the redistributive component of land reform. The limited amount of land incorporated into the reform sector in the highland region provides some support for Dorner's claim that as "long as people whose interests are threatened by reform hold power, they will find ways of assuring that legislation will be ineffective." (1992 p. 35) But the thesis has also demonstrated that collective organisation and mobilisation can force states to implement legislation and reduce imbalances in economic and political power. On a wider level, the findings support Borras and McKinley's observation that the impact of land reforms often hinges on the degree of pressure exerted from below. (2006 p. 3)

The analysis has provided a clearer picture of the land redistributed in the highland region between 1964 and 1994, plugging the gap in the literature for a detailed long-range study. The thesis illustrated that the resettlement and eviction of *huasipungueros* was widespread. The data indicated the average plot *huasipungueros* received was around four hectares but the lack of provisions provided for *arrimados-apegados* meant the land was often subdivided within families (Chapters 5 and 6). The analysis of the redistribution of *huasipungos*

showed land reform performed a direct role in proliferating *minifundia* in the highland region. The thesis illustrated the redistribution of state-owned land was a contested process. Conflicts revolved around the price of the land, the agricultural cooperatives formed through land reform, and the lack of land available for redistribution (Chapter 5). The lack of space open to indigenous families and communities to secure state-owned land was accentuated by the apparent failure of IERAC to redistribute the entire stock of land between 1964 and 1994 (Chapter 8).

Cross-referencing land reform and sociodemographic data revealed a positive link between the amount of land redistributed and the density of the indigenous population at the provincial level (Chapter 8). Using a different dataset, time period and methodology, Zamosc (1995) reports a similar finding at the canton level. I have provided additional insight into the issue by indicating the types of land redistributed to indigenous peoples. The total stock of land included a significant amount of *páramo* which helps explain why the amount of land redistributed and the prevalence of *minifundia* were both elevated in indigenous zones. The prominent role *páramo* performed in land reform also partly explains the increase in the average amount of land redistributed in the 1960s and 1970s that other studies have reported (e.g. Cosse 1980; Barsky 1988) (see Chapter 2).

### **2.3. Land reform and land markets**

Within a Polanyian framework, I examined the commodification and decommodification dimensions of the land reform legislation introduced between 1964 and 1994 (Chapters 4 and 7). The analysis indicated that the decommodification potential of land reform was at its greatest in 1973 when the LRA was introduced. Legislative changes introduced in the 1970s and 1980s then eroded the decommodification potential of the law. Overall the thesis argued land reform performed a larger role in commodifying rather than decommodifying land. The investigation of the evolution of land markets under land reform supported this claim (Chapters 6 and 9).

Drawing on Polanyi's insights, I developed a new concept to examine the relationship between land markets and indigenous peoples. The concept draws

an analytical line between the “activation” and “development” of land markets. The former refers to the occasional engagement of actors within markets to secure land while the latter relates to the establishment of price-making markets through which the continuous circulation of land between actors is channelled. The analysis indicated the activation of markets opened-up spaces for indigenous peoples to secure land while the development of price-making markets closed them down (Chapters 6 and 9). Collective organisation and mobilisation increased the opportunities for indigenous peoples to purchase land and reshaped the boundaries of price-making markets. The upsurge in indigenous mobilisation in the early 1970s and early 1990s highlighted this point. I placed the FEPP assisted land purchase scheme, which emerged in the wake of the 1990 *levantamiento*, within this long-term struggle to obtain land (Chapter 9). The analysis showed the programme supported indigenous efforts to purchase land, especially in the central highland province of Chimborazo. It met with less success in the northern highland provinces, however, where the expansion of the agroexport sector complicated indigenous attempts to secure land. This highlighted the general problems the development of agroexport sector created for indigenous peoples in these zones.

My analysis of the links between indigenous peoples and land markets supports Polanyi’s claim that markets are contested spaces which are constructed and reconstructed through social and political as well as economic forces. The factors behind the (re) construction of land markets elsewhere in Latin America is one area that warrants further investigation.<sup>258</sup> The influence of remittance flows on land market activity and development is one possible topic.<sup>259</sup> The role indigenous and peasant organisation and mobilisation have performed in widening spaces for the rural poor to purchase land is another potentially fruitful area of research.

The thesis has also illustrated the benefits of investigating land reform through a Polanyian lens. The approach brings issues related to land regulation and land markets to the fore and cautions against reducing land reform to land

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<sup>258</sup> See Topik (1999) for a Polanyian summary of historical research undertaken in Latin America on market construction.

<sup>259</sup> I found anecdotal evidence of remittance flows influencing the dynamics of land markets during visits to Cañar and Saraguro between 2009 and 2011.

redistribution. The redistribution of land is crucial but the regulation of the use, ownership and exchange of land is also vital. The approach suggests, for example, a regulatory component should be added to the redistributive land reform model Borrás and McKinley propose. (2006 pp. 3-4) Extending Polanyi, the thesis has also demonstrated careful consideration must be paid to the structure of the agencies charged with the task of regulating and redistributing land. Without overlooking the possibility of co-optation, creating space for social movements to influence the design and implementation of land reform has the potential to strengthen regulation, increase redistribution, and decrease social and political tensions.<sup>260</sup>

In addition to the insights the thesis has provided into these three areas, it has also cast new light on the distribution of land in the highland region (Chapters 6 and 9). Clarity has been provided on the changes the land distribution experienced from the 1950s onwards. The principal patterns that have been noted elsewhere in the literature (e.g. Breton 2008b) have been explored in greater depth. The thesis has also offered a broad indication of the positions indigenous peoples occupied in the land distribution at the turn of the millennium (Chapter 9). Cross-referencing census and sociodemographic data indicated *minifundia* were more prevalent in provinces with high indigenous densities. The examination of the ethnic breakdown of the agricultural producers reported in the 2000 agricultural census pointed in the same direction. The data also indicated the level of indigenous engagement in agriculture, illustrating the crucial role land continued to perform in the economic strategies of indigenous peoples.

### **3. The reading and use of the double movement**

One of the theoretical aims of this study was to illustrate the merits of reading the double movement as an essential contradiction in capitalist societies. This interpretation sees capitalism evolve through a continuous and simultaneous process of commodification and de-commodification, movement and countermovement (Chapter 1). The evolution of land reform, land markets and indigenous mobilisation between 1964 and 1994 provides basic support for this

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<sup>260</sup> See Borrás (2007) pp. 68-79 and Bretón & Kay (2007) pp. 120-1.

reading. The indigenous countermovement that emerged in the 1960s failed to convert its vision of land reform into law but performed a crucial role in expanding the opportunities for indigenous peoples to obtain land through market and redistributive mechanisms. Casting historical events in this light suggests the rolling back of neoliberal reforms will not be sufficient to appease countermovements and conflicts over fictitious commodification will remain prominent features of the political landscape unless more radical steps are taken (Section 4 below).

The support I have provided for a radical reading of the double movement is based on the empirical investigation of an important but specific sector of the Ecuadorian economy (i.e. land), a particular region (i.e. sierra) and a certain social group (i.e. indigenous peoples). The limits of the case study and the peculiarities of the trajectory of Ecuador's political economy must be taken into account when considering the wider appeal of the reading of the double movement this thesis has offered (see Chapter 1). Nevertheless, the study has provided a starting point to reconsider double movements in Latin America and explore the possible consequences for contemporary social, political and economic debates.

While lending support to a radical reading of the double movement, the thesis also illustrated the failure of the concept to capture the complexity of state-society relations. This point has been noted by numerous authors (e.g. Levien 2007; Winders 2009; Burawoy 2010). My analysis has highlighted some of the challenges countermovements face gaining protections from the market and stressed the need to integrate power relations into the double movement framework. The thesis has illustrated the political power indigenous peoples accumulated through decades of collective organisation and mobilisation but has also indicated the limits of that power. The legislative outcome of the battle over the LDA in 1994 provided the clearest illustration of this point (Chapter 7). The CONAIE forced the Durán Ballén government to revise the legislation but failed to convert its vision of land reform into law. While this investigation focused on domestic actors and events, the role foreign forces (e.g. USAID, IDB) performed in the conflict shows countermovements have to overcome external as well as

internal obstacles to increase decommodification (Chapters 2 and 7).<sup>261</sup> The barriers countermovements face in Latin America and the tactics they have employed to overcome or mitigate them is another topic that warrants further investigation.<sup>262</sup>

One important point that has emerged from this thesis is countermovements have a crucial role to perform in the design *and* implementation of laws and policies. Forcing states to introduce measures that promote decommodification is one part of a longer and wider struggle. Taking a broader view of the activities of countermovements also ensures important gains are not overlooked. While indigenous peoples were unable to achieve the legislative outcome they had sought, they were able to win important battles on the ground by forcing the state to implement land reform and pressuring landowners to sell them land.

Using the double movement to investigate land reform also indicated the line between the two sides of the concept is not as clear empirically as it is theoretically. The role traditional highland landowning elites performed in the political struggle over land reform in the 1960s and 1970s highlighted this point (Chapter 4). They appeared on both sides of the double movement simultaneously, resisting commodification on the one hand while opposing regulation and redistribution on the other. The point highlights the tensions and contradictions that can emerge when exploring social, political and economic change through a Polanyian lens. How these tensions play out empirically and what lessons can be learned theoretically is another potentially fruitful area of research.

The thesis has illustrated the benefits of breaking-down the double movement into its constituent parts and examining struggles that emerge around specific economic issues and involve particular social groups. Following this approach has the potential to unearth important struggles that might be overlooked in the search for wider conflicts and transformations. Narrowing the lens of the double movement also allows for the careful examination of the commodification and decommodification dimensions of laws and policies, both in terms of their

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<sup>261</sup> See Robinson (1999) and Stewart (2006) for comments on the constraints transnational and global forces place on contemporary countermovements.

<sup>262</sup> See Levien (2007) for insights from India.

design and implementation. The need to take into account implementation - as stressed throughout this thesis - is particularly important. Failure to do so can lead to the exaggeration of the decommodification potential of laws and policies. The analysis of the implementation of decommodification mechanisms and the factors that have supported or prevented enforcement (cultural norms, state capacity, perceived legitimacy of mechanisms, elite power, social movement strength etc.) is another area that merits further investigation. The single or comparative case study of specific mechanisms or struggles offers the greatest potential for this kind of research.

Insight has also been provided into the use and interpretation of the “forms of integration” concept. Building on the work of other Polanyian scholars (e.g. Schaniel & Neale 2000; Sandbrook 2011), I highlighted the importance of not attributing normative values to particular forms of integration *a priori* (e.g. equity to redistribution). The thesis has argued that if in Polanyi’s framework redistribution is understood as “the state gathering goods and redistributing them according to individual needs, not according to prices”, land redistribution was practically non-existent in the highland region (Chapters 5 and 8). (Topik 2001 p. 89) The bulk of redistributed land was sold to indigenous peoples and the limited amount of land redistributed meant their individual and collective needs were rarely met. Moreover, sustained indigenous pressure was required to put the redistributive mechanism into practice. Empirical analysis of processes, actors and outcomes is required to reveal the impact and character of redistributive mechanisms or regimes. Indigenous struggles over land showed close attention should be paid to the agencies charged with the task of redistribution (and regulation) and the conflicts that emerged around them. Indigenous and peasant movements attempted to gain representation within the bodies responsible for redistributing and regulating land throughout the period under investigation (Chapters 4 and 7). The point, as will be explained below, remains central to indigenous and peasant concerns in Ecuador.

Viewing land reform through a Polanyian lens has also highlighted some tensions within the forms of integration framework. The thesis showed that redistribution accelerated as well as contained commodification. The role redistribution (and reciprocity) perform in supporting and restraining



commodification has been widely acknowledged but less attention has been paid to the role one form of integration can perform in expanding another.

#### **4. Implications of the research for contemporary developments in Ecuador: countermovements under Rafael Correa**

It was argued in the opening chapter of this thesis that while the changes most Latin American governments have introduced over the last decade have been generally, if not wholly, successful in preventing the (re) formation of broad-based countermovements, struggles over the commodification of land have remained prominent features of the social, political and economic landscape. This section provides support for that claim by briefly examining the conflicts that have emerged in Ecuador since Rafael Correa came to power in 2007, focusing on the latest attempt of indigenous and peasant movements to bring the use and distribution of land under social control. The section starts by sketching the principal features of the Correa economic programme, before examining the struggles that have emerged around land and natural resources. The section finishes by considering some of the implications of recent developments in Ecuador for debates over the use and reading of the double movement.

##### **4.1. The principal features of the Correa economic programme**

Rafael Correa came to power on the back of a decade of social, political, and economic disorder.<sup>263</sup> The president claims the political movement he represented at the 2006 presidential elections proposed a “revolution, understood as a radical and rapid change in the existing structures of Ecuadorian society”. (Correa 2012 p. 90) While the political and economic path Rafael Correa has followed has been neither revolutionary nor radical, his governments have broken with the neoliberal orthodoxy in a number of directions. The 2008 constitution promotes a greater role for the state in regulating and directing the economy, managing the use of natural resources, protecting the environment and

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<sup>263</sup> Rafael Correa won the 2006 presidential elections in the second round and took office in 2007. The introduction of a new constitution in 2008 permitted him to compete in two further elections (the constitution allows the head of state to seek re-election once). He won both elections (2009 and 2013) in the first round. Rafael Correa is precluded from participating in the 2017 presidential elections but his party, Alianza País, is currently attempting to amend the constitution to allow him to seek re-election again and remain in office indefinitely.

provisioning public goods.<sup>264</sup> The partial nationalisation of the oil sector; the renegotiation of tranches of Ecuador's public overseas debt; the strengthening of tax collection; and the opening of credit lines with China have bolstered the state's fiscal capacity. Public spending on health, education, development, and infrastructure has increased. No attempt has been made to establish universal welfare programmes but cash transfers schemes have been enhanced and extended. Social security coverage has broadened. Minimum wage hikes have contributed to significant real wage increases for formal sector workers. Public sector employment has increased as the state has expanded. Free-trade agreements have been eschewed and import tariffs have been introduced on selected goods to protect domestic industries and bolster the balance-of-payments. Price controls on a range of agricultural goods have also been introduced. Unemployment has declined, inflation has remained subdued, and the number of people living in poverty has fallen. In short, regulation and redistribution have increased; the state's role in directing the economy has expanded; and, socioeconomic conditions have improved.

#### **4.2. Wither countermovements?**

Using Silva's broad barometer, the countermovement that emerged in Ecuador under neoliberalism has seemingly achieved its objective. To recall, he claims "dominant protests movements sought to *reform* neoliberal capitalism, demanding a return to the mixed economy and a larger welfare role for the state, rather than to replace it with an alternative "socialist" or other model." (2009 p. 3, emphasis retained) It is true that under prevailing economic conditions the establishment of a model consistent with the one Silva describes has been sufficient to prevent the (re) formation of a broad-based countermovement.<sup>265</sup> Yet the political and economic model the Correa government has introduced has done little to address issues related to land and land related struggles have continued unabated (see Table 10.1 below).

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<sup>264</sup> Following decades of indigenous pressure, the 2008 constitutional also declares Ecuador a plurinational state. To recall, the CONAIE demanded the construction of a plurinational state at the 1990 *levantamiento* (Chapter 7). See Sawyer (1997; 2004), Jameson (2011) and Becker (2011; 2012b).

<sup>265</sup> The work of Karl Polanyi has been cited in the policy statements of Alianza País (e.g. *Programa del Gobierno, 2013-2017: 35 Propuestas para el Socialismo del Buen Vivir, Alianza País* p. 71).

**Table 10.1 – Summary of principal mobilisations related to land, food, and natural resources, Ecuador, 2009-2014**

<b><u>Mobilisation</u></b>	<b><u>Date</u></b>	<b><u>Main issue (s)</u></b>	<b><u>Principal organisations</u></b>	<b><u>Policy/legislative outcome</u></b>
Various protests and mobilisations (marches, protests, hunger strikes etc.)	January 2009	Introduction of Ley de Minera	Environmental organisations and CONAIE	Approval of Ley de Minera and acceleration of large-scale mining sites.
Various mobilisations (marches, protests, blockades etc.)	September 2009 to May 2010	Proposed introduction of Ley de Aguas	CONAIE and water committees	Suspension of discussions over the Ley de Aguas in the National Assembly.
Protest at ALBA summit in Otavalo	June 2010	Extractivism, exclusion from ALBA summit, government attacks on indigenous leaders	CONAIE	No outcome.
Submission of the Ley Orgánica de Tierras y Territorios to National Assembly	March 2012	Ley de Tierras y Territorios	Red Agraria Nacional (RAN)	Proposal accepted. Discussions over Ley de Tierras scheduled to take place in National Assembly in July 2014.
Marcha Plurinacional por el Agua, la Vida, y la Dignidad (Zamora Chinchipe to Quito)	March 2012	Expansion of oil and mining frontiers, Ley de Aguas, Ley de Tierras, food sovereignty and criminalisation of social protest.	CONAIE	Provisional agreement reached to undertake prelegislative consultation on Ley de Aguas.
Water protest (Quito) and Marcha por el Agua, la Vida, y la Dignidad (Zamora Chinchipe to Quito)	May-July 2014	Expansion of oil and mining frontiers, Ley de Aguas, Ley de Tierras, food sovereignty and criminalisation of social protest.	CONAIE and water committees	Ongoing.

Source: My own elaboration based on local press coverage and personal observation in Ecuador between 2009 and 2011.

Widening land commodification to include natural resources (as Polanyi advocates), reveals conflicts around various issues. The extraction of non-renewable natural resources has been a significant source of contention.<sup>266</sup> Increased state control of the oil sector has not seen a reduction in oil exploration and exploitation. Rather the government has intensified oil activity by opening up new concessions in the southern Amazonian region and planning the development of the fields previously integrated into the Yasuní/ITT environmental initiative (see Chapter 1). The government has also accelerated the development of the mining sector by creating a state-owned mining enterprise, ENAMI, and inviting overseas companies to develop medium and large scale mining sites in the highland and lowland regions (albeit within a legal framework that technically enables the state to secure a relatively large share of mining revenues). Indigenous, peasant and environmental movements have resisted extractivism by organising local protests, staging national marches, challenging the constitutional basis of extractivist laws and policies, and, in the case of Yasuní/ITT, attempting to force a national referendum on the issue (see Chapter 1).<sup>267</sup>

Water has also been a source of tension. The Correa government's attempt to force a new water law through the National Assembly in 2009 and 2010 stalled after the CONAIE orchestrated a series of marches, blockades, and protests against the proposal. The CONAIE argued the law aimed to increase state control of water which threatened the communal practices, customs and organisations indigenous and peasant communities use to regulate the resource. Following the conclusion of the *Marcha Plurinacional por el Agua, la Vida y la Dignidad* in March 2012 (see Table 10.1), agreements were made between the CONAIE and the government to undertake a prelegislative consultation on the issue. While the right for indigenous communities to be consulted prior to legislative changes which affect their collective rights is enshrined in the 2008 constitution, indigenous mobilisation was required to put the right into

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<sup>266</sup> For critical reflections on extractivism in Ecuador see Acosta (2009a). See also Bebbington (2012).

<sup>267</sup> See, for example, *Sigue la pugna por Sur Oriente*, La Hora, 05/12/2012, *Los indígenas comienzan su marcha contra la política minera de Correa*, El País, 08/03/2012 and *En Quito y Cuenca las protestas contra la explotación del Yasuní toman fuerza*, El Comercio, 28/08/2013.

practice.<sup>268</sup> Extending one of the arguments developed in this thesis, the struggle illustrates the crucial role social movements can perform not only in pressuring states to enforce laws and policies but also in forcing them to implement international agreements and constitutional declarations.

The prelegislative consultation, which involved workshops and discussions with indigenous and peasant communities, organisations and movements took place in 2013 and 2014. The process enabled indigenous and peasant communities and movements to influence the legislation. However, the law approved in the National Assembly in June 2014 still promotes a greater role for the state in the regulation of water.<sup>269</sup> The legislation creates space for indigenous and peasant participation (via the *Consejo Intercultural y Plurinacional del Agua*) but concentrates decision making within state agencies (via the *Autoridad Unica del Agua* and *Agencia de Regulación y Control del Agua*).<sup>270</sup> While sectors of the indigenous movement and population have supported the law, the leadership of CONAIE has stated its intention to contest it. The concentration of power within the state and the lack of space provided for indigenous representation remain central sources of contention.<sup>271</sup> One of the central lines of conflict over land reform has therefore been evident in the struggle over water.

Land has been a further source of conflict. The Correa regime has pledged to oversee a “*Revolución Agraria*” but has shown little interest in tackling issues related to the use, control, and distribution of land.<sup>272</sup> Land titling has been accelerated (*SIG Tierras*) and land redistribution has taken place in isolated cases (*Plan Tierras*) but little effort has been invested into promoting a new land law or stimulating a debate over the role land performs in the economy and

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<sup>268</sup> The right is derived from the ILO Convention 169 which Ecuador ratified in 1998. Prior to the recent struggle, little effort had been made to put the right into practice. See ILO (2009 p. 42).

<sup>269</sup> The law – *Ley Orgánica de Recursos Hídricos, Usos y Aprovechamiento del Agua* – was awaiting approval from President Rafael Correa at the time of completing this thesis (July 2014).

<sup>270</sup> President Rafael Correa created the *Agencia de Regulación y Control del Agua* two months before the law was approved in the National Assembly. See RO 236 (2014) and *Un decreto se adelanta a la Ley de Recursos Hídricos*, *El Comercio*, 10/06/2014.

<sup>271</sup> See, for example, *Asamblea aprobó la Ley de Aguas*, *El Comercio*, 24/06/2014 and *Ecuadorunari anticipa que no acatará la nueva norma*, *El Universo*, 26/06/2014.

<sup>272</sup> See *Plan Nacional Para el Buen Vivir: 2009-13* and the *Programa del Gobierno 2013-2017: 35 Propuestas para el Socialismo del Buen Vivir*. See Herrera (2007) and Brassel *et al.* (2008) for contemporary debates over land reform in Ecuador.

society. The agrarian policy line the Correa regime has pursued has diverged from the 2008 constitution which calls for a more radical change in the direction of land policies. The regulation and redistribution of land are key features of the agrarian model outlined in the constitution. The concept of “food sovereignty” - a framework of policies and practices orientated towards ensuring sustainable food sufficiency across society – is at the centre of this model.<sup>273</sup> (Art. 281) To achieve food sovereignty the constitution declares it will be the responsibility of the state “to promote redistributive policies that provide the peasantry with access to land, water and other productive resources”. (Art. 281) Food sovereignty and land redistribution are therefore seen as two sides of the same coin.<sup>274</sup> The implicit assumption is food sovereignty is impossible within the existing distribution of land and state intervention is required to alter the land distribution.<sup>275</sup>

“The state will regulate the use of and access to land...A national land fund, established by law, will regulate the equitable access to land for *campesinos* and *campesinas*...the *latifundio* and the concentration of land are prohibited.” (Art. 282)

Six years after the constitution was approved, the Correa government has failed to introduce the legislation required to put these declarations into practice and the LDA, the law introduced at the height of neoliberalism in Ecuador (see Chapter 7), remains in effect. The lack of interest the Correa regime has shown in tackling issues related to the use, control and distribution of land has been a source of frustration for indigenous and peasant movements. Echoing earlier episodes of agrarian conflict and debate (see Figure 10.1 below), pressure has come from below to expand the regulation and redistribution of land. The clearest indication of this came in March 2012 when the *Red Agraria Nacional* (RAN) – a coalition of indigenous and peasant movements – submitted the *Proyecto de Ley Orgánica de Tierras y Territorios* to the National Assembly in

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<sup>273</sup> Food sovereignty has been at the centre of the work of the influential transnational peasant movement, *La Via Campesina*. See Clark (2013) and Peña (2013) on food sovereignty in Ecuador.

<sup>274</sup> On the link between land redistribution and food sovereignty see Courville *et al.* (2006). See also United Nations (2010).

<sup>275</sup> The 2000 agricultural census remains the best indicator of land distribution in Ecuador (see Chapter 9).

Quito.<sup>276</sup> (RAN 2012) (Interview 14) A full analysis of the proposal is outside the boundaries of this investigation but a cursory glance at some of its principal features provides a gauge of the current demands of indigenous and peasant movements. The clearest indication of the Polanyian nature of the current struggle comes with the explicit demand for the social control of land.

“The organisations that represent the *productores* and *productoras*, *comunas*, *comunidades*, *pueblos* and *nacionalidades*, *afroecuatorianos*, and *montubios* will be represented in the implementation of this law on various levels to ensure the efficient execution of the regulations. *This reflects the fact that land is not a commodity subject only to the rule of the market but also to the control of society.*”<sup>277</sup> (Art. 5 RAN 2012, emphasis added)

The RAN proposes the establishment of three principal mechanism of social control. The first, the *Asamblea Plurinacional e Intercultural de Soberanía Alimentaria*, provides a forum for a broad spectrum of rural actors to discuss and propose measures and policies orientated towards the achievement of food sovereignty. (Art. 58 RAN 2012) The second, the *Fondo Nacional de Tierras*, regulates the use, control, and distribution of land. (Arts. 65-75 RAN 2012) One of its central objectives is “to promote the equitable access to land and adopt measures orientated towards preventing the concentration and monopolisation of land.” (Art. 67 RAN 2012) The steering committee of the fund includes state officials as well as representatives of various sectors of rural society including landless workers, *afroecuatorianos*, indigenous peoples, peasant communities, *montubios*, and female agricultural producers. The third, *Comisiones Cantonales de Tierras y Territorios*, support the implementation of the law at the local level. (Arts. 76-77 RAN 2012)

The RAN therefore follows the FEI (1966-72), the FURA (1972-3), and the CAN (1993-4) in attempting to carve out spaces for genuine social involvement in the regulation and redistribution of land. However, the RAN proposal

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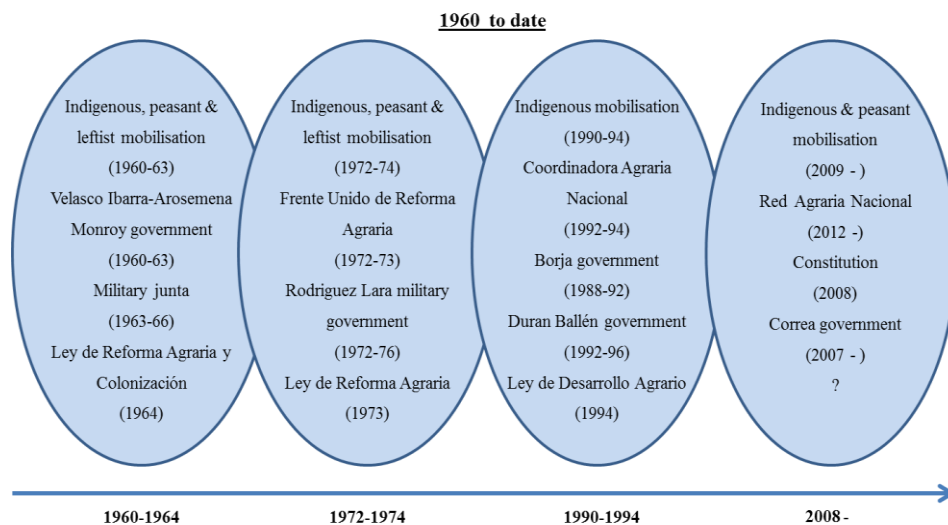
<sup>276</sup> The main peasant organisation within the RAN is the FENOCIN which is affiliated to *La Via Campesina*.

<sup>277</sup> The Spanish is retained to capture the inclusive spirit of the RAN proposal, particularly the explicit reference to female as well as male agricultural producers (“*productores*” and “*productoras*”). *Montubios* are coastal peasants and farmers.

surpasses previous efforts both in terms of the mechanisms proposed to increase social control and the actors involved in the process. For example, the explicit inclusion of female representatives within the land fund (as well as the other features of the proposal geared towards supporting rural women) is entirely new. Other important features of the proposal include upper limits on the size of private landholdings; limits on foreign ownership; new social and environmental functions of land; expropriation on the grounds of poverty; progressive land taxes; and new forms of land tenure.

To sum up, the proposal aims to increase the decommodification of land and create room for the participation of various rural actors in the design and implementation of land policies. One important point to stress in relation to the argument developed in this thesis is that the RAN proposal is not merely attempting to overturn the neoliberal framework but create a new agrarian model that includes important measures that have never been established in Ecuador i.e. the RAN is primarily “offensive” rather than “defensive” in orientation.

**Figure 10.1 - Episodes of heightened conflict and debate over land laws in Ecuador**



Source: My own elaboration.

The preceding analysis begs the question why the Correa regime has failed to support a new land law and make a more decisive break with the agrarian policies of past regimes.<sup>278</sup> While a full answer to this question is outside the boundaries of this investigation, a brief look at some of the factors behind the

<sup>278</sup> A new land law is scheduled to be debated in the National Assembly in July 2014.



regime's stasis sheds some light on the agrarian debate and the obstacles facing countermovements in Latin America.

The Correa regime has had sufficient support within the National Assembly to introduce a new land law since the approval of the 2008 constitution which suggests other factors have been at play.<sup>279</sup> The relative weakness of indigenous and peasant movements and the complex relationship between the movements and the government have been important factors. Rafael Correa came to power at a time when the CONAIE was relatively weak. The movement's brief and costly association with the Gutierrez government (2002-5) damaged its credibility and created internal divisions. Correa's arrival sent state-indigenous relations into flux.<sup>280</sup> Whereas the neoliberal economic policies of previous regimes provided indigenous movements with a clear point of attack, the heterodox policies of the Correa regime have proved harder to contest. The policy line the government has followed has won it support from a number of indigenous peoples and leaders. Some members of CONAIE have advocated a close relationship with the government while others have demanded a hostile position. Similar strains have emerged within Pachakutik – the political arm of CONAIE which was established in 1996. The government's use of repressive tactics and state propaganda has further weakened indigenous movements (see Chapter 1). Cracks have also widened within the broader indigenous and peasant movement as other indigenous and peasant organisations have renegotiated their relationships with the state. The FENOCIN, which remains the largest cross-ethnic peasant movement in Ecuador, has maintained relatively cordial relations with the government. Divisions between the CONAIE and the FENOCIN have precluded full cooperation on important issues. Notably, the RAN includes the latter but excludes the former. While the CONAIE has indicated its willingness to collaborate with the RAN and has demanded the Correa regimes deliver a genuine "*Revolución Agraria*", the movement has taken a less active role in pushing for a new land law. (Charupi 2012) (CONAIE 2012) To some extent

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<sup>279</sup> Alianza País failed to win an absolute majority in the National Assembly at the 2009 elections but the government would have been able to count on the support of the MPD and Pachakutik if it had attempted to introduce a progressive new land law. The party won an overwhelming majority at the 2013 elections. Since then the government has had the potential to introduce legislative changes (and constitutional reforms) without cross-party support.

<sup>280</sup> See Ospina Peralta & Lalander (2012) and Becker (2011; 2012a) on relations between the Correa government and indigenous movements.

this reflects the battles indigenous communities, organisations, and movements won in certain areas of the highlands and lowlands during earlier land struggles (see Chapters 4 to 9). The complexity of the land situation (e.g. intra-ethnic inequalities), the absorption of indigenous labour into the agroexport sector (e.g. flower plantations), and the emergence of a new generation of indigenous leaders have also contributed to the relative lack of pressure the CONAIE has exerted.<sup>281</sup> The absence of a powerful broad-based indigenous and peasant movement capable of exerting significant pressure on the state has enabled the government to sidestep issues related to the use, control, and distribution of land, avoid serious confrontations with landowning elites and multinational corporations, and leave the primary export model broadly intact. The concentration of power within the state and the executive has been another barrier. Indigenous and peasant demands for the establishment of mechanisms that provide genuine space for indigenous and peasant participation are at odds with the government's desire to increase state control of the economy and society. The outcome of the current debate will provide an indication of how much power the president and the government are willing to cede to social actors and movements. The new water law suggests the regime will follow past governments and reject indigenous and peasant demands for full involvement in the bodies responsible for regulating and redistributing land.

What light do these struggles shed on debates over the reading and use of the double movement?

On a basic level, the conflicts support Polanyi's assertion that sectors of society will organise and mobilise to prevent or restrict fictitious commodification. The RAN proposal provides a clear illustration of this basic tendency while resistance to extractive industries lends further support. The continuation of struggles linked to land commodification in Ecuador provides additional support for reading the double movement as a basic contradiction in capitalist societies. While in the context of the global commodity boom the Correa regime has been successful in raising living standards, alleviating social tensions, and securing electoral support, struggles related to fictitious commodification have remained widespread. The analysis presented above,

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<sup>281</sup> On indigenous and peasant leaders see Herrera (2007) and Bretón (2008b).

which only provides a basic picture of a complex situation, suggests more radical measures will be required to appease countermovements linked to the commodification of land.

The current conjuncture also indicates the benefits of splintering the double movement into its constituent parts and investigating narrower struggles over commodification. While there is value in examining the possibilities of countermovements emerging which have the potential to transform entire economies, there is also merit in investigating countermovements which have the potential to transform sectors of economies and relations between states and societies. Following this approach has the potential to reveal important struggles that might be overlooked in the search for transformations of the magnitude Polanyi describes.

Contemporary developments also present some challenges to Polanyi's concepts. The water dispute, as noted in Chapter 1, does not fit neatly within the double movement framework. While the struggle shows sectors of society will mobilise to protect access to natural resources and preserve traditional customs and practices, the central concern for indigenous movements and water committees has been the state not the market. Thus one of the solutions to the market within the double movement has been one of the problems for indigenous peoples. Indigenous leaders fear the centralisation of decision making within state agencies will undermine communal customs, practices and organisations and give the state greater potential to allocate water to different uses and actors (e.g. mining firms, flower plantations). Manuel Castillo, the president of the powerful local-level water committee CODEMIA, voiced many of these concerns during the interview I conducted with him in 2010. (Interview 5) He argued the constitution and international agreements obligated the Correa administration to respect and promote communal forms of organisation and stated the primary concern of indigenous organisations was the larger role the state was expected to perform in the new water regime. Manuel said indigenous communities, organisations and movements were fighting to ensure communal customs and practices were maintained, respected and promoted. The new law responds to some of the concerns indigenous organisations and movements raised against the original proposal. However, as explained above, the legislation

still promotes greater state control of water. The issue is not that Polanyi does not provide the theoretical tools to explore and understand communal customs and practices but the interface between the state and community is not clear in the double movement framework.<sup>282</sup> The water conflict shows the bolstering of the state has the potential to threaten as well as support communal organisation. The relationship between state and communal control of fictitious commodities is a topic that demands further investigation.

The tactics the Correa regime has employed to weaken indigenous movements provides further evidence of the failure of the double movement to capture the complexity of state-society relations. Clientilism, co-optation, repression, and propaganda are some of the weapons the government has employed to undermine the attempts of indigenous movements to prevent or limit commodification. The prominent role Rafael Correa has performed in the political economy also draws attention to issues associated with regimes based on state redistribution. While the redistribution of oil revenues has improved living conditions for lower and middle income groups, it has also supported the centralisation of power within the executive and the state. Providing space for genuine social participation in agencies, committees, and institutions responsible for regulation and redistribution has the potential to alleviate some of the problems associated with the concentration of power. The extent to which reconfiguring the state to provide space for genuine social engagement has the power to assuage problems associated with fictitious commodification is another area that merits further research. The analysis I have presented in this thesis suggests the possibilities of states tackling issues related to commodification without sustained and concerted social pressure are very slim indeed.

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<sup>282</sup> See Sandbrook (2011) pp. 433-7 for insights into communitarian solutions to the problems commodification poses.

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\* Names of communities concealed.

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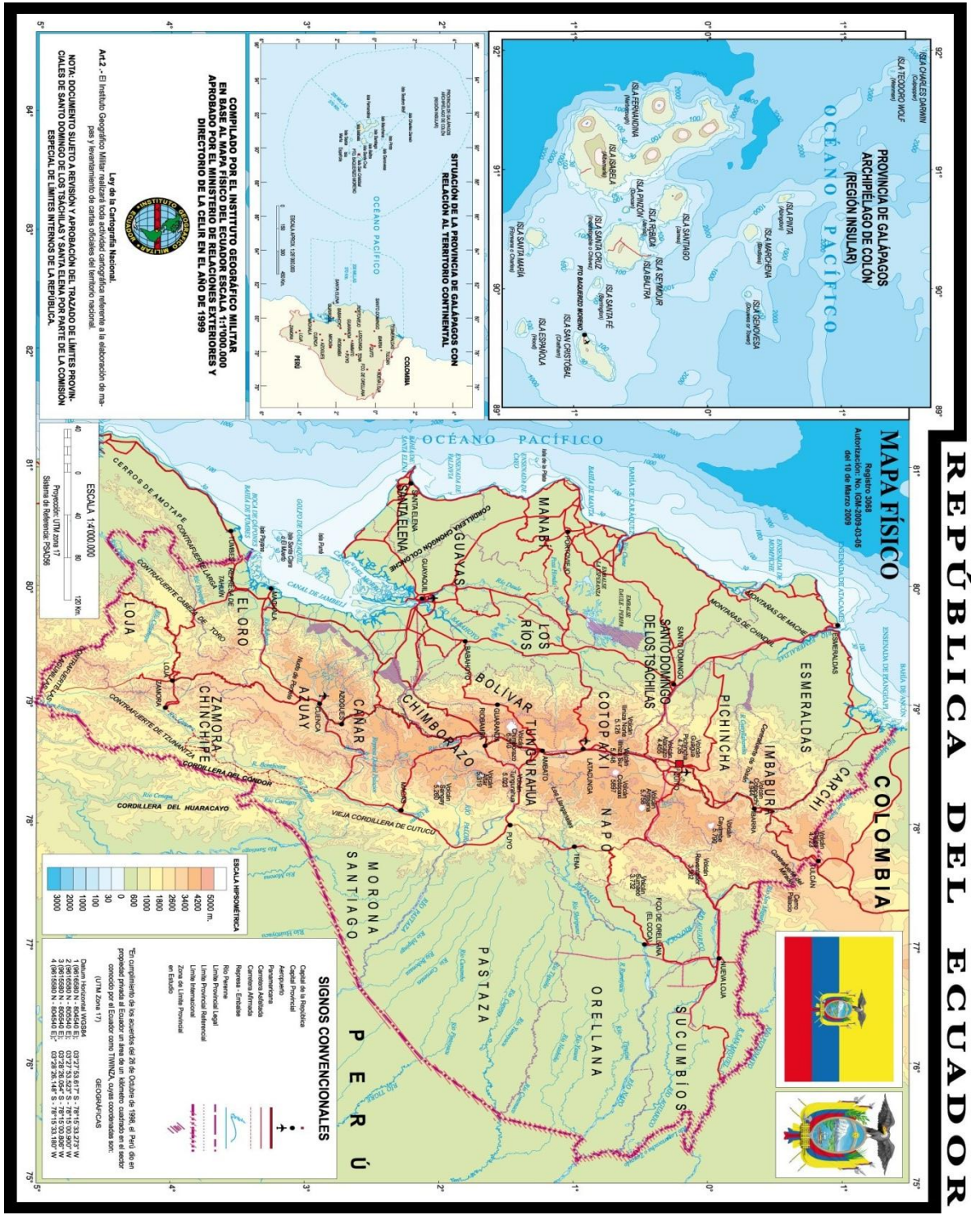
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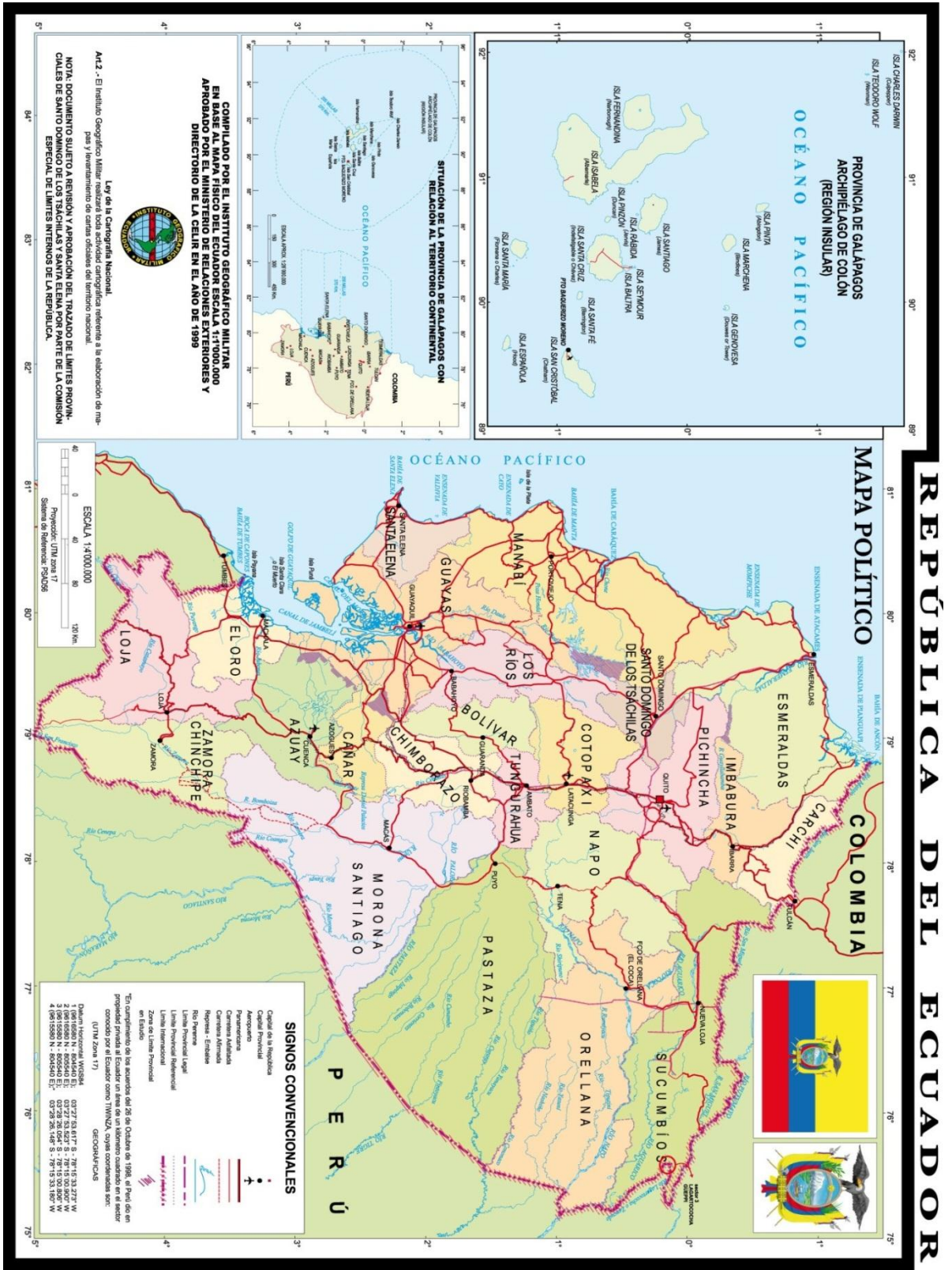
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# Appendix 1: Physical map of Ecuador

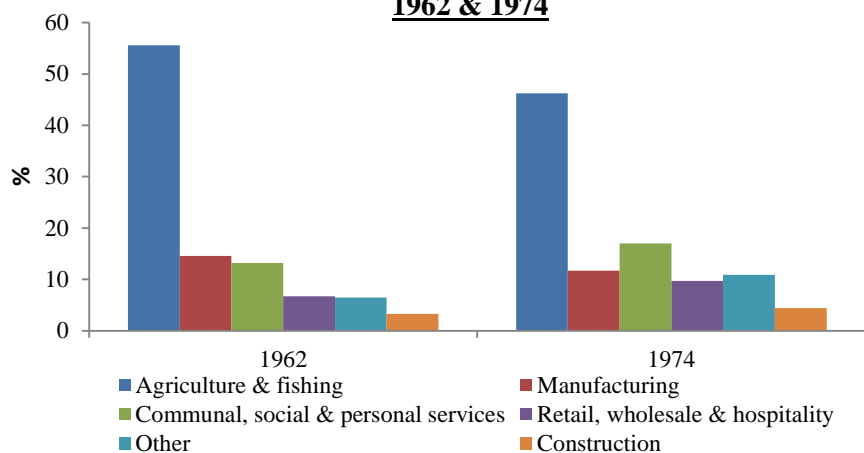


## Appendix 2: Administrative map of Ecuador



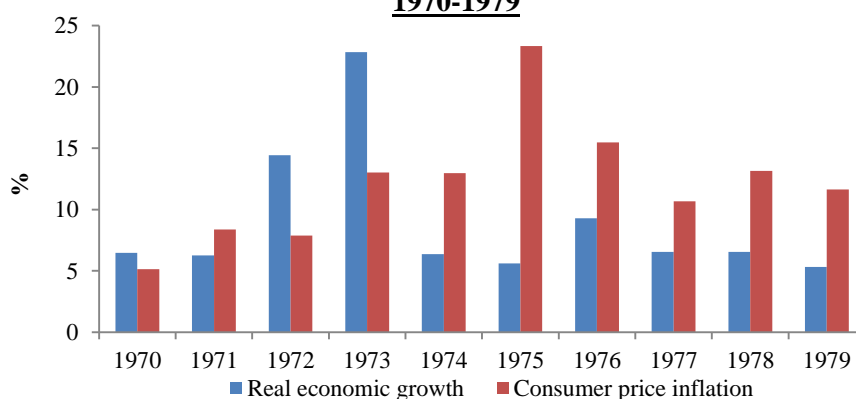
### Appendix 3: Economic trends - Ecuador

**Figure 11.1 - Economically active population, Ecuador, 1962 & 1974**



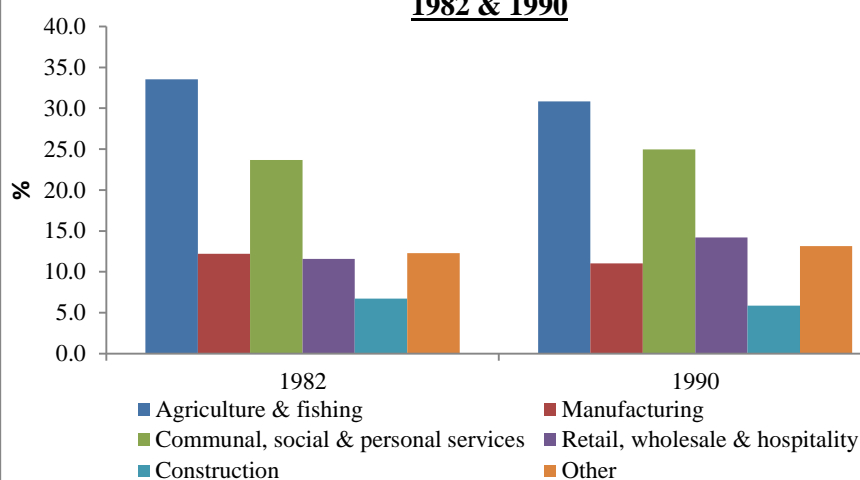
Source: My own elaboration based on INEC (1962) & INEC (1974b).

**Figure 11.2 - Economic growth & inflation, Ecuador, 1970-1979**



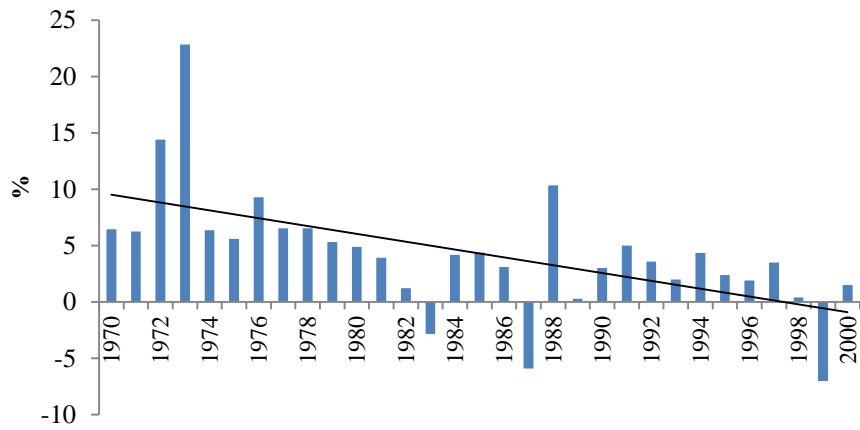
Source: My own elaboration based on IMF Database.

**Figure 11.3 - Economically active population, Ecuador, 1982 & 1990**



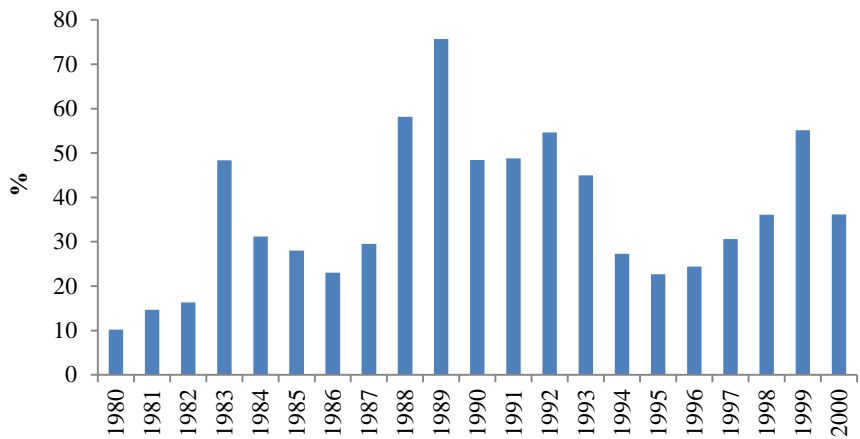
Source: My own elaboration based on INEC (1982) & INEC (1990a).

**Figure 11.4 - Real economic growth, Ecuador, 1970-2000**



Source: My own elaboration based on IMF Database.

**Figure 11.5 - Consumer price inflation, Ecuador, 1980-2000**



Source: My own elaboration based on IMF Database.