This volume on Ecuador is one of a series of handbooks prepared by the Foreign Area Studies (FAS) of the American University, designed to be useful to military and other personnel who need a convenient compilation of basic facts about the social, economic, political, and military institutions and practices of various countries. The emphasis is on objective description of the nation's present society and the kinds of possible or probable changes that might be expected in the future. The organization of the book is in four sections dealing with the social, political, economic, and national security aspects of Ecuador. An extensive bibliography and a glossary are provided. Related documents are SO 006 036 and SO 006 669. (Author/KSM)
AREA HANDBOOK

for

ECUADOR

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FOREWORD

This volume is one of a series of handbooks prepared by Foreign Area Studies (FAS) of The American University, designed to be useful to military and other personnel who need a convenient compilation of basic facts about the social, economic, political, and military institutions and practices of various countries. The emphasis is on objective description of the nation's present society and the kinds of possible or probable changes that might be expected in the future. The handbook seeks to present as full and as balanced an integrated exposition as limitations on space and research time permit. It was compiled from information available in openly published material. An extensive bibliography is provided to permit recourse to other published sources for more detailed information. There has been no attempt to express any specific point of view or to make policy recommendations. The contents of the handbook represent the work of the authors and FAS and do not represent the official view of the United States government.

An effort has been made to make the handbook as comprehensive as possible. It can be expected, however, that the material, interpretations, and conclusions are subject to modification in the light of new information and developments. Such corrections, additions, and suggestions for factual, interpretive, or other change as readers may have will be welcomed for use in future revisions. Comments may be addressed to:

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PREFACE

Changes of government and new trends in economic development point to the desirability of revising the Area Handbook for Ecuador, published in 1966. Of particular significance is the exploitation of oilfields in the Amazonian lowlands—a factor that promises to strengthen the country's economy and to provide the Revolutionary Government with increased opportunities to improve the lot of the people.

This book supersedes the Area Handbook for Ecuador, researched and written by Helen A. Barth, Frederic H. Chaffee, Gabriel De Cicco, John H. Dombrowski, Susan G. Fortenbaugh, and Thomas D. Roberts under the chairmanship of Edwin E. Erickson. It represents an effort to provide a compact and objective exposition and analysis of the dominant social, political, and economic characteristics of Ecuadorian society. It is designed to give readers both within and outside the government an understanding of the dynamics of the elements of the society and an insight into the needs, goals, and achievements of the people. Consultants with firsthand knowledge of the country have provided data not available in printed sources. The authors alone are responsible for the final draft.

English usage follows Webster's Seventh New Collegiate Dictionary (unabridged). Spanish words and phrases, used only when adequate English equivalents are lacking, are defined at first appearance; if employed frequently, they are listed in the Glossary. Spanish is based on Appleton's New Cuyas Dictionary (Fifth Edition). Unless otherwise stated, tons used in production and commodity figures are metric tons.
COUNTRY SUMMARY

1. COUNTRY: Republic of Ecuador (República del Ecuador).

2. SIZE, TOPOGRAPHY, AND CLIMATE: Land area of about 106,000 square miles; third smallest state in South America. Topography dominated by two parallel ranges of Andes mountains, extending roughly north to south and separated by series of heavily populated basins. Highland area separates coastal and Amazon lowlands. Major rivers rise in Andes and drain into Pacific or Amazon. Equatorial climate modified by cold waters of Peru (or Humboldt) Current, which follows coast, and by altitude. Temperatures high in lowlands, moderate in highlands; little seasonal change. Heavy year-round rainfall in northern part of coastal lowlands and in Amazon lowlands, moderate to light in highlands, semiarid conditions in south near Peruvian border.

3. POPULATION: Approximately 6.4 million in 1972. Average annual rate of increase 3.4 percent since 1960. Since World War II a sustained high rate of migration from Andean highlands, original center of population concentration, to coastal lowlands. In 1972 population of these regions about equal; scanty population in Amazon lowlands. Urban sector made up slightly less than 40 percent of total.

4. ETHNIC GROUPS AND LANGUAGES: Population comprises mainly South American Indian and white Hispanic physical stock, with a small element of African Negro. Extensive racial mingling has made it difficult to judge proportions of various elements. In the early 1970s, however, it was generally estimated that out of a total population of more than 6 million, Indians constituted 40 to 45 percent; mestizos, 40 to 45 percent; whites, 10 to 15 percent; and Negros, 5 to 10 percent. Great variety in Indian groups from the Quechua-speaking subsistence farmers of the highlands to primitive Jivaros and Aucas of the Amazon lowlands. Negros retain little of their African heritage and are culturally similar to other members of the lower socioeconomic levels. Whites and some mestizos make up dominant national society. Spanish is the national language, but Quechua is spoken by many in the highlands. A number of indigenous languages are still widely used in the Amazon lowlands.

5. RELIGION: Great majority of people are Roman Catholic. Influence of church particularly strong in highlands, where it was established soon after Spanish conquest. A number of Indians practice tribal religions. Small Protestant community.
6. **EDUCATION**: Enrollments at all levels gained rapidly during 1960s and early 1970s. Primary and secondary curricula modernized during mid-1960s. At primary level, expansion of facilities in rural areas emphasized. Success of efforts to increase vocational school enrollments at secondary level limited by continued student preference for academic schools. Several new universities established, and higher education enrollment increased at rate probably exceeding ability of economy to absorb newly trained professionals.

7. **HEALTH**: Medical personnel and facilities concentrated in major urban centers. Emphasis in 1972 on rural hospital construction, but demand for modern medical care in rural areas limited because of survival of traditional health attitudes and practices. Respiratory ailments, infectious and parasitic diseases, and diseases of intestinal tract principal causes of death during 1960s. Yellow fever eradicated, and considerable success achieved in public health campaigns against tuberculosis, malaria, and poliomyelitis.

8. **GOVERNMENT**: In 1972 governed by a military junta that deposed the president in February and ruled by decree. Officers of armed forces filled seven of ten cabinet posts. National, provincial, and local elections suspended. Court system reorganized.

9. **INTERNATIONAL MEMBERSHIPS**: The country is a member of the Organization of American States, the Inter-American Development Bank (IDB), the Latin American Free Trade Association (LAFTA), the Andean Common Market (ACM), and the United Nations and many of its specialized agencies. Also a party to the Inter-American Treaty of Reciprocal Assistance and the Latin American Nuclear Free Zone Treaty.

10. **CURRENCY**: Basic monetary unit is the sucre. Its symbol is S/., and its official rate in 1972 was 25 sucres equal US$1. The sucre is divided into 100 centavos.

11. **AGRICULTURE AND INDUSTRY**: Agriculture represents leading component of gross domestic product (GDP); contributes 90 percent of accrued exports by value. Low efficiency of land utilization and low level of technology for most products. Bananas, coffee, cacao, corn, potatoes, barley, rice, and sugarcane are leading crops. Industry is most dynamic sector of economy and second leading component of GDP. Has been stimulated by government under various industrial promotion laws. Food processing, beverages, and textiles most important in 1972, but exploitation of oilfields in Amazon basin presaged a bright future for the petroleum industry.
12. LABOR: About 57 percent of 1970 labor force of an estimated 1.1 million persons engaged in agriculture and related activities. Over half of remainder in services occupations. Most of manufacturing employment in artisan work. Organized labor confined largely to Quito and Guayaquil.

13. TRANSPORTATION: Six rail lines totaling 727 miles, all owned and operated by the State Railways Company. Main line runs from Guayaquil to Quito. Over 12,000 miles of roads; 1,500 miles paved in 1972, 1,500 improved with gravel or stone. Main road is Pan American Highway between Colombian and Peruvian borders in the highlands. Civil aviation fairly well developed; fourteen domestic airlines in 1972, one of which also offered international service. Quito and Guayaquil have large modern airports for jet traffic. Over 100 airports and airstrips in country. Guayaquil is main seaport; others of importance are Puerto Bolivar and Manta. Minor shipments through Bahia de Caráquez, San Lorenzo, and Esmeraldas. Waterways of Guayas Basin are well developed and used extensively. Rivers in Amazon lowlands used only by small vessels.

14. COMMUNICATIONS: All telecommunications facilities belong to government and are operated by two state companies. Over 94,000 telephones in country in 1970. Telegraphic equipment being changed from manually operated to automatic.

15. IMPORTS AND EXPORTS: Major exports in 1972 were bananas, coffee, cacao, fish products, and sugar. After 1972 petroleum should become a major export. Imports are varied, but raw materials are most important segment; capital goods and consumer goods, including food, follow in importance.

16. ECONOMIC AGREEMENTS AND AID: Member of LAFTA and ACM; cooperates with Colombia in a border integration program. Aid received from United States, International Bank for Reconstruction and Development (IBRD), IDB, and other governments and international organizations.

17. ARMED FORCES: Armed forces number about 21,000—army, 16,500; navy, 2,800; and air force, 1,600. Principal army tactical units, several infantry brigades with supporting units. Navy has three destroyer escorts and several patrol craft. Air force has about sixty aircraft, including jet bombers, fighter-bombers, and interceptors, training, and transport aircraft. All branches engaged in civic action programs. The National Civil Police number about 6,300.
**ECUADOR**

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The text details the social and political aspects of Ecuador, including historical setting, geography, population, ethnic groups, social system, education, living conditions, cultural life, and foreign relations. Each section and chapter is meticulously outlined for comprehensive understanding.
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SECTION I. SOCIAL

CHAPTER 1

GENERAL CHARACTER OF THE SOCIETY

The Republic of Ecuador, lying across the equator on the northwest coast of South America, is bounded by Colombia on the north and by Peru on the south and east. The history of the country has been profoundly influenced by the existence of three major geographical regions—the Costa, lowlands on the Pacific coast; the Sierra, highlands between two Andean ranges; and the Oriente, jungle lowlands in the Amazon Basin. Although the country lies entirely in the tropical zone, there are striking variations in climate and in plant and animal life. On the coast and in the lowlands east of the Andes, temperatures are high throughout the year, but in the highlands they range from moderate to cold.

Even within geographic regions there is a diversity of climate, topography, and vegetation. In its northern half the Costa is covered by dense rain forest—part of a system that runs in an unbroken band northward through Colombia and into Central America. In the southern half of the Costa the landscape changes to semiarid scrubland, merging near the Peruvian border with the great coastal desert that extends the length of Peru and into Chile. In the Sierra the basins between the Andean ranges, most of them containing productive farmlands, range in altitude from less than 6,000 feet to more than 10,000 feet above sea level.

For more than four centuries Ecuador’s economy has been predominantly agrarian. Virtually any tropical or temperate crop can be grown in one or another of the various regions. Since colonial times the principal products of the Sierra have been grains, livestock, and root crops for domestic consumption; and the planters of the Costa, which became a significant contributor to the economy only in the mid-nineteenth century, have specialized in the cultivation of tropical produce—notably cacao, coffee, and, in the twentieth century, bananas—for export. A major source of foreign exchange during the first half of the twentieth century has derived from the rich offshore fishing grounds. In 1972 potential income from petroleum exports promised an even greater inflow of foreign exchange.
Until the first half of the twentieth century communications between the three regions were poorly developed. As late as 1900 the journey between Quito and Guayaquil entailed a two-week trek on muleback across mountains and through thick forests. By the middle of the century, however, railroads connected Quito with Guayaquil and with San Lorenzo on the north coast; roads ran from the Sierra to many points on the coast and to some points in the Oriente; and the Pan American Highway traversed the country. Likewise, domestic air services facilitated travel to points that in the past had been virtually inaccessible.

The population of more than 6 million occupies a territory of a little more than 100,000 square miles, constituting one of the smallest countries in Latin America. The great bulk of the population is made up of Indians and mestizos. Whites, most of them descended from Spanish settlers, constitute between 10 and 15 percent of the total and have exercised political and economic power since the conquest of the country by the Spaniards early in the sixteenth century. A relatively small number of Negroes, whose ancestors were brought to the country as slaves, have been largely assimilated into the lower socioeconomic levels. In 1972 the populations of the Sierra and of the Costa were about equal, and the lowlands of the Oriente were sparsely populated, principally by Indians.

The population dynamics of the country have been characterized by considerable internal migration and a significant growth rate, which in 1972 was one of the highest in Latin America. Until the early part of the twentieth century most Ecuadorians lived in the Sierra, but as conditions in the Costa improved—largely as a result of the control of tropical diseases—increasing numbers of people migrated to the coastal lowlands. In the 1960s, when exploitation of newly discovered oilfields began, small numbers of people moved into the Oriente.

In 1972 approximately half of the country’s labor force was employed in agriculture and related occupations, and about half of these people lived in the Sierra. The tendency to migrate to the Costa, however, persisted, and the migrants continued to seek employment in the commercial, industrial, and services sectors.

Although the diverse groups making up the population have lived in the same territory under common rule for more than four centuries, they have not formed a single people with a single language and a shared way of life. The dominant tone is set by the Hispanic heritage—the Spanish language, Hispanic cultural traditions, and Roman Catholicism, but large number of Indians still speak their native languages, chiefly Quechua. Roman Catholicism is the religion of the great majority of Ecuadorians, and the in-
fluence of the church is especially strong in the Sierra. Religious freedom is guaranteed by the constitution.

Shortly before the arrival of the Spaniards a portion of the Costa and all of the Sierra had been conquered by the Incas, who governed a great Indian empire from their capital in southern Peru. The Incas imposed a unified rule over the conquered area and introduced the Inca language—Quechua. When the Spaniards arrived linguistic and cultural differences among the tribal groups persisted. Common to all, however, was the practice of sedentary agriculture.

Ecuador's history as a Spanish colony began in 1532. The newly conquered territory was incorporated into the Viceroyalty of Peru as an administrative division called an audiencia (see Glossary). The seat of the new political unit was established at Quito; and although it remained subordinate to the Viceroyalty of Peru, and later to that of New Granada, with its capital at Santa Fé de Bogotá (in what is now Colombia), the Audiencia of Quito was sufficiently distant from both Lima and Bogotá to develop considerable autonomy. The consequent tradition of autonomy later provided the basis for independent nationhood.

Like the Incas before them the Spaniards settled almost exclusively in the temperate basins of the Sierra, where there was a docile population to provide them with labor. At the end of the colonial period less than 10 percent of the population lived in the Costa. Except for converting the native peoples to Christianity, the Spaniards did little to change the old ways of life. Indian life remained essentially the same, and the Spaniards were careful to preserve the essentials of their own way of life. At the apex of the social structure was a small elite, composed of descendants of the conquerors, which controlled the government, owned most of the wealth, and constituted the educated class. A large Spanish-speaking lower class consisted of mestizos, descendants of Spaniards and Indians, who had moved to cities and towns and worked as artisans, domestics, petty merchants, minor functionaries, and overseers. At the bottom of the social structure were the Indians, who existed mainly as a source of tribute and enforced labor. The Indians were joined at the lower level of society by a small number of Negro slaves brought in to work in the few areas of the Costa that had been settled by the Spaniards.

Liberation from Spanish rule was won in 1822, in the Battle of Pichincha, by armed forces under the command of Antonio José de Sucre, chief lieutenant of the Venezuelan liberator, Simón Bolívar. For eight years thereafter Ecuador formed a part of the Republic of Gran Colombia together with present-day Colombia and Venezuela. Then, following the example of Venezuela, Ecuador declared its independence.
Although the colonial administration had disappeared and independence had brought with it a republican constitution and a formal commitment to a democratic political order, little had changed functionally in the society. Caudillos—political strong men—and their followers continued to compete for power; the old rigidities of the social structure persisted; and regardless of the incumbent heads of government, the balance of economic power continued to reside in the predominantly white elite. The Indians remained a subject labor force, and the mestizo lower class, poor and unlettered, had little opportunity to gain power and influence. Through the years framers of various constitutions experimented with anticlericalism, but the church remained as strong as it had been under Spanish rule, and the principle of hereditary privilege continued to enjoy tacit acceptance from the majority, even at the more humble levels.

By the middle of the nineteenth century, however, a new element in national life appeared with the development of an economically powerful regional society in the Costa, based on the export of tropical agricultural produce. With few roots in the past, the society of the Costa was less tradition bound than that of the Sierra; and its structure, though marked by disparities in wealth and privilege, was somewhat more flexible. The new elite of coastal planters, bankers, and merchants organized the Liberal Party, later known as the Radical Liberal Party, and began to challenge the political dominance of the Sierra aristocracy, represented by the Conservative Party. The resulting regional contention was to become a major factor in political life—directly or indirectly leading to several armed conflicts.

Out of this dual cleavage there emerged two of the country's most prominent historic figures—Gabriel García Moreno, the Sierra Conservative, and Eloy Alfaro, the Liberal from the Costa. While transcending the narrower focus of sectionalism to provide leadership of the nation as a whole, they epitomized the ideological terms of the interregional rivalry. García Moreno, who dominated the political scene in the 1860s and 1870s, endeavored to unite the country by building the railroad between Quito and Guayaquil and by expanding the educational system. Eloy Alfaro, who dominated politics at the turn of the century, completed the railroad and also undertook to expand the educational system. The two men, however, held diametrically opposing points of view on the role of the church. García Moreno's goal was to make Ecuador an exclusively Catholic nation. Eloy Alfaro favored a completely secular country. It was not until the early decades of the twentieth century that the church-state controversy moved toward resolution, largely through a series of compromises. By the middle of the century new issues had
emerged, reflected in a steady expansion of the base of political participation.

During the first half of the twentieth century, modest economic growth helped to bring into existence a small middle class which, as an articulate and educated segment of society not directly bound to the interests of the elite, added a new political voice. New communications and transport facilities began to bring the rural population into contact with urban society, and increased educational opportunities raised the literacy rate. By mid-century larger numbers of people were becoming increasingly aware of their national society and were beginning to aspire to greater material well-being. Beginning in 1940 voter registration increased substantially, and the politicians addressed themselves more and more to questions of reform.

Nevertheless, obstacles to stable popular government have remained: the opposition of powerful interest groups to reform, the lack of stable broad-based parties to articulate popular wishes, and the singularly personalist tone of electoral politics. A notable example of personalism in politics has been the career of José María Velasco Ibarra, five times president and four times deposed between 1935 and 1972. Carried to office by strong popular acclaim, Velasco Ibarra, once in office, fell victim to his inability to unite the masses and the various special interest groups behind his programs. It was the military establishment, by long tradition the self-appointed guardian of internal peace, that was involved in removing Velasco Ibarra from office on four different occasions.

In 1972 the structure of Ecuadorian society continued to reflect much of the pattern established in colonial times. Language, religion, intellectual life, landownership, and domination of political and economic power by a largely white minority were elements of the Spanish heritage, but political leaders were promising the people a more equitable distribution of wealth and land; and some churchmen, whose predecessors had been closely allied with the landed oligarchy, were taking up the cause of the economically underprivileged. Turbulence in politics has continued; and the nationalist Revolutionary Government, which deposed Velasco Ibarra and assumed power in February 1972, was a government of the armed forces, which ruled by decree.

In 1972 the military government had the support of parties at the two extremes of the political spectrum. Most of the political parties appeared to be waiting to see how the new government would carry out its promises to change socioeconomic conditions. The large landowners and the Catholic church continued to exercise substantial power, but various elements within these institutions had adopted differing positions on the distribution of wealth and the welfare of the lower classes. The rest of the power struc-
ture was made up of commercial, industrial, and financial elements. A relatively small proportion of the total population took part in the political process at the national level. Many illiterate mestizos and unassimilated Indians appeared to be barely aware of national politics.

In 1972 the organic law of the country was the Constitution of 1945. The president, General Guillermo Rodríguez Lara, announced that this constitution would be in effect to the extent that it did not conflict with the objectives of the new government. In mid-1972 the congress, which had been dissolved by President Velasco Ibarra, had not been reconvened, and elections for a new congress had not been held. One of the first acts of the government was to reorganize the court system.

The nature of the coalition of interest-groups that had supported the military coup in February 1972 and General Rodríguez Lara’s reputation for conservatism raised questions as to how revolutionary the government’s proposed programs would be. In May the president assured representatives of vested interests that the government would not move hastily in carrying out reforms. There were indications that disagreements within the military establishment would interfere with implementation of new policies, and the one issue on which the officer corps seemed to agree wholly was that civilian politicians were incapable of governing the country. Meanwhile, activities of most political parties were at a low ebb.

Influenced by papal encyclicals, members of the church hierarchy were advocating land and tax reform, better treatment of laborers and, in some cases, rejection of the capitalist system. Strong differences of opinion were apparent within the hierarchy, however, and in matters of political significance the church did not present a united front. Different approaches were traceable in large measure to the historic cleavage between the Sierra and the Costa.

More than half the labor force, including those in forestry and fishing, was employed in agriculture and related pursuits, and less than 20 percent was employed in industry—most of these as artisans in small shops or in their homes. Since agricultural production was not keeping pace with population growth, the need for costly food imports was increasing. An agrarian reform program, instituted in 1964, had not shown steady progress, but the nationalist Revolutionary Government was promising more vigorous enforcement of reforms in this field.

In 1972 the availability of petroleum from the Oriente was expected to stimulate new industries, such as petrochemical production and generation of power. Industry, however, was still in the
early stages of development, largely dependent on food processing, beverages, and textile manufactures.

The country's economy leaned heavily on the export of primary agricultural products—notably bananas, cacao, and coffee—with the result that it was vulnerable to price fluctuations in the world market. With a view to overcoming this problem, the government was attempting to stimulate a wider range of exports. It was also taking steps to regulate imports in an effort to protect domestic manufacturing and to move the economy toward regional integration within the Andean Common Market.

After experiencing fiscal, economic, and balance-of-payments problems in the 1960s and in 1971, many Ecuadorians viewed the future with optimism, basing their confidence on the new government's efforts to control budgetary deficits; on the country's prospective position as a major petroleum producer and exporter; and on anticipated benefits from membership in the Andean Common Market.

Living conditions varied greatly, influenced not only by regional differences but also by the fact that large numbers of Indians, particularly in the Sierra and the Oriente, existed to all intents and purposes outside the mainstream of national life. Diets, judged by world standards, tended to show some deficiencies in caloric and protein content; readymade clothing or garments made at home from factory-produced textiles were being worn to an increasing degree; and the people faced a severe shortage of housing—particularly in the large cities.

As in the past, the most stable and enduring element in the social structure was the family, with its broader kin grouping. At all levels of society mutual trust and responsibility were based on a network of kinship, and the continuing importance of the family, stemming from both Hispanic and Indian traditions, probably reflected the absence of strong alternative institutions. The ideal of machismo (see Glossary) was still respected and, in general, women were expected to play a subordinate role.

The people were enjoying the benefits of educational facilities, which had been substantially expanded during the 1960s. Crowding of classrooms, however, tended to reduce the effectiveness of teaching; and there were indications that the rapidly growing number of young people entering the job market from institutions of secondary or higher education was beginning to exceed the number of new jobs available. Increased education was raising the literacy rate and presaged a growing interest in literature and in the cultural life of the country. Although the most common theme in Ecuadorian literature was social protest, there were signs of increasing interest in poetry, influenced to a considerable degree by the Chilean Marxist Pablo Neruda. Freedom of expres-
sion was guaranteed by the Constitution of 1945, and there was no clear evidence of prior censorship or suppression of mass media, the most effective of which were radio broadcasts reaching all parts of the country.

Although many Ecuadorians entertained irredentist sentiments resulting from the loss of territory to Peru in past conflicts, the country enjoyed friendly relations with all Latin American nations in 1972. Relations with the United States had been affected for nearly twenty years by seizures by Ecuador of United States fishing vessels inside the 200-mile maritime jurisdiction claimed by Ecuador. There were indications, however, that a mutual interest in petroleum development and in other matters affecting both countries was beginning to reduce the relative importance of the fisheries dispute.
CHAPTER 2

HISTORICAL SETTING

The military government that came to power in February 1972 assumed the administration of a country in which conditions reflected history to a remarkable degree. During the nineteenth century the republic had been troubled by personal political rivalry, social and political regionalism, and ethnic differences; and these factors continued to play significant roles in the political, economic, and social life of Ecuador in the twentieth century.

Ever since colonial times the existence of three major geographic regions—the Costa, the Sierra, and the Oriente (see Glossary)—has profoundly influenced the lives of the people. Rivalry between the inhabitants of Quito, the highlands, and Guayaquil on the coast has influenced politics and led to civil wars and, along with geographic barriers, has made development of internal communications difficult. Equatorial climate and pestiferous conditions made Guayaquil such an unattractive port in the past that it was not until well into the twentieth century, when sanitary conditions were established, that it became a modern city handling extensive commerce with the rest of the world.

Through the centuries sharp geographic contrasts between the Costa and the Sierra have generated different social and economic systems and differing interests. Before the Spanish conquest in the sixteenth century the people of the two regions had lived in mutual isolation; and before the advent of air transportation in the twentieth century, the vast, inhospitable forest and jungle lands of the Oriente were virtually isolated from the rest of the country.

Before the arrival of the Spaniards the territory roughly corresponding to modern Ecuador was part of the Inca Empire. When independence from Spain was assured by the defeat of Spanish forces in the Battle of Pichincha in 1822, the area was known as the Audiencia of Quito. It then joined with Colombia and Venezuela to form the Republic of Gran Colombia, but in 1830 a revolutionary junta meeting in Quito declared the province independent from Gran Colombia; and a congress declared the territory a sovereign state under the designation State of Ecuador.

In the nineteenth century the opposing forces of the Costa and the Sierra organized political parties—the Liberals on the coast
and the Conservatives in the highlands. The Conservative Party, representing the powerful landowners and archconservatives of Quito, was closely allied with the church and favored church-sponsored education for all. The Liberal Party, later known as the Radical Liberal Party, represented the businessmen of Guayaquil and other residents of the Costa, who opposed church intervention in political affairs and the educational system and favored increased popular participation in politics. Struggles for political dominance were persistent. Violence, instability, and authoritarian rule were not uncommon, and two of the country's most noted leaders—one Liberal and one Conservative—met their deaths at the hands of assassins.

The society has been profoundly influenced by the twin legacies of the Inca Empire and Spanish colonization. A large portion of the population comprises Indians, many of whom have lived in relative isolation since the Spanish conquest. Another large segment of the population is made up of mestizos—people of Spanish-Indian ancestry (see ch. 4; ch. 5).

The Spanish heritage is manifested in language, religion, and intellectual life; in the great estates established in colonial times, lands that have been affected by efforts at agrarian reform in the mid-twentieth century; and by the composition of the elite—a largely white minority that has dominated political and economic life since the founding of the republic. In the mid-twentieth century the pyramidal structure of the society was changing but still reflected the basic conditions of past centuries.

The colonial heritage was mirrored in the religious life of the people, the great majority of whom were Roman Catholics. During colonial times the church hierarchy was a powerful element, and it survived periods of anticlericalism after the establishment of the republic. In the 1960s churchmen, whose predecessors had been staunch allies of the landed oligarchy, were taking up the cause of the lower classes.

Ecuador's economy was based on agricultural products, and its export trade has been subject to the vagaries of weather, crop infestations, and the competition of other countries producing similar crops. In the 1960s advances were being made in developing domestic manufactures, but this had not materially changed Ecuador's historical dependence on agricultural exports. Prospects of petroleum production raised high hopes of greatly increasing acquisition of foreign exchange.

THE PRE-HISPANIC PERIOD

Pre-Hispanic Ecuador was populated by a number of linguistically and culturally diverse peoples. Reflecting sharp contrasts in
physical environment, cultural differences were most marked be-
tween the peoples of the Sierra and those of the lowlands to the
east and west, but even within regions there was diversity. Short-
ly before the arrival of the Spaniards, all of the Sierra and a por-
tion of the coastal lowlands had been incorporated into the Inca
Empire, the Indian state that spread from a center in southern
Peru to dominate all of Andean South America. As a result of this
conquest from the south, a unified political rule was imposed on
the area, and a measure of linguistic uniformity was established
through the introduction of the Inca language, Quechua. Never-
theless, the old ethnic differences had by no means disappeared
when the Spaniards arrived.

Oral traditions (the indigenous peoples did not develop a sys-
tem of writing) and the observations of early Spanish settlers
indicate that the highlands were dominated by five principal
ethnic groups. The highland peoples spoke languages of diverse
affiliation, all of which were supplanted by Quechua, although
traces of these languages survive in place names. All groups sub-
sisted by sedentary agriculture. The principal food crops—corn
and potatoes, for example—and agricultural techniques were
shared by all of the groups.

Most evidence indicates that the only large-scale political state
with a powerful and well-defined central authority in pre-Hispanic
Ecuador was that imposed by the Incas. The Oriente was peopled
in pre-Hispanic times, as in the present day, by many small
groups subsisting from hunting, gathering, and slash-and-burn
agriculture. In the western lowlands were the Colorado and Caya-
pa, both of which have survived, and several groups that became
extinct during colonial times (see ch. 4).

The Inca Empire was a complex, intricately organized and
autocratic state. Its ruler, believed to be a descendant of the Sun
God and therefore divine, had absolute authority. In matters of
routine administration, however, his power was exercised by a
large, pyramidally organized officialdom. At the top the most im-
portant officials were nobles—most of them close kinsmen of the
emperor—who served as military, administrative, and religious
leaders.

Using the ever-increasing pool of manpower that came under
their domain, the Incas built a system of roads to every corner of
their empire, which facilitated the quick movement of troops on
threat of rebellion. Many forms of tribute and enforced labor
were imposed on the population, but in return the Inca govern-
ment, with its vast food resources, offered assurance against fam-
ines resulting from local crop failures. When faced with rebellion,
however, the Inca rulers responded with harshness. Even the sus-
picion of revolt was met by the forcible resettlement of untrusted,
newly conquered peoples among peoples of proven loyalty, often thousands of miles from their original homelands.

The vanguard of Inca conquest appeared in southern Ecuador some time before 1480. After a series of battles, the Inca armies arrived in the vicinity of Quito, where the powerful conquering force was halted by determined local resistance. After several years of delay the campaign was continued, this time meeting with success, and the Inca armies, under Emperor Huayna Capac, drove through northern Ecuador and into southern Colombia. This final stage of conquest and its consolidation took place after Columbus had made his first landfall in the New World in 1492. Few years remained, therefore, for the full implantation of Inca rule.

Until his death, probably in 1526, Huayna Capac spent most of his time in Quito, which had become a major administrative and military outpost. According to most oral accounts, Huayna Capac decreed, in defiance of tradition, that the empire be divided between his son Atahualpa (born in Quito) and his son Huáscar, who was born and raised in the imperial capital, Cuzco, in present-day Peru. After the death of the emperor, war broke out between the two heirs and their followers. Atahualpa led his troops south and defeated Huáscar's forces in a battle at Cajamarca, in what is now Peru. Huáscar was taken prisoner and later assassinated. A force sent on to Cuzco in 1530 completed the campaign and reunited the empire under Atahualpa. Pride in Quito-born Atahualpa's military success resulted in his designation by later generations as the “first Ecuadorian.”

DISCOVERY AND CONQUEST

Only twenty years after Columbus' initial voyage of discovery, tales of a fabulously wealthy kingdom to the south had begun to filter into the Spanish settlements of the Caribbean. During the next few years several expeditions were launched from Panama, at that time the westernmost point of Spanish settlement. The first of these, led by Vasco Núñez de Balboa, resulted in the discovery of the Pacific Ocean, and subsequent ones went as far south as the coast of present-day Colombia. Success, however, was reserved for the venture of Francisco Pizarro and his associates. It was during the search for Piru, as the Inca nation came to be called, that the territory now known as Ecuador was discovered.

The coast of modern Ecuador was first sighted in 1526, when a ship outfitted by Pizarro sailed south of the equator. Having encountered Indians possessing gold and jewels, the Spaniards made final preparations for the conquest of the Inca Empire.

Arriving in Cajamarca in the northern part of modern Peru in
the fall of 1532, Pizarro invited the Inca ruler, Atahualpa, to a meeting in the main square of the city, where the ruler’s bodyguard was attacked and Atahualpa taken prisoner. After paying a large ransom to gain his release, Atahualpa was executed by the Spaniards. Then, in the face of rising discontent among the Inca nobility, the Spaniards set out to establish effective military control.

In 1534 one of Pizarro’s followers, Sebastian de Benalcázar, hearing that a band of adventurers from Central America led by Pedro de Alvarado had landed on the equatorial coast with the intention of marching to the city of Quito, still under Inca control, set out from San Miguel (south of Túmbes in modern Peru) to meet the expedition. With the aid of the Cañari Indians, who had resented Inca domination, Benalcázar’s forces fought their way to Quito, arriving in mid-1534. The city had been destroyed by the Inca general who had commanded the Indian forces there, and the remnants of his army had retreated to the north. When Alvarado arrived in Quito with his forces seriously depleted after the hard march through the coastal jungle and up to the Andes, he was persuaded to abandon his venture in exchange for 100,000 pesos. Benalcázar became Pizarro’s lieutenant governor and installed a form of municipal government in Quito.

Benalcázar undertook to terminate Indian guerrilla warfare in the surrounding area; established a new city, Guayaquil, to serve as a port for Quito when a road was built; and completed the conquest of Ecuador. He then pushed north into what is now Colombia, where he founded several cities and ruled the territory of Popayán.

Benalcázar’s successors in Quito were interested primarily in exploring lands to the east, which were said to be rich in gold and spices. Gonzalo Pizarro, brother of Francisco, departed on an expedition in 1541, but after a few months his supplies were exhausted and the number of his followers greatly reduced. He placed Francisco de Orellana in command of a small expeditionary force to sail down the Napo River in search of friendly Indians who might provide food. Hearing accounts of a great waterway, Orellano continued on instead of rejoining Pizarro. He called the river the Amazon after a tribe of female warriors who were said to live in the area and followed its course to the Atlantic.

Gonzalo Pizarro returned to Quito in June 1542. During his absence his brother Francisco had been assassinated. Strife in the colony continued for almost ten years until order was gradually restored by royal governors sent from Spain.

In 1542 the Spanish crown promulgated the so-called New Laws in an attempt to impose its authority not only in the Viceroyalty of Peru but throughout America. Considerable influence had been
exerted on the crown by powerful elements at court opposed to harsh treatment of the Indian population. In addition, the crown was generally displeased by the ambitions of the conquistadores. As a result, administrative machinery was outlined; numerous restrictions were placed on the treatment of the Indians; and in Peru a large number of conquistadores lost title to the lands acquired in the conquest. As this included practically all the Spaniards in Peru, opposition was widespread.

With the arrival in Lima in 1544 of a viceroy to head the newly established local administrative system, opposition intensified. Set on implementing the New Laws to the letter, the viceroy quickly antagonized his own subordinates as well as the resident Spaniards. Charges were brought against him, and arrangements were made to take him to Spain. Before they were carried out, however, the viceroy was able to make his way secretly to Quito.

After the viceroy's departure from Lima the Spaniards called upon Gonzalo Pizarro to assume the governorship of Peru. Intimidated, the viceroy's subordinates quickly joined in accepting Gonzalo. When the news reached Quito, popular support for Gonzalo was immediate. The viceroy, however, sought and won the assistance of Benalcázar, governor of Popayán, who felt no loyalty to the Pizarros. In addition, he persuaded the local government of Quito to vote him aid and subsidies. About a year after Gonzalo's assumption of the governorship, the opposing forces met near Quito. In the battle that ensued the viceroy was killed, and his forces defeated. Remaining in Quito for some time, Gonzalo assured his position there by filling the municipal government with staunch supporters.

Aware of a generally unsatisfactory state of affairs, the crown authorized a royal emissary, the priest Pedro de la Gasca, to grant amnesty to the rebels and announce the repeal of the unpopular New Laws. As many of the Spaniards in Peru had grown tired of the disorder and personal jealousies of the local leadership, de la Gasca's entreaties were well received. In Quito opposition to Gonzalo Pizarro had arisen and resulted in open revolt. Similar reactions had taken place in Guayaquil. En route to Lima, de la Gasca received the pronouncements of these two cities in favor of the crown. In addition, volunteers were waiting in Trujillo, on the Peruvian coast, to help him establish his authority. Amnesty was offered to Pizarro, but it was refused. After defeat by de la Gasca's army in 1548, Gonzalo Pizarro was tried and hanged for treason.

Although a spirit of rebellion and discontent continued for a number of years in Peru, conditions in Quito were reasonably tranquil after 1548. Energies were turned to activities of a constructive nature. During the rest of the sixteenth century settle-
ment of the Andean valleys was consolidated, and attempts to explore and settle the Amazon area continued. Crown rule was firmly implanted. Life during the greatest part of the next two centuries was generally uneventful, disturbed only by occasional earthquakes in the highlands, by fires and epidemics, and by the incursions of pirates on the coast.

THE COLONIAL SYSTEM

Legally, the conquered lands of America were the personal patrimony of the king. Policy was based on the crown's obligation to Christianize the new territories and on the privilege of acquiring material wealth from them. To fulfill this policy, institutions were newly created or adapted from Spanish and local models, which together provided a comprehensive framework for a flexible, but firm, centralized colonial rule. As conceived, the system was quite logical. In practice, it often suffered modification or abuse resulting from local circumstances and distance from royal authority.

Administration was accomplished through a hierarchy of Spanish authorities, and officials and entities resident in America. The monarch, in theory, had absolute control over all matters. A specialized agency, the House of Trade (Casa de Contratación) with its seat in Seville, handled all matters affecting the colonial economy on both sides of the Atlantic. Most of the routine administration, however, rested with the Council of the Indies (Consejo de Indias), also in Spain. The council's energies were devoted chiefly to the formulation of legislation on a multitude of issues.

In the colonies the highest authority was vested in viceroys who were appointed by the monarch, usually from the elevated ranks of the nobility, and who acted as his personal representatives. Beneath the viceroys were the audiencias (see Glossary), royally appointed legislative, judicial, and advisory bodies that administered the divisions of the viceroyalty. Most of the nations of contemporary South America were formed from the audiencias of the colonial period.

The Audiencia of Quito, as Ecuador was known before the War of Independence, was established by royal decree in 1563, largely as a result of a petition submitted to the monarch by the local citizens. Dissatisfaction with the administrative delays caused by dependence on distant Lima, responsible for Ecuadorian affairs after the fall of the Pizarros, had given rise to the desire for the relative independence and the right to deal directly with the Council of the Indies, which audiencia status tacitly accorded. As roughly defined by the decree, the territory of the Audiencia of Quito extended from the Pacific Ocean inland to the largely un-
explored Amazonian areas known as Quijos and Canelas. The southern boundary ran from the Pacific port of Paita, in present-day Peru, some 350 miles to the inland city of Moyobamba, also in Peru. A 100-mile-wide arm of land in present-day Colombia, reaching as far as the port of Buenaventura and the city of Buga, was the only delineation of the Audiencia’s northern extension.

Within the Audiencia were a number of subdivisions that had been established before 1563 and were subsequently expanded in number. At the lowest level were the municipalities, governed by cabildos (municipal councils). Most in touch with local affairs, the cabildos often enjoyed great power and influence. Among the functions performed by them were the administration and distribution of land, the maintenance of public order, the regulation of labor, the establishment of prices and wages, and, at first instance, the administration of justice. The aldermen of the cabildos were selected locally by the outgoing membership. Appointments of all other colonial officials were made directly by the king or his chief representative, the viceroy (see ch. 9).

The economic life of the Audiencia revolved around agriculture. Although there was some gold and silver, deposits were not nearly so rich as those found elsewhere in the hemisphere and were, at any rate, soon depleted. The original land grants to the conquistadores and their offspring were relatively small, but in time wealthier citizens and the religious orders amassed huge holdings and crowded out the less fortunate. Crop cultivation and care of livestock rested on Indian labor in the highlands and Negro slave labor on the coast. Through the introduction of crops such as oats, barley, wheat, and sugarcane and such animals as pigs, sheep, and cattle, indigenous agrarian patterns were modified greatly. Certain local products—cacao, tobacco, and corn—however, became extremely popular with the Spaniards and were actively cultivated (see ch. 13).

Trade was conducted under Spanish monopoly. All articles going to or from European nations had to be bought and sold through authorized Spanish merchants, after passing through Spanish customs houses in Seville or Cádiz, the only ports through which trade with America was permitted. Similarly, Spanish ships were allowed to visit only a restricted number of port cities in the Caribbean, which served as centers for the collection of colonial revenues as well as for commerce. Goods were then transported by land or sea to the rest of the hemisphere. In most instances direct trade between colonies was also prohibited, but Guayaquil was exempted from this restriction in compensation for the damages suffered through fires and invasions by pirates. As a result, the city became an important port and also the shipbuilding center for the west coast (see ch. 14).
The Audiencia's trade beyond its borders was limited. In an age when rudimentary economic development and long sea voyages limited exchange to articles such as precious metals and spices, the Audiencia had few commercially valuable commodities. Among these were cured skins, textiles, and preservable plant products, such as tobacco. Imports were largely limited to wines, oils, iron tools, fine clothing, and Negro slaves.

Spanish influence was apparent in the rigidity and hierarchical character of the society, which was successfully transplanted to the new environment. Two classes existed—one extremely small, the other extremely large—and a wide gulf lay in between. The upper class consisted of the high Spanish officials and the somewhat less prestigious permanent residents of Spanish descent (criollos—see Glossary) who possessed great wealth in land. Education, high social position, leisure, and luxury were reserved to this group (see ch. 6; ch. 8; ch. 5).

The lower class was composed of more varied elements. In order of social standing, these were the poor Spaniards, the mestizos, the Indians, and the Negro slaves. Finding manual labor distasteful, the poor Spaniards usually occupied the lower positions of Spanish officialdom, engaged in commerce, or joined the lower ranks of the clergy. Intermarriage with Indian women occurred in the early days of the conquest, since Spanish women did not migrate in significant numbers until after the civil system had been firmly imposed. Although mestizos born of legitimate unions between Spanish conquistadores and Indian noblewomen often became part of the upper class, the great majority were confined to the lower class, serving as artisans and as foremen over Indian labor (see ch. 5).

In the highlands the native population became the domestic servants of, and manual laborers for, upper class society. Elements of the Indian nobility were excepted. Accorded the same rights and privileges as upper class Spaniards, they soon lost their distinctive identity by intermarriage with the Spaniards. The scarcity of Indians on the coast and the influence of ecclesiastical elements in Spain seeking to protect the native population prompted the importation of a few thousand Negro slaves to work the coastal plantations soon after the conquest (see ch. 4).

Many aspects of Spanish culture were introduced by individuals, but the chief cultural agent was the Roman Catholic Church. The church's own power, the protection of the Spanish monarchs, and the acquisition of wealth permitted broad and varied activities. One of the most important was education. Religious orders, whose members had begun to arrive in the 1530s, immediately established schools. Initially, they were small and confined their teaching to basics. By 1552, however, a secondary school had been
founded, and by 1586, a university. Churchmen were also central to the artistic and intellectual life of the colony (see ch. 8). Particular attention was paid to the Indians. Through intensive missionary effort, the church brought the Indians in heavily populated parts of the Audiencia, at least superficially, into the faith and at the same time taught them many European techniques of farming and artisanry (see ch. 5).

Incorporation of the Indians into the society was also encouraged by the crown through civil institutions. Of these, the encomienda and the reducción were the most significant. Under the encomienda system, Spaniards were charged with the supervision of the moral and civil education of a group of Indians in exchange for a tribute collected from the fruits of Indian labor on the land. Neither the land nor the Indians were owned by the Spaniards, in theory, but as practiced, the encomienda system became a form of exploitation. The reducciones (closely settled, planned villages) were designed to bring the Indian population, which lived in scattered communities or had fled from the conquistadores to remote areas, closer to the seats of civil and religious authority. Most often under the authority of a cleric, the reducción, like the encomienda, frequently became a source of personal profit.

Beginning in the early eighteenth century the Spanish monarchy fell into a state of increasing weakness, which was reflected in the colonial order. The American empire suffered administrative fragmentation, which underscored regional sentiments and differences that were inevitable in an area so large and varied. Temporarily in 1722 and then permanently in 1739, the Viceroyalty of New Granada was created, with its capital at Santa Fé de Bogotá in what is now Colombia; and the Audiencia of Quito was transferred from the Viceroyalty of Peru to this new administrative unit. In the process the Audiencia's southern border was set slightly to the north of that indicated in the 1563 decree, and the eastern border was more specifically delineated, approximating the present-day Peruvian-Brazilian boundary.

The firm grip that had been maintained on colonial economic life by the mother country was relaxed. In the area of trade this relaxation of control was an especially important development. Gradually, it became possible for non-Spanish ships to maintain direct trade with the overseas empire. Concerted effort by the French government on behalf of the new Spanish royal family brought a particularly favored commercial position to France. Under these conditions the material reliance on Spain diminished. The removal of certain restrictions, moreover, encouraged abuse of those that remained in force.

Foreign influences of a more general sort were also felt, especially during the latter part of the century. Visitors from other
European countries, many of whom came on scientific expeditions, were an important source of information and ideas. As individuals of some distinction, they were generally lodged in the homes of the local aristocracy, who thus became informed on developments in Europe. Travel and education abroad also became increasingly common among well-to-do criollos. In addition, the restrictions on printed matter entering the American territories, imposed and maintained early in the colonial period, were reduced. Through these channels a small group of criollos became familiar with the new currents in European philosophical and political thought, most of them sharply contradicting the guiding principles of the colonial system. Honored today as the precursor of independence, Eugenio de Santa Cruz y Espejo was the most outstanding and influential of the Quito intellectual group of the period. Though of mixed parentage, Espejo was able to obtain a university education, which led him to become a physician, satirical writer, and director of a library. Gradually, he developed a system of political thinking that advocated complete emancipation from Spain, local autonomy, republicanism and democracy, and americanization of the predominantly Spanish clergy. As a result of his activities in communicating these ideas to his friends and associates, he was arrested and confined to prison, where he died in 1795 (see ch. 8).

New influences and ideas gave impetus and direction to latent social discontent. Among the upper class, feelings of resentment toward Spaniards from the mother country were strong. The criollos were denied high-level administrative positions, and economic ambitions and ventures were also frequently frustrated by rules and ordinances. Within elements of the lower class, too, restlessness was apparent. A basic cause was the weight of the general system of taxes and duties imposed on the people.

INDEPENDENCE

The movement for independence in the Audiencia of Quito was part of a continental pattern. Individuals and events in this audiencia inevitably became linked with those in contiguous areas. Indeed, cooperation was an important element of success and encouraged the desire in some quarters for continuing association after independence. An additional factor, of no less consequence, was the accumulation of Spain's military and political problems in Europe.

In essence, the movement belonged to elements of upper class criollo society. The criollo, lay or religious, did not object so much to the qualities of the Spanish system as to his own inferior position within it. Uneducated and politically inexperienced, the
urban masses supported independence on the basis of emotional anti-Spanish sentiments derived initially from vague social and economic discontent and, later, from abuse by Spanish military forces. Generally, the Indian was a passive figure.

The struggle for independence took place in two phases, separated by a period of ten years. The first was precipitated by the Napoleonic invasion of Spain in 1808. Charles IV had abdicated in favor of his son Ferdinand VII, who was placed in confinement by Napoleon. Revolting against the assumption of authority by the French, the Spaniards formed a central junta to govern during the legitimate king's absence. News of these developments reached the Audiencia rapidly. Seeing an opportunity to gain a measure of autonomy, a group of the deceased Espejo's aristocratic associates secretly formed their own junta in December 1808, similar to the one in Spain, allegedly to protect the interests of Ferdinand VII.

Within eighty days, however, the junta collapsed, and Spanish authority was reinstated from outside. No resistance could be raised against the forces mobilizing on the northern and southern borders of the Audiencia under orders of the viceroys of Peru and New Granada. Authority was peacefully handed over to the president of the Audiencia, who gave the assurance that there would be no reprisals.

Such, however, was not the case. An intensive campaign was launched almost immediately to ferret out all participants, during the course of which many innocent citizens were jailed. Abuse and theft by the restless soldiers turned the public to the side of the revolutionaries. In August 1810 street riots led to the storming of the jails. After two days of fighting, the civil and military authorities called a meeting of citizens. It was agreed that the troops would be withdrawn and a governing junta would be established. Composed of criollos, the junta was to be under the leadership of the president of the Audiencia.

The new junta, which soon made the president a mere figurehead, enjoyed the militant support of the people and support from the central junta in Spain, but not from the viceroy of Peru or from the rest of the Audiencia. After a little more than a year in control the junta attempted to initiate a formal structure of government. A congress called in December 1811 declared complete independence and the establishment of the state of Quito, which included all units of the Audiencia, liberated or not.

After two months of deliberation, the Constitution of February 1812 was drafted and approved—a document that reflected the difference of opinion that had crystallized among the revolutionary leaders. On the one hand, it provided for limited individual
liberties and institutions customarily associated with a democratic republic form of government, but on the other, it granted recognition of Ferdinand VII whenever he should resume authority over Spain, as long as recognition was not prejudicial to the constitution.

Moved by the continuing opposition of the rest of the Audiencia and of the viceroy of Peru, the junta elected to launch a military offensive against Spanish forces, but a well-staffed and well-equipped army sent by the viceroy had landed on the coast and was advancing along the highlands toward Quito. The rebels' troops were poorly equipped and the leadership sorely divided, and when the viceroy's troops reached Quito they found the population had fled to Ibarra, where the final battle was won by the Spaniards in December 1812. Thus, the Spanish authorities were left without organized opposition and retained control for the next ten years.

In the latter part of 1820 the second phase of the independence movement was launched in Guayaquil. A declaration of independence by young citizens and elements of the local troops was rapidly followed by the formation of a military junta to repress opposition in the city and carry the revolution to other parts of the Audiencia. Communiqués were sent to the principal military leaders of the independence movement in other parts of the continent—the Venezuelan Simón Bolívar in the north and the Argentine José de San Martín in the south.

Encouragement soon came in the form of offers of aid by both Bolívar and San Martín. During the early months of 1812 contingents of revolutionary troops came from Colombia, the last group under the command of Bolívar's leading lieutenant, Antonio José de Sucre. Led by Sucre, the revolutionary troops of Colombia and Guayaquil fought a victorious battle with the advancing royalist forces. Sucre then launched an assault on the interior. In the remaining months of 1821, Sucre's army suffered a number of defeats. When reinforcements sent by San Martín arrived early in 1822 a series of easily won victories along the highlands brought the revolutionary army to the outskirts of Quito, where the decisive Battle of Pichincha took place on mountain slopes thousands of feet above the city. A capitulation was subsequently signed by the president of the Audiencia.

Two months later, the Liberator, Simón Bolívar, arrived in Quito and was given a tumultuous hero's welcome. A statesman and thinker as well as a military leader, Bolívar had envisioned the formation of several great nations from the former colonies. In the area of his own activities, northern South America, he
wished to create one country from the former Viceroyalty of New Granada, corresponding roughly to the present-day republics of Colombia, Ecuador, and Venezuela. In Quito acceptance of this attempt to gain the same sort of affirmation.

In Guayaquil a meeting took place between Bolívar and San Martín, who wanted Guayaquil to become part of Peru and who proposal was easily obtained. Bolívar then went to Guayaquil to was seeking the VenezueLAN’s aid in the Peruvian liberation. It is not known exactly what took place between the two leaders; San Martín departed quickly, without Bolívar’s promise of aid. In the city itself opinion was divided between three possibilities: union with Bolívar’s republic of Gran Colombia; union with Peru; or complete autonomy. As no decision could be made, Bolívar temporarily assumed military and civil authority. A congress called in July 1822 finally voted for the incorporation of Guayaquil into Gran Colombia.

From 1822 to 1830 the Audiencia of Quito remained in the Gran Colombian union, which was formed from the Viceroyalty of New Granada. The seat of national government was in Bogotá, and executive authority was held by the president, Bolívar. From the beginning the life of the republic was troubled with threats to unity. Disruptive military operations, which resulted in a drain on civil morale, were a constant problem. Until 1825 the war for the liberation of Peru, supported by Gran Colombia and led by Bolívar after San Martín’s resignation in 1822, was going on. Closest to the battlefields, Ecuador suffered the greatest strain. The exhaustion of two years of fighting was aggravated by Ecuador’s new role of military camp-and-supply station.

In 1828 the former partners, Gran Colombia and Peru, entered into armed conflict over border questions. Ecuador again felt the immediate effects most strongly. The sea campaign resulted in the bombardment and destruction by fire of much of the city of Guayaquil. On land, fighting took place along the mountain ranges, leading to the Battle of Tarqui in February 1829 in which the Peruvian forces were defeated by General Juan José Flores.

In 1830 a constitutional congress was called in Bogotá in an effort to combat the growing separatist tendencies. Before the congress could be convened, however, Venezuela held its own congress and formally withdrew from the Gran Colombian federation. In the face of this action, representatives of the city of Quito met and elected to follow the Venezuelan example. A declaration was drawn up that extended thanks to Bolívar and placed civil and military authority in the hands of General Flores. Later in the same year a constituent assembly drew up a constitution in the name of the State of Ecuador (see ch. 9).
Abolition of political ties with Spain was not accompanied by a corresponding disappearance of Spanish social, political, and economic traditions. The chaos brought on by the war, political instability, and unbridled personal ambitions encouraged the development of authoritarian rule by a few dynamic individuals. As these were conservative in outlook, the criollo elite were able to assume the role in national life formerly held by the Spaniards. Authoritarianism and the periods of instability that existed between regimes were not favorable for change or opposition generated by groups from below. Their existence continued much as it had before independence.

During the first fifteen years after independence the country was dominated by Juan José Flores. The constitutional convention convened after the break with Gran Colombia had produced a document that provided for a democratic, republican government divided into three branches—legislative, executive, and judicial. Elected by Congress for a four-year term, the president was to be an Ecuadorian citizen. Through a clause that conferred citizenship on all those who had fought for independence, the Venezuelan-born Flores was eligible and was easily elected by the convention.

Flores was a personable and astute politician whose position was enhanced by connections through marriage with one of the country's socially prominent families. In his first administration, Flores' attention was directed principally toward the maintenance of order. Political opposition, either from monarchists or liberals, was suppressed.

Economic conditions were especially bad. The war effort had all but exhausted resources. Maintenance of the armed forces absorbed a great part of the budget. In addition, as a participant in the Gran Colombian federation, Ecuador shared responsibility for the war debt. No Ecuadorian delegates were sent to the conference held in Bogotá to divide the burden between the three republics, and Ecuador consequently was allotted a relatively large percentage.

Dissatisfaction prompted an anti-Flores group to sponsor the candidacy of Vicente Rocafuerte, a former independence leader from the coast, for the 1834 election. Anticipating the move, Flores staged a coup d'état, brought Rocafuerte into power, and had himself named commander of the armed forces. An attempt by Congress to reverse these actions was put down by government troops led by Flores. A constitutional convention called in the following year produced a new charter and confirmed Rocafuerte's
presidency. As president, Rocafuerte was able to provide for a few social advances, such as public education, but the real power lay with Flores. Acting under Flores' influence and the personal conviction that the population was not yet ready for complete political freedom, Rocafuerte continued the practice of sharp reprisals against political opposition.

The 1835 Constitution, like its predecessor, specified a four-year presidential term and prohibited immediate reelection. Thus, in 1839, Flores was able to return to the presidency and exercise direct control. The prospect of leaving office again in 1843 prompted him to call a new constitutional convention. In line with his wishes the convention drew up a constitution that doubled the presidential term of office and gave the president virtually complete control.

Flores was reelected. Intense opposition was immediately forthcoming from groups outside the Flores camp who called the new document the "Constitution of Slavery." In Quito the principal center of opposition was the Sociedad Filotécnica (Philotechnical Society), composed of university students. In 1845 a popular insurrection, which produced bloody street fighting, erupted in Guayaquil. The cabildo and general public, refusing to recognize the Flores government, established a provisional three-man civilian junta. After this action uprisings took place throughout the country. Always flexible, Flores offered to turn the government over to the rebels in exchange for retention of his rank of general, a general's salary, and 20,000 pesos for two years' residence in Europe. The offer was accepted.

Known as Liberals, the opposition had based its position on civilian rule and anti-Flores sentiments. After Flores was ousted, civilian rule was established, but the influence of the military was paramount during the next fifteen years. The chief figure was General José María Urbina, an army officer who had been a protégé of Flores during the Gran Colombian period. As a provincial governor during the third Flores administration, he had gone over to the rebels when the probable course of events had become apparent.

Between 1845 and 1860 Ecuador experienced a new period of political turbulence. The country was ruled by eleven presidents or juntas, in most cases Liberals; there were frequent civil wars and border wars with Peru and Colombia; three new constitutions were adopted; and contention between the clergy and their opponents was intensified. Local political strong men ruled their regions by force, and one of these, Guillermo Francó, was compelled, during a Peruvian blockade of Guayaquil, to sign a treaty ceding the city and the southern provinces to Peru. Flores, who had been in Europe, returned and joined forces with Gabriel...
García Moreno to oust Franco and to put down revolts in various parts of the country.

García Moreno retained the power, seized in 1860, either directly or indirectly for the next fifteen years. Although born in Guayaquil, center of Liberal activity, García Moreno was educated in Quito and became associated with the Conservative cause. Strict religious training, natural inclination, and poverty bred an austerity in living habits that contrasted with an emotional extravagance of fanaticism. Travels and studies in the late 1840s in Europe, then undergoing a conservative revolution, only served to confirm his positions on politics and religion. Turning away from the military—which, as a staunch proponent of civilian rule, he detested—he became the first to build political power on the strength of the landed aristocracy and the church.

During his period of influence, García Moreno attempted to carry out a plan that included initial phases of pacification and unification of the nation, material progress and moral reconstruction, and a final phase of consolidation. To achieve the first objectives, he ignored the relatively liberal Constitution of 1861, which had provided, among other things, for decentralization of government and the guarantee of many individual rights. Political opposition was implacably repressed, at times with death sentences. In 1865 an organized uprising by General Urbina and General Francisco Robles was met by government forces under the leadership of García Moreno himself. All those captured and anyone suspected of having had any connection with the plot were shot. Verbal and written opposition were likewise suppressed.

Upon the expiration of his term in 1865, García Moreno turned the reins of government over to a friend, Jerónimo Carrión. Proving inept, Carrión was forced to resign after three years in office; his term was completed by another member of the García Moreno camp, whose relaxation of restrictions permitted the opposition to initiate a campaign in the coming elections. Fearing that the opposition candidate would win in 1869, García Moreno staged a coup with the help of certain military elements. Almost immediately, a constitutional assembly was called that elected García Moreno to a second term and promulgated a new constitution, the eighth in the country's short history. It bore a strong resemblance to the authoritarian Flores document of 1843, which had been so vehemently opposed by García Moreno. Great power was concentrated in the hands of the president. García Moreno's religious zeal was reflected in the constitutional requirement, making citizenship dependent on, among other things, adherence to the Catholic faith.

During his second term, García Moreno turned his energies and organizational talents to constructive measures. The improvement
of internal communications, long a key factor in regionalism, re-
ceived considerable attention. Principal highways and railroads,
including those linking Guayaquil and Quito, were planned. Edu-
cation was another area of importance. Under public authorities
it had not been well developed, and this situation, combined with
García Moreno's personal convictions, inspired the decision to
place the schools, from the elementary to the university level, in
the hands of the church. Church-state relations were especially
close at this time as a concordat had finally been signed between
the government and the Vatican, bringing an end to the undefined
position the church had occupied since independence (see ch. 5).

Attempts were also made during these years to promote the
growth of agriculture—through the introduction of new crops—and
of industry. Foreign trade began to develop, principally in
tropical and subtropical agricultural products, which greatly stim-
ulated activity in the port of Guayaquil (see ch. 13).

Despite the many beneficial accomplishments of the regime,
opposition mounted. The growth of church influence was especial-
ly opposed by the Liberals. In general, García Moreno's tactics
and authoritarianism created many personal enemies. Toward the
end of the constitutional period a conspiracy to overthrow the
president was planned by university students and those influenced
by Juan Montalvo, an exiled journalist who wrote stern criticisms
from abroad. Before the plot could be carried out, however, Gar-
cía Moreno was attacked on the steps of the Palace of Govern-
ment by an angry citizen and hacked to death with a machete.

Under García Moreno, conservatism and the Conservative
Party reached their heights. No dynamic personality emerged
from the Conservative ranks to fill the void, and popular support
was on the wane. For the next twenty years, consequently, the
country passed through a period of political transition, no less
turbulent than previous ones had been.

The candidate chosen to succeed García Moreno came from the
more moderate elements of the Conservative Party. Although a
generally popular choice, he was too mild an individual to con-
front the controversy that developed over the Liberals' campaign
to abrogate the constitution promulgated under García Moreno in
1869. Within months an uprising took place that brought a new
figure to power, General Ignacio de Veintimilla.

Between 1876 and 1878, Veintimilla was occupied with sup-
pressing popular uprisings and rewarding the followers of Gen-
eral Urbina, who had provided his chief support. As in the past,
an assembly was called after order was finally established; it
elected Veintimilla president and promulgated a new constitution,
generally liberal in tone but, like most of its predecessors, dis-
regarded in practice. With the general public, however, Veinti-
milla achieved great popularity. In addition, prosperity was general during his years in office, as foreign markets had continued to grow.

From 1883 until 1895 leadership was exercised by a succession of three presidents who came into office by constitutional means. They were conservative intellectuals of progressive inclinations and governed under principles of political tolerance. During their administrations progress was made in public works and education, and intellectual life flourished (see ch. 8). Generally, however, government programs inspired little public enthusiasm. Beneath the calm surface, moreover, the Liberals and the more militant elements of the Conservative Party continued their traditional enmity. A revolution planned in Guayaquil brought the Liberals and Flavio Eloy Alfaro into power in 1895.

The Liberal Reign and Its Aftermath

The assumption of power by the Liberals in 1895 represented the triumph of a movement that had been building gradually since the days of García Moreno. With the exception of a few brief periods, the Liberals remained in power until 1944. During the early Liberal years, the reconstruction of Guayaquil (long plagued by fires and disease) and favorable world markets contributed to the rise of that city as a commercial center. This, in turn, stimulated the development of a middle class and an organized labor movement. Progress was also made in communications and in the establishment of public services. The religious issue, which had inspired dramatic and emotional debate, was largely resolved by a process of secularization designed to contain church influence in civil affairs (see ch. 5).

The first twenty years under Liberal influence were dominated by political strong men. After the victory over the government troops, Eloy Alfaro assumed dictatorial powers. Disorder, caused principally by his own restless, machete-wielding soldiers, was rife. By 1896 conditions were calm enough to permit the convocation of a constitutional assembly. Although Eloy Alfaro was elected president, he was unable to obtain the kind of constitution he desired. The new constitution, like earlier ones, did not, for example, contain a freedom of religion clause, which had been one of Eloy Alfaro's principal aims.

Following the course of many of his predecessors, the president chose to disregard the document. He also continued the tradition of firm suppression of the opposition. Of the greatest consequence was the inauguration of construction of a railroad to link the cities of Guayaquil and Quito, despite the difficulties imposed by arduous terrain and exceedingly high cost.
Eloy Alfaro was succeeded by a military colleague, General Leónidas Plaza Gutiérrez (1901-05). Plaza was able to establish a civil government, despite his own military background. Perhaps as a result of his success as an administrator and of his growing number of followers, rivalry arose between the party's two principal leaders. Consequently, when Plaza's term expired and the man of his choice was elected, Eloy Alfaro responded with a coup d'état, which in 1906, brought him once again to power.

Eloy Alfaro's initial activities were a replica of those of his first administration—authoritarian rule, followed by election to the presidency by a constitutional assembly. The new constitution, however, was more clearly in line with Eloy Alfaro's ideas. The state religion was eliminated; religious personnel were prohibited from holding political office; and free, secular education was affirmed. This constitution, called the atheist constitution by Conservatives, brought a resurgence of opposition; and, in addition, Eloy Alfaro was confronted by dissident elements in his own party. Despite the distraction of these difficulties Eloy Alfaro was able to bring to completion his major project, the Guayaquil-Quito railroad.

In 1911, within months of the expiration date of his term of office, Eloy Alfaro was overthrown by a military uprising. Soon thereafter the rivalry between Eloy Alfaro and Plaza came into full play. The death of Eloy Alfaro's successor provided an opportune moment for a new coup d'état. The garrison of Guayaquil issued a proclamation stating refusal to recognize the interim government and called Eloy Alfaro from Panama, where he had gone in exile. On his return, a bloody civil war took place between his forces, drawn from the coastal element, and those of the government, under General Plaza. Eloy Alfaro and his troops suffered defeat, and many, including Eloy Alfaro himself, were captured and taken to Quito, where Eloy Alfaro was murdered by an angry mob.

In 1912 Plaza once again assumed the presidency with the support of powerful factions within the party and the recently reconstituted army. He was able to continue the kind of administration characteristic of his first term. In particular, there were advances in public education, with the promulgation of new laws, the establishment of teaching missions from Germany, and the creation of public libraries (see ch. 6). At the same time work began on several new railroad lines.

The administration's chief difficulties were financial. The civil wars and extensive public works projects had put a tremendous burden on government resources. As a result, the government had found it necessary to borrow heavily from private banks, especially the Commercial and Agricultural Bank of Guayaquil. When
war broke out in Europe in 1914, the financial situation became worse. Fearing that a flight of gold reserves to the belligerent nations would take place and believing that the war would be short in duration, the government passed a law that suspended the exchange of banknotes for gold. Moreover, the banks regularly, and with impunity, exceeded their legitimate issues. Consequently, the banks were able to issue great quantities of paper currency to the government, achieving considerable political influence in the process (see ch. 12).

As the Commercial and Agricultural Bank was the largest creditor, it assumed a force in national politics similar to that which the church and the military had once enjoyed. Presidential candidates were named and elected on the advice of the bank's directors, who belonged to the wealthy coastal element. Long jealous of the role of Quito in national affairs, Guayaquil had finally come into its own.

In spite of bank control and a ruinous financial situation, the period from 1914 to 1925 was one of political calm. Administrations changed hands peacefully. The political parties abandoned the worn-out issue of religion and turned to newer, more pressing social and economic questions. In its first assembly, which took place in 1923, the Liberal Party, for instance, outlined a program advocating the promulgation of labor laws; legislation to protect the rights of women and children; agrarian reform to improve the situation of the peasant; and medical help for the poor, indigent, and infirm. In addition, the Liberal Party condemned militarism, dictatorship, and the influence of the banks. The Conservative Party also assumed a new position, espousing the principles of social, economic, and political progress. The shift from traditional concerns was reflected, moreover, in the development of a new political movement, socialism (see ch. 10).

By 1925 inflation and the high cost of living had provoked serious unrest, most dramatically expressed in a popular uprising in Guayaquil a few years before. In the middle of the year dissatisfaction with existing conditions was manifested in a military pronouncement that declared the termination of the civil government's authority. The action prompted no resistance from the general public. Initially, a provisional junta composed of seven prominent officers and civilians held authority, but government was soon turned over to a junta that was entirely civil in composition. The junta proved incapable of controlling the wave of political ambitions and infighting that quickly followed; and the announcement of a plan to establish a central bank also brought opposition from the private banking interest, which had not lost all their influence.

Isidro Ayora, named provisional president by the junta, quickly
stepped into the power void and assumed dictatorial powers. Ayora immediately set out to consolidate his own position and attack the more pressing national problems. To accomplish the first measure, he dissolved the military juntas that had been directing local government throughout the country. Political enemies were jailed or exiled; the banks closed; and the newspapers that had supported them shut down.

Adjustment of the financial situation, the most immediate non-political problem, was placed in the hands of a mission from Princeton University. Acting on the measures suggested by the mission—which included legislation on banking, currency and public finance, devaluation of the currency, collection of debts, and the creation of administrative agencies—the government found itself in a favorable financial position. Programs were subsequently launched in highway construction, sanitation, and public health.

In 1928, after three years in power, Ayora decided that the country was ready to return to constitutional forms. Early in the following year he was elected president, and a new constitution was promulgated. Despite his administrative activity in public education and in treaty arrangements to settle the Peruvian border question, political opposition was strong. Through measures included in the new constitution, moreover, the opposition was able to act, as well as to campaign verbally. Congress had the power to voice a vote of confidence or no confidence in the president and his cabinet. To these potential threats to executive power were added the negative effects of the depression. In 1931 the contract of a large foreign loan provoked a military uprising and street riots in Quito. As a result, Ayora was forced to resign, and the presidency passed to his constitutional successor, the minister of government.

During the 1930s political conditions were especially chaotic. The polarization between the Liberal and Conservative parties gave way as groups, factions, and new parties, some oriented toward the extreme Left, proliferated. During the decade the presidency was held by a total of fourteen individuals. On some occasions the presidents were forced to resign by a vote of no confidence. On others, governments were turned out by a show of military force. A semblance of constitutionality was preserved through the practice of selecting interim presidents in accordance with the line of succession prescribed by the constitution. Although elections, when held, were relatively free, factionalism prevented any of the candidates from winning support broad enough to create stable governments.

Attempts to develop programs in public works, education, and social welfare during the administrations of José María Velasco
Ibarra (September 1934 to August 1935) and Federico Páez (September 1935 to October 1937), resulting in part from the influence of the leftist element, were not completed. Constant change in government, with the attendant revision of budgets, had a disastrous effect on the economy, already undermined by the depression. Toward the end of the period the situation worsened as disease ravaged one of the country’s principal export crops, cacao (see ch. 13).

After the elections of 1939, which brought Carlos Arroyo del Río to the presidency, conditions appeared to improve. An attempted military uprising, provoked by José María Velasco Ibarra who, with a large following among the lower classes, believed himself to be the true victor in the elections, collapsed before it really got underway. The chaotic economy, moreover, was being brought under some control. Foreign loans and favorable revisions in the reciprocal trade agreements with the United States served as a complement to positive local measures. Outside events, however, were destined to create new disorders.

In 1935 Colombia had ceded to Peru territory that Ecuador claimed, and there were repeated allegations of intrusions on Ecuadorian soil by Peruvian forces. By 1940 the intrusions had begun to cause alarm. Late in the year, Peruvian troops began massing on the border. Sole reliance on diplomatic discussions, at the urging of other nations in the hemisphere, and the political need for keeping troops in the capital left Arroyo del Río unprepared for the Peruvian invasion launched in the summer of 1941. An armistice signed one month later was violated by Peru, causing the United States and Mexico to call for mediation by all the countries of Latin America in the interest of establishing hemispheric peace, especially necessary because of the onset of World War II. The issue was brought up at the Rio de Janeiro foreign ministers' meeting of January 1942 and settled, in the Ecuadorian view, in favor of Peru (see ch. 11; ch. 16).

Popular reaction to the defeat in Ecuador was strong. A goodwill tour by Arroyo del Río to a number of the countries of the hemisphere, designed to develop chances for a more favorable solution to the Peruvian question, only produced increased resentment at home. By the time of the 1944 elections emotions were running high, and the government candidate enjoyed little popular support. Arroyo del Río’s refusal to permit the popular Velasco Ibarra, in exile in Chile since his unsuccessful attempt at overthrow, to return for the campaign increased public ill will.

In May 1944, only days before the scheduled elections, an uprising broke out in Guayaquil that pitted the general public and the military against Arroyo del Río’s police. Similar outbreaks occurred in the highlands of Riobamba. Arroyo del Río resigned,
and power was turned over by the military to a broadly based coalition of civilian groups. After a triumphal entry from Colombia, Velasco Ibarra was decreed president for a four-year term.

Initially, relations between the president, who declared himself a leftist, and a newly convened constituent assembly were harmonious. On the one hand, a campaign was launched against Arroyo del Río and his supporters, who constituted the only significant opposition. On the other hand, declarations were made in favor of a drastic social and political transformation of the country.

Under deliberation by the assembly, the new constitution was to be liberal and progressive. Within months, however, all unity was lost. Reversing his initial position, Velasco Ibarra became increasingly hostile toward the assembly and toward the legislation and the constitution it was formulating. When the constitution was finally completed early in 1945, the president disavowed it and dissolved the assembly. During the next year he ruled in an authoritarian manner without the assistance of either an assembly or a congress.

Extensive government spending and waste and the growth of foreign debts led to severe inflation and, eventually, to the devaluation of the currency. The political opposition, which by this time included the leftists as well as the Arroyo del Río supporters, was generally suppressed. Leftist government officials withdrew from their positions or were forced to resign.

Early in 1946 Velasco Ibarra formally suspended the 1945 Constitution, which brought strong criticism from leftists, who had written it. At the suggestion of the Conservatives a new assembly was called to formulate a more suitable document. All other parties and political groups, however, refused to participate, and as a result the Constitution of 1946 granted more power to the president than its predecessor. Reluctantly, the assembly gave its support to the president.

In 1947 Velasco Ibarra, having lost virtually all political and popular support, was removed from office and exiled by his minister of defense, Colonel Carlos Mancheno, who subsequently assumed the presidency. Challenged by both political and military elements, Mancheno was replaced shortly thereafter by Velasco Ibarra's former vice president. Elections were soon held to establish an interim government to complete Velasco Ibarra's term, which expired in 1948.

DEVELOPMENTS, 1948–65
Constitutional Government (1948–60)
The election of Galo Plaza Lasso in 1948 ushered in a period of relative stability. Galo Plaza—a wealthy landowner who had
given a large portion of his estates to his tenants and, unlike many other landholders, was a practical farmer—was elected without the backing of the army. The candidate of an independent citizens’ group, he was the first president since 1924 to complete the constitutional four-year term. He brought in foreign experts to prepare programs for a great variety of reforms in government administration and for improvement of various sectors of the economy, but owing to the lack of interest or lack of funds, few of the proposals were put into practice. The government also faced difficulties in the form of a series of bad harvests and, in 1949, a disastrous earthquake.

Galo Plaza nevertheless stimulated improvement in agricultural production and in exports and, by the construction of new roads, opened a fertile coastal region to agriculture. His term of office was generally regarded as having provided an outstanding example of economic progress and political stability. Firmly committed to peaceful, lawful transfer of power, he worked to ensure free and orderly elections when his term ended in 1952. Once more José María Velasco Ibarra, recently returned from exile in Argentina, announced his candidacy and, after a heated campaign, won an unprecedented third term. As in the past, his chief support came from the poorer peasants and the unskilled urban poor, who were impressed by his personal appeal and ardent expression of concern with their interests and problems.

Once in office, Velasco Ibarra also won the support of the army through a series of favorable measures. Those he saw as his enemies—the university students, organized labor, and the press—were subjected at times, to heavyhanded treatment, in disregard of the constitution. As before, he launched an ambitious program of projects and public works, paying little attention to public resources. Although his administration was not generally effective, inflation and general economic instability were avoided, largely through controls imposed by the Central Bank of Ecuador (Banco Central del Ecuador) and the Monetary Board (see ch. 13; ch. 12).

During Velasco Ibarra’s third term old problems in public administration having to do with inefficiency and excessive expenditures reappeared. In addition, relations with the United States were affected by Ecuador’s seizure of two United States fishing boats charged with fishing inside the 200-mile limit of the waters claimed by Ecuador as territorial seas under its sovereignty (see ch. 11).

After eight years of government by political independents the parties entered the 1956 elections with significant energy. Chiefly as a result of a split in Liberal forces, Camilo Ponce Enríquez, the candidate backed by the Conservative Party, won the election.
Ponce received only 29 percent of the votes cast, while the balance of the votes were spread among the three other candidates. Using imaginative political tactics, Ponce's administration managed to maintain a working majority in Congress. The four years under Ponce were marked by relative calm. To allay the fears of the progressive elements, he included members of various political groups in his cabinet. Although he did little to develop the programs of social and economic improvement he had supported in his campaign speeches, the opposition, with the exception of former President Velasco Ibarra, was rather mild in its criticism. Heavy spending and indecisiveness were regarded as chief shortcomings of the administration. Ponce's term ended in 1960.

The Return of Velasco Ibarra

In the election of May 1960 José María Velasco Ibarra, then aged sixty-seven, won by a large plurality and returned to the presidency for the fourth time. In his efforts to hold popular support, Velasco Ibarra had made the sort of sweeping promises he had made in the past—more land, houses, and wages for the people, who seemed to have forgotten that in past years these promises had not been kept. An increasingly difficult economic situation contributed to a period of political turbulence following Velasco Ibarra's assumption of office (see ch. 13).

Velasco Ibarra, in his inaugural address in September 1960, declared that the Treaty of 1942, which had awarded more than 75,000 square miles of Ecuadorian territory to Peru, was unjust and had been forced on Ecuador. His defiant statement, which involved not only Peru, but the nations that had guaranteed the treaty—the United States, Argentina, Brazil, and Chile—met with an enthusiastic response among the people. Velasco Ibarra expressed his sympathy with Fidel Castro's regime in Cuba and appointed an open admirer of Castro as his minister of the interior. In June 1961 he sent a good-will mission headed by Vice President Carlos Julio Arosemena Monroy to the Soviet Union. When Adlai Stevenson visited Quito in June 1961, however, Velasco Ibarra asked the United States for aid funds totaling US$140 million (see ch. 11).

Although Velasco Ibarra was initially able to gain popular support by his nationalistic declarations and by promising economic and social reforms for the benefit of the poor, the majority of the country's interest groups regarded him as a threat to their power. They closed ranks and refused to cooperate with the president, who then turned for support to organized labor, elements he had formerly regarded as enemies. Nevertheless, unrest, which had manifested itself in politically inspired strikes shortly after
Velasco Ibarra's inauguration, continued throughout 1961 (see ch. 10).

In an effort to remedy the government's badly deteriorating financial situation, Velasco Ibarra placed various taxes on thirty consumer items, as a result of which protest strikes occurred in five major cities. In October 1961 the government alleged it had quashed a nationwide plot to topple the government involving a retired army colonel and legislators of widely varying political views. This development was followed by strikes, riots, demonstrations, and clashes with the police and army, involving casualties among students. On November 8, under the pressure of rising public and military pressure, Velasco Ibarra resigned after fourteen months in office.

Carlos Julio Arosemena Monroy (November 1961 to July 1963)

At the end of 1961 Carlos Julio Arosemena Monroy, Velasco Ibarra's vice president, was proclaimed president by Congress with the support of the air force. At first he let it be known that he would accept assistance from any source, be it the Soviet Union, Cuba, or the United States; and in his inaugural address he announced his intention of strengthening ties with communist countries. In April 1962, however, he changed his position, breaking relations with Cuba and accepting the resignation of leftist government officials. In July 1962 he visited Washington with a view to obtaining financial assistance.

Although the government, in the spring of 1962, seemed to have embarked on a course of moderation and the political situation appeared more nearly stable than it had been during the preceding two years, two major problems remained—failure of the government to carry out badly needed reforms, particularly those affecting land and taxes, and President Arosemena Monroy's personal conduct. There was also concern over the threat of communist insurgency. The domestic situation remained relatively calm during the first half of 1963, but on July 11 Arosemena Monroy was removed from office by a military junta charging him with unbecoming personal behavior, failure to introduce long-overdue basic reforms, and failure to forestall the danger of a communist takeover (see ch. 10).

Government by the Armed Forces

The military government announced a program of social and economic reforms and sought to eliminate the threat of communist insurgency. After exiling Arosemena Monroy to Panama the junta forbade the press to make any reference to his personal behavior. Leading Communist Party members were exiled or
jailed, and a state of siege declared during the coup was lifted within less than a week after the takeover. The public reacted with enthusiastic approval.

The junta announced that eventually they would turn their powers over to someone chosen by a constituent assembly. The major political parties and factions had backed the coup and were pressing for an early return to civilian government, but most of them agreed to support the military government for a year. In October 1963 demonstrations, bomb explosions, and student riots planned by Communists and other leftist groups and supported by propaganda campaigns mounted in Havana and Peking won little public support and were neutralized by the government.

During its first year in office the government instituted many minor reforms and continued to enjoy broad popular support. When it became apparent, however, that the government would complete twelve months in office without effecting any basic transformation, there were signs of dissatisfaction; and in July, August, and September of 1964 the government introduced the first effective program of agrarian reform in the history of the country, along with far-reaching tax reforms and a restructuring of the governmental system. By October reforms had proceeded to a point that most major civilian groups regarded as threats to their interests (see ch. 12).

Centered in Guayaquil, antigovernment feeling was strong among planters, businessmen, students, and others. After the head of the junta had made a speech attacking “economic oligarchies,” opposition intensified. People in Guayaquil felt that the government in Quito favored the interests of the Sierra over those of the coastal areas. Most of the political parties—both in the Costa and in the Sierra—demanded a constituent assembly; the Liberal Party, among others, insisted that the junta resign before July 11, 1965; and by the end of June support was growing for the idea of forcing the government to resign.

Riots that started on July 9 ended only when former President Galo Plaza and the auxiliary bishop of Quito began to mediate between the government and the opposition. Talks between the government and opposition elements made no progress, however, and new disturbances broke out; disunity among the members of the armed forces also manifested itself. By mid-December university students were demonstrating; a new antigovernment coalition of most of the major political parties was formed. Political leaders accused the junta of having created a personal dictatorship and called upon members of the armed forces to withdraw support from the government. In December 1965 the junta faced a crisis that was to lead to its downfall (see ch. 10; ch. 15).
CHAPTER 3

GEOGRAPHY AND POPULATION

Ecuador, with an area of approximately 106,000 square miles, is located in the northwestern part of the South American continent. It is bordered on the north by Colombia, on the east and south by Peru, and on the west by the Pacific Ocean. The equator, which gives the country its name, passes a few miles north of the capital city of Quito, where the sun rises at 6:00 A.M. and sets at 6:00 P.M. throughout the year.

The dominant topographical features are two parallel ranges of the lofty Andes mountains that separate a fertile coastal lowland on the west and a more extensive lowland of the Amazon Basin on the east. Ecuador has been described as a jungle interrupted by a double line of formidable mountain peaks. Between the two Andean ranges transverse hill systems form a series of high basins, in which both pre-Columbian settlement and the early European settlement were concentrated. Streams that rise in the Andes flow westward to the Pacific or eastward toward the Amazon to form the drainage systems.

Although the country is situated in the deep tropics, its climate and biology are remarkably diversified and not invariably tropical. Temperatures are high the year around in the coastal and interior lowlands, but the highlands are moderate to cold. Ecuador is the only country in the world where 0°C can be encountered at 0° latitude. Rainfall is heavy throughout the Amazon Basin and in much of the coast but is scanty in most of the Andean basins, and a coastal area adjacent to the Peruvian frontier is almost rainless.

Diversity of climatic and soil conditions has resulted in a rich variety of vegetation. Tropical rain forest covers nearly all of the Amazon Basin and the northern part of the coastal lowlands, but the loose volcanic soils of the highlands support little tree growth, and the principal natural cover is a tall native grass. In the arid southern coast, desert plant life predominates.

In the early 1970s the country’s rate of population growth was among the highest in Latin America and showed no signs of abating. Much potentially arable land remained empty, however, and serious population pressure had developed only in rural portions of the Andean highlands, where the limited acreage of tillable soil
coupled with soil exhaustion had prompted a massive out-migration.

Until well after the beginning of the twentieth century most of the population had been concentrated in the highlands. The Amazon Basin was still a terra incognita peopled only by Indian tribes, often hostile, and the steamy lowlands of the coast were ridden with tropical diseases. As pestilence was gradually conquered, an increasing flow of rural people from the crowded Andean basins streamed down to occupy the alluvial coastal lands. As of 1972 the populations of the two regions were approximately equal. There had also been a trickle of migration into the lowlands of the Amazon, an immense area that included half of the national territory, but this region remained a sparsely populated jungle frontic... It was of importance principally because of rich oilfields that had been discovered during the mid-1960s.

The migration from the highlands to the coast had been accompanied by a migration from rural to urban localities in both regions. Although well over half the country's population in 1972 remained rural, during the 1960s the growth rate in urban centers had been twice that of the countryside. For the most part, the movement had been to the cities of Quito and Guayaquil, which together had represented half of urban growth since 1960.

In the early 1970s over half the labor force was engaged in agriculture and related activities, and more than half the farmers remained in the highlands. The farmers, like the population as a whole, however, were tending to migrate toward the coastal lowlands. The migrants were younger than the working people left behind, and as a consequence there was a relative age increase in the Andean rural population. In both regions the rural labor force was increasingly older than its urban counterpart.

The shift of the working population from rural to urban localities was accompanied by a pronounced change in sex distribution. Well over half the migrants were girls and young women who had been unable to find work in the countryside. Their success had been limited in obtaining employment in the industrial sector of the cities and towns. During the 1960s and the early 1970s the considerable growth in industrial productivity had been brought about largely by a shift from labor-intensive to capital-intensive production that had resulted in relatively few new job opportunities. As a consequence, many of the female urban migrants were forced to accept jobs in the fast-growing commercial and services sectors.

**BOUNDARIES AND POLITICAL SUBDIVISIONS**

Agreement on the general delimitation of the boundary with Peru was reached in a protocol signed at Rio de Janeiro in 1942.
The protocol—which ended a long period of claims, counterclaims, and occasional armed hostility with respect to sovereignty over an extensive area of rain forest lying between the Putumayo and Amazon rivers—awarded some 70,000 square miles of disputed territory to Peru. By delimiting the Amazon Basin section of the border, largely on the basis of lines connecting the upper limits of navigation on the major streams of the region, the protocol effectively blocked Ecuador's access to the Amazon. Discontent over the new border became increasingly vocal after the end of World War II, and in 1960 Ecuador unilaterally repudiated the 1942 agreement. In the early 1970s some maps continued to show the wide-shaped area between the Amazon and the Putumayo as disputed or as Ecuadorian territory (see ch. 11).

After the signing of the protocol frontier demarcation proceeded rapidly, and 90 percent had been completed by 1946. As of 1972, however, no further demarcation had been accomplished. In the west (the highland and coastal sections) the protocol had confirmed the traditional boundary. A distance of about eighty miles remained undemarcated in this section because of conflicting opinions over the location of a watershed. In the east (the Amazon Basin section) a distance of about six miles near the tripoint with Colombia remained undemarcated as a consequence of disagreement over the location of a headwater mentioned in the delimitation agreement.

Although by 1972 the entire 364-mile boundary with Colombia had been demarcated, the physical characteristics of the frontier made it a potential source of friction. As drawn in the early nineteenth century, the border in Carchi Province followed the course of a river across the floor of an Andean basin, an arrangement that placed the Ecuadorian town of Tulcán and its immediate hinterland in a basin, the greater part of which was located in Colombia.

The country is divided administratively into nineteen provinces, plus the Galápagos Islands, which are administered through the Ministry of National Defense. The provinces correspond generally to geographic regions, but in many instances highland and lowland areas are included in a single province. In particular, substantial parts of the highland provinces of Loja and Pichincha spill over into the coastal lowlands, and all four Oriente provinces extend into the Andes.

In the past, several changes in provincial boundaries have been made for administrative reasons. During the 1950s the provinces of Napo and Pastaza were created by division of the former province of Napo-Pastaza, and division of the former Santiago-Zamora Province created the provinces of Morona-Santiago and Zamora-Chinchipe.
NATURAL FEATURES
Geographical Regions

The country's mainland divides naturally into a coastal lowland, a central mass made up of the Andean highlands, and an interior lowland that forms part of the Amazon Basin. These three regions are customarily known as the Costa, the Sierra, and the Oriente. A fourth region is made up of the offshore Galápagos Islands. The borders of the continental regions are not exactly defined. Most geographers consider the two lowland regions to extend up the approaches of the Andes to an elevation of about 1,600 feet. On the basis of this definition, the Oriente would include about half of the territory, and the remainder would be divided equally between the other two. The National Planning Board (Junta Nacional de Planificación), formerly Ecuadorian National Board of Planning and Economic Coordination, however, considers the Costa to contain 16.5 percent of the national territory, the Sierra to contain 24.3 percent, the Oriente to contain 57.4 percent, and the remaining 1.8 percent to be made up of the landmass of the Galápagos Islands. This arrangement places each province entirely in a single region. The Costa is made up of Esmeraldas, Manabí, Los Ríos, Guayas, and El Oro; the Oriente is made up of Napo, Pastaza, Morona-Santiago, and Zamora-Chinchipe; and the remaining ten provinces are located in the Sierra (see fig. 1). This regional arrangement is customarily used in census reports and other public statistical complications.

The Costa

The Costa is sometimes identified in English as the Coastal Lowlands and in Spanish as the Litoral (Littoral). It includes Ecuador's largest and fastest growing city, Guayaquil, and the basin made up of the Guayas River drainage system is the country's richest agricultural zone. The coastal lowlands are the fastest growing and most prosperous of the country's regions and enjoy the prospect of substantial further development.

The Costa is widest in a central belt between Cape Pasado and the Santa Elena Peninsula. Near both the northern and southern extremities of the region, the Sierra highlands intrude close to tidewater. At intervals, subtropical river valleys that are physical extensions of the Costa penetrate far into the Sierra.

Pacific tides, ranging from six to nine feet from ebb to flood, are more moderate than the average along the Pacific coast. Like the rest of the Pacific coast, that of Ecuador has few good natural harbors, but the great roadstead of Guayaquil—thirty-three miles up the Guayas River from the Gulf of Guayaquil—is the best and largest on South America's western flank. Esmeraldas, near the Colombian frontier, is the country's second seaport.
The diversity of natural features of the Costa is so great that it can be considered to be a single geographic region only because the terrain rises abruptly from it to the Andean Sierra. Multiple climatic conditions, soils, forms of vegetation, and settlement patterns set it apart from the more homogeneous Sierra and Oriente.

The rivers and streams that form the region's drainage pattern spill precipitously out of the Sierra, but their currents slow as they meander to the Pacific across the lowlands. It is at this point that many of the watercourses, particularly in the Guayas Basin, have formed interior alluvial fans composed of loose topsoil washed away from the floors of the Andean basins.

The principal drainage systems are those of the Guayas River in the south and the Esmeraldas River in the north. The Santiago River drains the rain forest of the far north. Both of the northern rivers are navigable by light craft in their lower courses and have been panned for gold since the Pre-Columbian era. The Guayas is the largest and most important of the region's watercourses. From its mouth to the city of Guayaquil, it is less a natural river than a commercially developed waterway. Above Guayaquil, it divides into several navigable streams, and a multitude of its tributaries enrich the Guayas Basin with their annual quotas of alluvium carried down from the Sierra.

The Sierra

The principal features of the region are two parallel spines of the Andes. On the west, the Cordillera Occidental is a compact high range extending roughly north to south the full length of the country. To its east, the Cordillera Central is less a true mountain range than a series of lofty peaks. Both ranges are of volcanic origin. Between them, an original crystalline formation has collapsed to form a trench with elevation; from 7,000 to 10,000 feet and with high rims that are from twenty-five to forty miles apart.

The trench, called the Avenue of the Volcanoes by the nineteenth-century naturalist Baron Alexander von Humboldt and popularly referred to as the Interandean Lane (Callejón Interandino), makes up about three-eighths of the Sierra. It is broken by transverse hill systems to form a series of hoyos (intermont basins) in which most of the region's population lives (see fig. 2). In all, there are about a dozen, descending in altitude from north to south. In the southern quarter of the Sierra the terrain is increasingly broken, the soil is poorer, and the hoyos are valleys spilling into the Costa or Oriente rather than true basins.

East of the crests of the Cordillera Central, the downward slope to the floor of the Amazon Basin is interrupted by lower mountains. They are broken at the midpoint by the wide valley of the Pastaza River, but aerial mapping undertaken during the
1960s indicates that they form a third parallel range with elevations of as high as 13,000 feet. The system is identified by Ecuadorian geographers as the Cordillera Oriental or, simply, as the Third Cordillera. This transitional Andean area is sometimes regarded as a separate region lying between the Sierra and the Oriente.

The highest of the Andean peaks is Chimborazo at 20,576 feet and, in all, there are twenty-two peaks with elevations in excess of 14,000 feet. Many are active or dormant volcanoes, and in many places the glow of molten lava can often be seen reflected in the night skies. Cotopaxi, at 19,344 feet, is the loftiest active volcano in the world, and the twin peaks of dormant Pichincha overlook Quito. South of Azuay Province the volcanoes disappear, the mountain chains are lower and less symmetrical, and the path of the Interandean Lane becomes obscured by a more complex mountain pattern.
The irregular pattern of Cotopaxi's eruptions is typical of Ecuador's active volcanoes. Its first recorded activity occurred in 1534. It was then quiescent for two centuries, but its renewed violence in 1742 and 1768 caused severe damage. After another century of rest, the most recent series of eruptions occurred between 1878 and 1880. For the most part, the very loftiness of the volcanoes limits the hazard of their activity, but an 1886 eruption of Tungurahura laid waste the town of Baños, and lava flows that do not themselves reach arable land often cause mud avalanches.

All major rivers rise in the Sierra. They have carved deep trenches that interfere with transportation and limit the amount of land suitable for cultivation. The original soils of the region were derived from weathered lava and volcanic ash, which reached depths of eight or more feet. The depositing of ash is a continuing process that makes frequent sweeping of some Andean streets necessary. The soil is fertile, but its extremely loose and porous composition is nonresistant, and primitive farming methods practiced over centuries have in many instances led to erosion reaching a point of complete elimination of the topsoil.

In localities where the topsoil has been completely eroded, a hard and erosion-resistant clay subsoil has been exposed. In some of the long-established farm communities this material has been brought into marginal production, but much of it remains waste-land, which is enlarged by the runoff from each rain. Frequently, picks and digging sticks are used laboriously to break up the clay subsoil, and night soil and compost are mixed with it to make some production possible.

The Oriente

There is no consensus with respect to the exact elevation on the convoluted eastern slopes of the Andes at which the Oriente region begins. It encompasses 50 percent or more of Ecuador and consists principally of an alternately flat and gently undulating expanse of tropical rain forest. The scanty population consists principally of tribal people, but the discovery of oil near its northern frontier during the 1960s, coupled with the building of roads through the jungle that resulted from this discovery, stimulated what in 1972 gave promise of becoming an important colonization movement (see Migrations; Settlement Patterns, this ch.).

The tangled and luxuriant jungle growth of the region is supported by moisture and heat rather than by intrinsic fertility of earth that has been leached of its original mineral content. The rich jungle growth is a natural one replenished by the decay of its own organic material. In the few places where slash-and-burn
agriculture has been practiced, the demand on the land, coupled with the denial of enrichment provided by natural decay, has ruined the earth in a few planting seasons.

The region is watered by a multitude of rivers and streams, but the low gradient of the terrain after they pour into the Amazon Basin from their sources in the Andes results in generally poor drainage. The heavy forest cover coupled with the intricate topography of the Andean slopes leaves few good access routes to the lowlands. The widest and best is provided by the valley of the Pastaza River, which rises west of the town of Baños in the Sierra. The second major access route follows the valley of the Paute River, which is located farther to the south. The largest of the rivers is the Napo. It originates at the foot of the Andes with the confluence of two smaller streams whose valleys do not provide significant access routes. All Oriente waters eventually find their way to the Atlantic through the Amazon River.

The Galápagos Islands

The fourth and smallest of the geographic regions lies some 650 miles westward from the mainland. It consists of the Galápagos Islands that make up the Archipiélago de Colón (Columbus Archipelago). The island group covers a span of about 250 miles from east to west, and its collective landmass of about 3,000 square miles is made up of a dozen islands of some size and several hundred islets and reefs. Only five of the islands have permanent populations, and over half of the people live on San Cristóbal (or Chatham) Island, where the town of Puerto Baquerizo is located. The highest elevation on the island is a 4,490-foot volcanic peak.

The equator passes across the northern flank of the archipelago, but the cool waters of the Peru, or Humboldt, Current modify its temperatures. The same current lessens rainfall, but there is enough precipitation above the 1,000-foot level to support tree life and some crops. Fishing is excellent, and the isolation of the island group has permitted the development of unique flora and fauna, which were studied by Charles Darwin as a basis for his theory of natural selection.

Climate

Temperatures are uniformly high in the flatlands of the Costa. Mean monthly temperatures vary only between 76°F and 80°F and show virtually no seasonal differentiation. Diurnal changes are also low, although they tend to be greater when close to tidewater and on the Andean slopes than in the intervening areas. Humidity varies substantially with rainfall and wind patterns, and it is customary for those who can afford it to escape over the
weekend from muggy Guayaquil to enjoy the dryness and the sea breezes of the nearby Santa Elena Peninsula. Temperatures in the Oriente average several degrees lower than those of the Costa, but heavy rainfall, humidity, and a characteristic stillness of the air make the heat harder to sustain.

The country's average temperature at sea level, about 79°F, decreases roughly at a rate of 1°F for every 360 feet of increase in elevation. Temperatures in the Sierra, accordingly, are much more moderate and vary between an annual mean of about 60°F at 7,000 feet to a little over 50°F registered in the higher population centers of Loja and Tulcán situated at nearly 10,000 feet. Because of the equatorial location there is virtually no seasonal change, but diurnal changes are often extreme. The almost vertical sun coupled with the rarefied atmosphere warms the loose soils quickly during the morning and early afternoon hours. After sunset there is a rapid reradiation, which often makes nighttime temperatures at higher altitudes uncomfortably cold. Quito's climate is known as one of eternal spring, but it is also known as one in which climatic conditions characteristic of all four seasons of the year can occur within a span of twenty-four hours. The temperature may vary by as much as 40°F during a single day's temperature cycle.

On the Costa annual rainfall reaches as much as 100 inches on the lower Andean slopes, where there is no real dry season. In the rain forest of the north the range is from fifty to eighty inches during the year; rain falls principally from December through May. Southward, it decreases gradually to fourteen inches at Ancón on the dry Santa Elena Peninsula.

In Manabí Province and in the northern part of the province of Guayas, the rivers are small and tend to subside into puddles during the dry season when water is most needed for agriculture. As a consequence, ranching and coastal fishing are the principal occupations of that zone. Rainfall in most of the Guayas Basin, still farther to the south, is sufficient to support shifting agriculture. In its southern portion, however, the rivers become flooded with rainy season runoffs, a circumstance that has been turned to advantage by wet-rice farmers. Guayaquil has forty-five inches of rain annually—almost all of it falling during the December to May rainy season—and some interior portions of the Guayas Basin record more than 100 inches. At the Peruvian frontier, however, the arid Sierra highlands penetrate almost to tidewater.

Rainfall in the southern part of the Costa is influenced by the meeting off the Santa Elena Peninsula of warm waters of the southward-flowing Equatorial Current with the cold waters of the northward-flowing Peru, or Humboldt, Current. The moisture-laden winds that accompany the Equatorial Current prevail dur-
ing the rainy season, and the winds of the Peru Current are dominant during the dry months. At irregular intervals—approximately every six or seven years—an exceptionally strong encroachment of the Equatorial Current results in torrential downpours. The Costa is cloudy much of the year, but fogs are infrequent except in the coastal hills where the garúa (a fine morning mist) brings some moisture during the almost rainless dry season.

Rain in both the Oriente and the Sierra regions is produced principally by winds blowing from the east across the Amazon Basin. In the Oriente the heavy precipitation ranges upward from eighty-five inches annually, and there is no dry season. At the region’s only weather station the average is nearly 200 inches, monthly precipitation varying from ten to nineteen inches.

In the Sierra the rainfall pattern varies substantially under the influence of local conditions. On the high plateaus fine rains and misty conditions prevail during most of the year, but many of the basins remain arid. The time of the rainy season varies locally but generally occurs between October and May. Since there is little seasonal change in temperature, the rainy season is referred to as winter. Precipitation in this region is more evenly distributed during the year than in the Costa, and there is seldom a month in which some rain does not fall. During the drier months, however, it is usually insufficient to permit crop growth. Sheltered basins and valleys often receive less than twenty inches of rain a year, although Quito records some fifty-eight inches, and exposed mountain slopes that interrupt the rain-bearing winds receive as much as 100 inches. Snow falls only on the highest peaks, but frosts are common in higher populated areas.

Vegetation

Much of the forest that covers over half the country consists of the tropical rain forest of the Amazon Basin and the northern part of the Costa (see fig. 3). Balsa and mahogany are of commercial importance, vegetable ivory is derived from the tagua palm, and the toquilla palm fronds are used for weaving the once-important Panama hats. Plantings from cinchona trees, the source of quinine, were used to start the great chinona plantations of India and Ceylon. Cedar, ebony, cyrus, myrtle, bamboo, and wild cherry are found; and vanilla, cinnamon, sarsaparilla, and chicle are among the useful jungle plants. Mangrove swamps line the Gulf of Guayaquil and the northern coastline.

Montane rain forest covers the eastern slopes of the Andes, and on the western slopes near the Colombian frontier there is montane broadleaf evergreen forest. A semideciduous forest in the central portion of the Costa gives way farther south to dry scrub forest and grassy savanna. Desert scrub covers part of the
Santa Elena Peninsula and the southern Sierra close to the Peruvian frontier.

The high porosity of the soils of the Sierra results in poor forest cover except on the outer slopes of both cordilleras, but stands of eucalyptus—introduced from Australia during the nineteenth century—are major sources for firewood and lumber. At lower levels in the Sierra basins the prevailing ground cover is a scrub-bush vegetation known as maquis. Desert growths, such as cacti, algarroba, mimosa, and chaparral, are common. At higher levels this cover is replaced by tufted grass, and above 15,000 feet vegetation gives way to glaciers and snows.

In the Galápagos Islands scanty rainfall precludes luxuriant vegetable growth. The occasional tree finds enough moisture to grow only at elevations in excess of about 1,000 feet, but the variety and peculiarity of the desert growths that make up most of the archipelago’s plantlife are such that about 47 percent of the classified species are encountered nowhere else.
Wildlife

The enormous variety of natural conditions has produced a correspondingly varied catalog of wildlife. With the rapid growth of the population, however, and with its encroachment on natural wildlife areas, the government in 1970 issued a decree establishing one of the world's most extensive regulatory systems for protection of wildlife species. The decree prescribes sharply restrictive rules for the taking of forest animals and birds and freshwater fish. Marine aquatic species are to be regulated within claimed territorial waters extending 200 miles from the shoreline (see ch. 10).

The 1970 decree bans the taking of a wide variety of species considered to be endangered. It enumerates rules that severely limit the taking of other species cited as being beneficial; for these, licenses are required. The unrestricted slaughter of wildlife is permitted only in cases of dangerous or nuisance species, such as birds that damage crops and the malevolent piranha fish of the Amazon streams.

Surviving forms of wildlife are most numerous in the Oriente region where climate conditions are most conducive to their propagation and where human intrusion has done least to diminish the natural population. They are also abundant in the rain forest of the northern Costa but are scantiest in the long-inhabited Sierra.

Some species exist only in limited areas. The llama, more common to Peru and Bolivia, is found only in the Andes close to the Peruvian border. The puma prefers the Sierra highlands. In general, the major carnivores are the puma and jaguar, as well as the coati, fox, kinkajou, giant otter, peccary, raccoon, skunk, and weasel. There are many kinds of monkeys and ungulates, such as the tapir, peccary, and a small South American pudú (kind of deer).

There are also many small rodents and bats, including the blood-sucking vampires of the rain forest. Reptiles include various alligators, turtles, marine and land iguanas, other lizards, and boa constrictors. Many animal species have not yet been properly classified.

Among the approximately 1,500 classified species of birds are seasonal visitors from North America, such as the scarlet tanager, various waterfowl, and the barn swallow. The extensive domestic catalog includes many kinds of hummingbird, several parrot species, and the giant condor of the Andes.

Freshwater fish include various catfish, the arapaima of the Oriente rivers that reach enormous sizes, and rainbow trout that have been introduced into some lakes and streams. Types are more varied in the rivers running to the Pacific, but fish is an essential item in the diet of the Oriente tribal peoples. Nutritional
advisers have urged that the country's streams are suitable for 
stocking with European food fish varieties such as carp.

The coastal waters represent one of the country's most impor-
tant commercial assets. The most important of the marine species 
is the migratory skipjack tuna, which appears in waters off Eco-
dor's coast from January through April. Also of importance are 
mackerel, snapper, corvina, haddock, sea bass, and moonfish. 
Sport fishing for tarpon, sailfish, and albacore is excellent. Shell-
fish include shrimp, crabs, spiny lobsters, and various mollusks.

The diversified fauna of the Galápagos Islands are protected by 
the Charles Darwin Foundation, founded in 1959 as an interna-
tional entity operated in cooperation with the Ecuadorian govern-
ment and the United Nations Educational, Scientific and Cultural 
Organization (UNESCO). Among the species unique to the island 
group are the giant Galápagos tortoise, which sometimes lives for 
two or three centuries, the Galápagos penguin, and the flightless 
cormorant. Some 37 percent of the shorefish species and 96 per-
cent of the reptiles are unique to the archipelago.

Minerals

Although the location of the country along the generally min-
eral rich western flank of the Andes suggested the existence of 
great mineral wealth, the conquistadores found relatively little. 
Extensive prospecting during more recent years has for the most 
part proved correspondingly disappointing.

Gold taken initially from the southern part of the country en-
couraged the Spaniards to give the name El Oro to the province 
where most of it was found. Limited quantities of precious metals 
were still being recovered from this area in the early 1970s. The 
known deposits of minerals of all kinds were of limited extent 
and often in places where the elevation and locality made mining 
an uneconomic proposition. The indications were numerous, how-
ever, and in 1972 hopes for effective mineral wealth had not been 
abandoned (see ch. 13).

According to an Ecuadorian geological study published in 1968, 
the most varied and promising of the mineralized areas were lo-
cated in Cañar and Azuay provinces, where deposits of iron and 
other ferrous metals had been reported as abundant. The two 
provinces were also the sites of finds of precious metals and of the 
country's most extensive known coal deposits as well as of quan-
tities of nonmetallics, such as marble, gypsum, and limestone.

Elsewhere there was gold panning on a small scale in the north-
ern Costa rivers, and kaolin and other clays were found in the 
Guayas Basin. Solar salt was produced on the Santa Elena Penin-
sula. Promising copper deposits have been reported in the Chau-
cha area of Azuay Province.
For many years moderate amounts of petroleum have been recovered from fields on the Santa Elena Peninsula, but production in that locality had been declining for some time. A long history of unsuccessful search in the Oriente culminated in 1967 in the discovery of oil in the vicinity of Lake Agrio, located on the equator between the Napo River and the Colombian frontier. Other discoveries in the general vicinity followed, including some that were far to the south in the central portion of the region, and in early 1972 it was reported that ninety producing wells had been brought in. The limits of the petroleum basin had not been reached, and there was speculation that Ecuador might become second among the oil exporters of Latin America (see ch. 13).

SETTLEMENT PATTERNS

In the rain forest of the far northern Costa the settlement pattern is one of slash-and-burn agriculture practiced by seminomadic farmers who move to new lands after the soils of their previous properties have been exhausted by primitive agricultural methods. There are also some permanent settlements and numerous banana plantations that have been made possible by roads constructed since World War II. In addition, the development of the fishing industry and banana culture has made possible the growth of Esmeraldas into an important regional urban center.

Farther to the south, rainfall is lighter and farming is sedentary. Inland, along the western base of the Andes, the population is dispersed in cattle ranches and plantations of sugarcane and other export crops. An extensive alluvial fan that divides the drainage systems of the Esmeraldas and the Guayas rivers was occupied only by seminomadic Indians until 1947, when the opening of a road to Quito ended that area's isolation and led to a real estate boom in the vicinity of the town of Santo Domingo de los Colorado.

Because the Guayas Basin in the far south is subjected to frequent flooding, most of the small rural population is concentrated on alluvial fans and the natural levees of the flood plains. The rural population of the Costa in general, unlike that of the Sierra, is not crowded.

Cities and large towns of the Costa are fewer and of much more recent origin than those of the Sierra. A majority are located on or close to the coastline; Esmeraldas and Manta, in particular, have prospered and grown with the development of the fishing industry. Away from the coast, most villages have been built along or near streams that served as the main arteries of communication before the relatively recent installation of a highway system.
The rural population of the fertile Guayas Basin is limited by generally poor drainage of the area; population growth during the years since World War II has been made possible largely through improved drainage. Close to the Peruvian frontier, settlement is limited by the scanty rainfall.

During the early 1970s the Costa was the most urbanized of the country's regions, but the statistics were disproportionately weighted by the fact that the size of the city of Guayaquil itself accounted for two-thirds of the region's urban population. The other urban centers were small and fewer in number than those in the Sierra. A majority of the farm villages were on the coast or were located on or close to the streams that served as the main arteries of communication. Larger population centers were distributed along highways that passed through them as main streets.

From the town of Tulcán on the Colombian border to Macará on the border with Peru, the provincial capitals and nearly all of the larger Sierra towns are situated in the bottom lands of basins and are on or close to the Pan American Highway. Many of these population centers predate the Spanish conquest. They grew up as natural focal points for hinterlands consisting of the basins in which they were located, and the Pan American Highway of the 1970s follows closely the route of the ancient highway built by the Incas. The arrangement is like that of a string of beads in which the beads are the basins, threaded by the highway that pierces the basin at the site of its principal urban center.

The rural majority of the Sierra population lives for the most part clustered in farm villages scattered around the slopes of the basins, at elevations of from about 7,500 to 10,000 feet. Villagers graze their animals at the still higher levels of the mountain plateaus. A peculiarity of the rural settlement pattern in the Sierra is the relatively limited extension of agriculture into intermediate subtropical elevations.

In the Oriente region the pattern of settlement in the early 1970s was a traditional one. The Indian tribes and the few settlers lived close to the streams that provided the only lines of communication. The discovery of petroleum during the late 1960s, however, gave promise of a radical change of pattern; the oil-rich area in Napo Province and localities close to the roads leading to the oilfields were attracting the attention both of the government's colonization program and of spontaneous settlers.

POPULATION STRUCTURE AND DYNAMICS

In November 1971 the population of the country was officially estimated at 6,384,200. This figure compares with 4,655,100 re-
ported in the 1962 census and 3,230,500 in the census of 1950, the
first in the country's history. A third census, scheduled originally
for 1970, was rescheduled for November 1973. The average annual
population growth rate increased from about 3.1 percent between
1950 and 1962 to 3.4 percent between 1962 and 1970. The average
for Latin America as a whole during the 1960s was about 2.9
percent.

A 1970 estimate of the population by regions indicated that a
population of 6,177,100 included 3,054,800 in the Sierra; 3,000,200
in the Costa; 118,800 in the Oriente; and 3,600 on the Galápagos
Islands. Between 1960 and 1970 the annual population increase
had averaged 4.1 percent in the Costa and 2.6 percent in the
Sierra.

The birth rate is among the highest in Latin America, but a
slight downward trend commenced about 1960. The rate rose from
46.5 live births per 1,000 population in 1955 to 48.3 in 1960 but
dropped to 46.2 in 1965 and an estimated 44.9 in 1970. The higher
population growth rate during the 1960s in the face of a moderate
decline in births was the result of a progressive decline in the
death rate, which fell from 16.3 per 1,000 in 1950 to an average
of 11.3 per 1,000 annually for the years 1965 through 1970. Infant
mortality was down from 105 per 1,000 in 1955 to 90.5 in 1970.
These trends reflected steadily improving health and sanitary
services, especially through campaigns against malaria and other
major endemic diseases. During the 1961–63 period life expectancy
at birth was estimated by the United Nations to have been
51.04 years for males and 53.67 years for females. Another United
Nations source covering the years 1965 through 1970 estimated
the combined average for both sexes to have been 57.2 years.

Sustained high rates of birth have brought about an increasing
youthfulness of the population. The proportion under the age of
twenty increased from 54.8 percent of the total in 1962 to an esti-
minated 58 percent in late 1971. Despite the increase in longevity,
the proportion over the age of sixty-four declined from 3.3 per-
cent of the total in 1962 to an estimated 2.9 percent in 1968.

MIGRATIONS

During the years since World War II, emigration appears to
have been somewhat heavier than immigration. The scattered
data available, however, indicate that the numbers of immigrants
and emigrants have not been sufficient to result in a significant
quantitative change in the structure of the population.

During the years since World War II the population has been
divided virtually evenly by sex. A scant female majority of about
13,000 in 1950 declined to 3,000 in 1962 and was estimated at 8,000 in 1968. According to the 1968 estimate, males were in a slight majority at birth and in all age groups under the age of twenty-five. In all subsequent age groups to the age of sixty-five, women were in a slight majority. In groups over the age of sixty-five the naturally greater longevity of women was reflected in progressively greater female preponderance.

The urban sector of the population increased from 28.5 percent of the total in 1950 to 35.3 percent in 1962 and 38.9 percent (as estimated by the National Statistical Institute of Ecuador) in November 1971. The 1962 census defined urban places as cities, provincial capitals, and cabaceras cantonales (county seats). All other places were considered to be rural.

Guayaquil, the largest city, had a 1971 population estimated at 835,812, and Quito had 551,163. The cities of Cuenca, Ambato, Machala, Esmeraldas, and Riobamba all had more than 50,000 people. Data from another source indicate that between 1962 and 1970 Guayaquil and Quito had grown, respectively, at annual rates of 6 and 4.7 percent.

During the war years an average of about 2,500 people from European countries immigrated annually to Ecuador, but the flow subsided promptly after the war, and an excess of emigrants over immigrants was established by 1947. In the single year of 1957 the excess amounted to 1,890 persons.

According to data compiled by the Organization of American States for the period from 1959 to 1967, an average of 375 persons—some 11 percent of the total emigrating annually—were university trained. The impact on the economy of this drain was substantial.

Moreover, this selective emigration accelerated during the 1960s and was heaviest in critically important scientific and technical fields of specialization. Between 1961 and 1966 the exodus of engineers to the United States (which received a preponderate majority of the professional emigrants) rose from the equivalent of 26.6 percent to the equivalent of 30.5 percent of the country's annual university output. During the same period the emigration of physicians and surgeons rose from 2.3 percent to 13.5 percent of the output of the institutions of higher education. Furthermore, an Ecuadorian magazine reported that during the year from October 1966 to November 1967 the rosters of emigrants to the United States included 142 physicians and 348 technical and scientific personnel educated in the universities and higher polytechnical schools.

Internal migration during the years since World War II has consisted principally of two interrelated movements—from coun-
try to town and from Sierra to Costa. In addition, movement of people to the Oriente and to the Galápagos Islands has been very high in proportion to the existing populations of these regions. In 1972, however, they remained very sparsely populated, and the volume of migration into them has represented a statistically negligible fraction of the total internal migration.

The importance of the two major migratory movements during the 1960s can be measured by annual population growth rates of 5.5 percent in urban portions of the Costa as compared with 3.1 percent in rural portions of that region. Rates in the urban and rural portions of the Sierra were 3.8 percent and 2 percent, respectively. In both regions the urban population grew far faster than the rural; in both urban and rural population sectors the Costa grew far faster than the Sierra. The process of urbanization was a direct consequence of internal migration; statistics are lacking, but the scattered information available indicates that the rural birth rate was somewhat higher than the urban.

Migration from the countryside to towns and cities of the Sierra originated almost entirely in the rural localities of that region. The 1952 census showed a net loss by migration from each of the Sierra provinces with the exception of Pichincha Province in which Quito is located. Pichincha recorded a gain of 14 percent.

Guayaquil and other coastal urban centers have gained at the expense both of the Sierra and of the Costa hinterland. Rural localities as well as urban, however, have received substantial numbers of migrants from the Sierra highlands. Between 1950 and 1962 the overall population gain was about 40 percent; all five of the coastal provinces registered gains that were substantially greater. Migration from the Sierra to rural localities of the Costa were particularly heavy in the relatively empty lands of Esmeraldas Province in the north. Population movements to El Oro Province in the south originated principally from the adjacent Sierra provinces of Loja and Azuay and occurred largely in response to the start of banana production in the late 1940s. The population of predominantly rural El Oro increased by nearly 80 percent between 1950 and 1962 and, during that period, was the fastest growing of the provinces.

The subsistence farmers of the Sierra were reluctant to leave their accustomed environments. They had no money and little or no education and were acutely aware of an inferior status. Their migration took place only on the basis of social and economic imperatives. The movement from country to town of the Costa people was an easier one, based on the expectation of a better life in an urban environment. A scattering of urban surveys during the years after World War II tends to confirm the conclusion that country people from the Sierra as well as from the Costa who
migrated to urban localities regarded themselves as having improved their places in life by virtue of the change.

Some of the internal redistribution of the population has been prompted by accomplishments of the Ecuadorian Institute for Agrarian Reform and Colonization, created in 1964 as an autonomous public agency. By June 1970 this organization had settled nearly 12,000 families, a large majority of them presumably from the Sierra, on empty lands located principally on the Costa and on the eastern slopes of the Andes. The largest single concentration involved 1,700 families at Santo Domingo de los Colorados at the foot of the Andes to the west of Quito.

During the 1960s and early 1970s there was also an undetermined but probably increasing amount of spontaneous settlement. To assist migrating families engaged in this movement, the institute has established field offices in various colonization and settlement areas to assist the settlers in obtaining title to the lands occupied.

Spontaneous settlement was formerly regulated by legislation prescribing a process for acquiring title so cumbersome that it frequently resulted in the loss of land to speculators. A decree issued in February 1972 made it possible for settlers in the Oriente region to receive title to up to 100 hectares (247 acres) on the sole basis of peaceful and uninterrupted occupation of the land for a period of three years (see ch. 13).

This kind of movement has occurred principally in the vicinity of new roads cut through previously unoccupied areas and has been stimulated by a recent acceleration in the rate of road construction so marked that most of the country’s major highway system has been built since 1950. In particular, by 1972 Santo Domingo de los Colorados had become a junction point for roads to Quito, Esmeraldas, Manta, and Guayaquil; settlement in the surrounding countryside has been heavy, and there had been talk of the town itself becoming a city of 500,000 by the year 2000. In the vicinity of Lake Agrio in Napo Province of the Oriente, where the discovery of petroleum in the mid-1960s led to an oil boom, roads constructed by the petroleum companies attracted spontaneous settlers, and in 1972 a planned colonization project was being developed in the area.

POPULATION PROBLEMS

In the early 1970s population pressures had developed only in the Sierra, where the limited amount of arable land was forcing farm people to migrate to the cities or to the Costa. A continuance of the current growth rate, however, would cause the population to double in twenty years and make general overpopulation a possibility.
The segment of the population least able to support children was bringing the greatest proportion into the world. A 1965 survey of women of childbearing ages in Quito and Guayaquil found a consistent and strong inverse relationship between socioeconomic status and fertility. In Guayaquil, for example, women with no formal education had an average of more than five children. Those with a completed secondary education had fewer than two.

Public family planning activity commenced during the late 1960s with the training of the medical personnel in public health centers to furnish population control services. The program had substantial potential, but its results have been modest. During a ten-month period terminating in March 1971 the number of women served by it was less than 4,000. A projected 1972-80 program for substantially expanding the rural medical program was to include family planning within the context of an inclusive family health and welfare setting (see ch. 7).

In 1968 the medical services of the armed forces commenced furnishing family planning support. The military medical services are among the best in the country, and in the early 1970s effective counseling and practical services were reported as being furnished. In addition, the Ministry of Social Welfare and Labor had held family planning seminars and counseling sessions in urban working-class communities; and the public universities of Quito, Guayaquil, and Cuenca maintained population centers that engaged in population research in coordination with the Association of Ecuadorian Medical Faculties. Early in 1972 a teacher-sponsored First Seminar on Family Furtherance and Sexual Education issued a recommendation that sex education be taught in schools at all levels.

In the early 1960s two highly respected Ecuadorians initiated a movement for family planning that led to the formation in 1966 of the private Association for the Welfare of the Ecuadorian Family. This group, which is affiliated with the International Planned Parenthood Federation, has established several urban clinics and was estimated to have served about 15,000 clients by the beginning of 1971. It has chosen to maintain a low profile, however, in part because of the national opposition to birth control in a traditional devout Catholic country, and in part because of its founders' belief that they can best serve by stimulating and guiding a public program.

Probably the most significant of the several other private organizations engaged in family planning is the Ecuadorian Center of Family Education, which is concerned principally with sex education. It has received support from the Ministry of Public Education. The Young Women's Christian Association (YWCA) and the Women's Medical Society have engaged in dissemination
of family information, and the General Secretariat of Voluntary Services—a voluntary association of middle and upper class women—includes family planning consultations in its welfare work in lower class communities.

Private support has come also from the Catholic church. The episcopates of Quito and Guayaquil have not taken specific positions on birth control programs, but the clergy in both cities have given emphasis to the concept of responsible parenthood, and the archbishop of Guayaquil attended and gave his blessing to a 1969 family planning seminar. The Family Christian Movement, a lay group, offers courses in responsible parenthood. Their content is theological, and continence is emphasized. Participants are urged, however, to plan the sizes of their families with awareness of health, educational, and economic considerations.

STRUCTURE AND DYNAMICS OF THE LABOR FORCE

In 1970 there were an estimated 1,971,000 economically active persons (employed or seeking employment after having previously been employed) in the country, as compared with the 1,442,000 reported in the 1962 census (see table 1). These figures indicate that in both 1962 and 1970 the economically active population represented approximately 31 percent of the population as a whole. Other data, however, indicate that the participation rate may have been slightly downward. In a 1971 study the International Labor Organization (ILO) estimated the rate to have been about 30.4 percent in 1970 and projected a further decline to 29.2 percent in 1985.

Table 1. Economically Active Population of Ecuador by Economic Sector, 1962 and 1970

<table>
<thead>
<tr>
<th>Sector</th>
<th>1962</th>
<th>1970</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
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<tr>
<td>Agriculture and related activities</td>
<td>801.6</td>
<td>55.6</td>
</tr>
<tr>
<td>Mining</td>
<td>3.6</td>
<td>0.3</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>210.2</td>
<td>14.6</td>
</tr>
<tr>
<td>Construction</td>
<td>48.0</td>
<td>3.3</td>
</tr>
<tr>
<td>Utilities</td>
<td>4.6</td>
<td>0.3</td>
</tr>
<tr>
<td>Commerce and finance</td>
<td>97.1</td>
<td>6.7</td>
</tr>
<tr>
<td>Transport and communications</td>
<td>43.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Services and activities not</td>
<td>234.5</td>
<td>16.2</td>
</tr>
<tr>
<td>adequately described¹</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,442.6</td>
<td>100.0</td>
</tr>
</tbody>
</table>

¹In thousands.

²Data for 1970 were listed under government and other services sectors.

Sectors of Employment

It was officially estimated that in 1970 nearly 1,110,000 persons were engaged in agricultural and related occupations. This number represented 57.2 percent of the total labor force as compared with 55.6 percent in 1962. The relative gain in farm employment seemed to reverse a downward trend recorded between 1950 and 1962. Since the downward trend might have been expected to continue during the 1960s when large numbers of rural people were migrating to urban localities, it appears that the actual 1970 farm employment level may have been somewhat lower than the estimated figure (see Migrations; Settlement Patterns, this ch.; ch. 13).

In addition to some 941,000 farm operators and working family members, in 1968 the farm labor force included more than 156,000 regular farm workers and nearly 306,000 occasional or seasonal hands.

Specific data are not available, but a large majority of the temporary workers probably were counted also as farm operators. In 1960 some 87.2 percent of all farm properties had been classified as subfamily units. As these were too small to provide adequate subsistence for the operator and his family, it was often necessary for the operators and their grown sons to contract themselves for occasional outside work on nearby estates or on the plantations of the Costa.

The number of workers employed in the primarily urban manufacturing industry increased by some 28,000 between 1962 and 1970, but during that period the proportion of the labor force engaged in manufacturing dropped from 14.6 percent to 12.2 percent of the total. This relative decline reflected a progressive shift from artisan work and household industry to factory production and, in the factory-production sector, it reflected a shift from labor-intensive to capital-intensive processes.

Definitions of household, artisan, and factory manufacture are complicated and differ when used for different purposes. In general, household manufacture is predominantly by hand, whereas the work of artisans involves a greater use of machinery. Factory manufacture takes place in an establishment employing seven or more workers. Value of sales or of capital also sometimes figures in the definition. On the basis of whatever criteria, employment in factory manufacture during the 1960s remained a small proportion of the total. According to one report, factory employment rose from 1.9 percent of the labor-force total in 1960 to 2.5 percent in 1968. During the same period employment of artisans was down from 5.7 percent to 5.1 percent, and that of household workers was down from 6.4 percent to 5.1 percent.

Factory employment during 1968 was estimated at 43,222 per-
sons. The labor-intensive food-processing plants and textile mills together accounted for over half of the total and were the only categories among some twenty counted that employed more than 3,000. Food-processing employment was actually less than it had been in 1960, and textile employment showed only a marginal gain. In contrast, employment in the capital-intensive metal products factories tripled, and the personnel in electrical machinery and equipment factories increased by a factor of fifteen.

Data from the 1962 census, the latest available in early 1972, indicated that about 43 percent of the labor force were employers and self-employed personnel; 48 percent were wage and salary earners; less than 7 percent were unpaid family workers; and the balance had received other forms of remuneration or were of unknown status. In proportion to the total number engaged in each economic sector of employment, the heaviest concentration of employers and the self-employed was in agriculture, manufacturing, and commerce; the lowest was in services. Among wage and salary earners the concentration was highest in services and in manufacturing, and the lowest was in commerce. Among unpaid family workers, more than four-fifths of the employment was in agriculture.

Ecuador, like most other countries of Latin America, classifies persons who work for wages or salaries. These are either obreros (blue-collar workers), who are manual laborers working for daily or hourly wages, or empleados (white-collar workers), who work for monthly salaries. Some manual workers in areas of employment requiring considerable skill are classified as empleados. The distinction between the two categories is employed in the determination of wages and salaries and is used frequently in the reporting of economic statistics.

In 1962 obreros outnumbered empleados by a ratio of approximately two to one in the labor force as a whole. Between 1950 and 1962 data available only for the manufacturing industry indicated a higher rate of growth in the number of empleados in twelve or sixteen kinds of manufacturing listed. In the largest employment category, food processing, the rate of increase for empleados was twice that for obreros.

Age and Sex Distribution

The number of girls and women in the labor force increased from 235,356 or 16.3 percent of the total in 1962 to an officially estimated 392,800 or 20.0 percent in 1970. The relative increase appears to have been primarily a consequence of the migration from rural to urban localities that had been in progress since the end of World War II (see Migration; Settlement Patterns, this ch.). A comparison of 1950 and 1962 census data shows search of
urban employment to have represented the largest part of this flow. A 45.9-percent decline in female employment in the primary (agricultural) sector between 1950 and 1962 was set off against a 3.3-percent gain in the secondary (industrial) and a 33.5-percent gain in the tertiary (services) sectors. Since there was very little agricultural employment opportunity for females, this shift represented a substantial relative gain in general female employment. Estimates generated by the ILO show employment of females increasing annually at rates rising from 3.3 percent in the 1960–65 period to 3.8 percent during the 1980–85 period. Annual rates of increase for males are listed at 2.6 percent during the 1960–65 period and 3.2 percent during the 1980–85 time span. The ILO estimates did not include data by sectors of economic activity.

The 1962 census figures show girls and women to have made up 14 percent of the employers and self-employed, 19 percent of the wage and salary earners, and 15 percent of the unpaid family workers. By sectors of economic activity the participation rate for females was heaviest in services, where they represented slightly more than half of all employment. A large majority in this sector were engaged as domestic servants or as service personnel in such establishments as hotels and restaurants. Female employment represented 31 percent of the total in manufacturing and over 23 percent in commercial enterprises. It made up less than 5 percent of personnel engaged in agriculture and was negligible in other sectors of employment.

About half of the female wage and salary earners in 1962 were empleados. In contrast, male obreros outnumbered empleados by some three to one. This contrast between male and female employment patterns resulted primarily from the almost exclusively male participation in heavy manual labor coupled with the large proportion of office and personal services positions occupied by females.

The median age of the labor force was slightly under thirty years for the economically active population as a whole, slightly over thirty years for males, and between the ages of twenty-six and twenty-seven for females. ILO estimates for 1970 indicate that there was an increase since 1962 of a year or slightly less than a year for median ages in each category. This rise during a period when the median age of the population as a whole was declining is attributed to an increasing number of adolescents remaining in school and out of the labor market, coupled with a relative decline in unpaid family labor where a high proportion of adolescents is customarily engaged.

The 1962 census showed 4.8 percent of population under the age of fifteen to have been economically active; the 1970 ILO estimate showed the proportion to have declined to 3.3 percent, and its
projection to 1985 showed a further decline to under 2 percent. In each instance, boys were shown to outnumber girls by about five to one. Employment of children under the age of twelve is not recognized in Ecuador, and available statistics concerning the employment of minors under the age of fifteen are for those in the twelve to fifteen years age bracket. In practice, however, rural children sometimes begin occasional work in the fields at earlier ages, and a scattering of urban children, far under the age of twelve, make important contributions to the support of their families by selling lottery tickets or engaging in other street occupations in Quito and Guayaquil.

In nearly all of the adult (fifteen years and over) age brackets the rate of participation is higher in rural areas for males and higher in urban localities for females. Thus, in 1962 almost all rural males between the ages of fifteen and nineteen participated in the labor force, contrasted with participation of only a little over half the males of that age in cities and towns. On the other hand, among women between the ages of twenty and sixty-four, the urban participation rate was well over twice that registered in rural areas. In both urban and rural areas male participation remained high through the age of sixty-four, but female participation declined after the age of twenty-four as women abandoned the job market to undertake family responsibilities.

The 1970 ILO estimates show a generally similar pattern, with slightly lower rates during the years of maximum participation for males, and slightly higher rates during the years of maximum participation for females.

**Occupational Skills**

The numerically predominant agricultural sector of the labor force represents a superabundance of untrained manpower coupled with a shortage of skills at all levels, particularly in the Sierra, where some 60 percent of the agricultural labor force was located in the late 1960s. Sierra farmers had little or no education, their plots were too small and too barren to stimulate a desire to learn new techniques, and picks and digging sticks remained the most commonly used equipment. The few working-level skills were represented principally by operators of tractors and other mechanical equipment used to a limited extent on the estates and larger farms. The general level of skills was somewhat higher in the Costa where the level of education was somewhat higher, the farms were larger and more productive, and incomes were higher. Skills were in a relatively abundant supply on the plantations producing bananas and other export crops.

In addition to a limited amount of agricultural training available in the schools, there was some informal training of farm
families through a government agricultural extension program; over 300 extension-service technicians were reported in 1967 to be scattered about the country. Their effectiveness was limited, however, by their scanty preparation, their predominantly urban backgrounds, and an immobility imposed by a chronic shortage of funds for travel expenses and provision of vehicles.

Between 1965 and 1968 the number of agronomists and veterinary surgeons produced annually by the country's universities more than doubled, a rate of increase much higher than that of the graduating classes as a whole. The effective demand for their services was largely limited to the larger plantations of the Costa, and many found employment in government jobs or did not practice their professions; a wage study in the mid-1960s found agronomists and veterinarians to be the lowest paid in eight professional categories examined. Early in 1972 one group of veterinarians urged the government to give more emphasis to the cattle-raising cooperatives being developed under the agricultural reform program of 1964 in order to make employment available to them.

In nonagricultural as well as in agricultural occupations there is a superabundance of unskilled manpower. The industrial and services sectors of employment were unlike the agricultural in the sense that during the late 1960s the pool of semiskilled personnel and artisans was generally adequate. There was, however, a shortage of highly skilled workers and subprofessionals. Demand was rising with the progressive shift from labor-intensive to capital-intensive industrial production, but a substantial number of workers were emigrating to highly developed countries in search of higher wages and better working and living conditions. During one twelve-month period during 1966 and 1967 there was a heavy emigration of professional technical and scientific personnel, and 40 percent of all emigrants to the United States were reported to be highly skilled and subprofessional workers (see Migrations, this ch.).

Vocational and technical training in the secondary-school system advanced during the 1960s, and in the early 1970s a program to upgrade existing skills had been initiated through the Ecuadorian Service for Professional Training, a public entity modeled after a similar organization in Colombia that had met with considerable success. In addition, a pilot program emphasizing the training of foremen was undertaken with assistance from the Federal Republic of Germany, and the French government was lending assistance to a program for the training of electricians and other craftsmen.

At the managerial level, a substantial shortage of skills in intermediate positions appeared to result from a reluctance of top
management personnel to delegate sufficient responsibility, which would permit subordinates to gain experience.

In general, urban manpower in the early 1970s suffered from inadequate means of developing skills and capabilities, an insufficient degree of specialization in certain occupational fields, and an obsolescence of existing skills brought about by socioeconomic change. The last condition was particularly evident in the survival of artisan and handicraft capabilities for which demand was declining and the survival of skills adapted to progressively outmoded labor-intensive industrial production.

**Unemployment**

No statistical data are available concerning the incidence of unemployment in agriculture and related activities, which in 1972 still occupied more than half the labor force. It was probable, however, that actual unemployment was low and that underemployment was substantial. In particular, on the countless miniature farms of the Sierra entire families worked plots of land too small to provide adequate subsistence, and much of the labor performed was redundant.

In 1972 some data were available concerning employment opportunities in urban localities. A 1968 survey of urban households indicated that 5 percent of the urban labor force was unemployed and that 18 percent was underemployed. For purposes of the survey, underemployment was defined as employment for fewer than thirty-five hours per week. The survey did not include data by economic sector, but it is probable that unemployment was relatively heaviest in the industrial sector and that underemployment was heaviest in the services sector. Productivity in industry increased steadily during the 1960s and early 1970s, but employment in this sector gained less rapidly than in the labor force as a whole, as emphasis shifted gradually from labor-intensive to capital-intensive production. The available pool of unskilled industrial labor was far in excess of jobs available, and it is probable that, after a period of unemployment when seeking industrial work, many persons shifted to the services sector to accept underemployment in marginal commercial or personal services activities.
CHAPTER 4
ETHNIC GROUPS AND LANGUAGES

The population of Ecuador stems largely from two basic elements—the South American Indian and white, chiefly of Hispanic descent. Some elements of both remain unmixed, but 500 years of contact between the two have resulted in physical admixture displayed in varying degrees by many people in the country. A third racial element, the African Negro, was introduced by the Spaniards during the sixteenth century and has since mingled to an extent with both whites and Indians.

The blurring of racial distinctions has impeded investigation of the peoples' racial heritage. Estimates of the proportions of the various racial elements have often been widely disparate and inconclusive. In 1972 the estimated population of the country was over 6 million. Indians and mestizos constituted the large majority, each having roughly 40 to 45 percent; followed by whites, 10 to 15 percent; and Negro or mulattoes, 5 to 10 percent.

The government does not refer to race in its census, listing instead the number of Indian-language speakers. This listing has tacit racial implications but does not account for distinctions between Negroes and whites, both of whom are Spanish speaking. In addition, there are many Indians for whom Spanish is the first, if not the exclusive, language.

Social relations reflect the importance given to certain characteristics, including physical appearance, costume, language, community membership, and self-identification, that are associated with any given racial or ethnic group. Because of racial mixing, physical appearance alone seldom serves as the major criterion for determining ethnic identity, and language and general lifestyle assume greater significance.

The correlation of race and socially defined ethnic identity seems to hold true among particularly dark-skinned Negroes, who are felt to constitute an ethnic group almost entirely on the basis of physical traits. Their culture, including language and religion, is predominantly Hispanic with Indian overtones. The other principal ethnic terms in general usage—white, mestizo, and Indian—have social and cultural meaning and no longer reflect only biological characteristics (see ch. 5).

The small group of whites occupies the top of the country's
social hierarchy. They place considerable emphasis on the purity of their Spanish ancestry, whether or not it can be proven. Below the white elite but merging with it are mestizos, persons assumed to be of mixed white-Indian descent. Because of their shared cultural background persons socially defined as white constitute a single group, although there are differences among them reflecting regional and class variations, especially between those of Quito and Guayaquil. They are the dominant group in national society but share many aspects of culture with mestizos, who, like the whites, speak Spanish, participate in the national economy, and have similar clothing styles and many of the same values. Within the white group, the mode is set by those with evident white racial traits, although there is in fact a wide range of racial backgrounds. High rank in the socioeconomic structure and an urban European life-style tend to be more important than ethnic appearance in determining the boundaries of this group.

The white elite is concentrated in the cities. In the smaller towns and rural areas mestizos generally occupy the higher social positions that would otherwise be held by whites. Although mestizos are assumed to be of mixed Indian-white heritage, a person of definite Indian background may gradually become part of the mestizo group by abandoning his distinctively Indian life-style. He must leave the Indian village, learn Spanish, find wage employment in a city or town, and thereby make the transition from Indian to mestizo status.

The term Indian covers a broad range of cultural variation and social identity. One authority has counted almost 700 separate Indian groups, many markedly different. Unlike the Hispanic segments—white, mestizo and, to a lesser extent, Negro—the mass of Indians do not acknowledge a broad ethnic unity. Loyalty and identity are focused on a tribal, communal, or regional group.

The government has grouped the Indians together for purposes of legislation and government aid. Its disregard for cultural differences, which set them apart from the national society and also from one another, has often thwarted attempts to implement social and economic reforms. Most programs aimed at effecting change have been directed at the Indian more as a depressed social segment than as a distinct people with divergent languages and life-styles.

The most pronounced differences in Indian cultures are tied to the country's broad geographic variations. The Indians of the Sierra, the Costa, and the Oriente each exhibit marked cultural distinctions. Numbering between 1.5 million and 2 million, the Indians of the Andean highlands, the Sierra, are by far the largest of the three groups. They have had continuous contact with Hispanic society and have assumed many Hispanic cultural ele-
ments as their own. This assimilation has imposed a degree of similarity but has not erased the cultural variety exhibited by the numerous Sierra groups. In the Oriente the cultural contrast between whites and Indians is the most pronounced. The 80,000 indigenous inhabitants of the jungle region have been less directly affected by the dominant Hispanic society and retain their tribal identity. In the Costa 300,000 Indians, including those who have migrated from the Sierra, are in various stages of assimilation, and only small, mostly isolated groups retain a more traditional way of life. Their living conditions are similar to those of the non-Indian subsistence farmers in the same region.

The Negro population is noticeably concentrated in the coastal region, particularly in Esmeraldas Province. They retain few recognizable vestiges of their African heritage and, generally, they tend to be culturally similar to other members of the lower social strata. They speak Spanish, profess Catholicism, and live mainly by subsistence farming and manual labor.

Spanish is the official national language and is spoken by the great majority of the people. Many Indians and mestizos who list Spanish as their first language are bilingual and speak Quechua as well, and there is a large minority that speaks Quechua either exclusively or as their first language. In the Oriente, although Spanish is being introduced, the indigenous languages are still most widely spoken.

THE SIERRA

Within the intermontane basins of the Ecuadorian Sierra, relatively advanced cultures developed in pre-Columbian times. The Monjashuaico ruins in the province of Azuay are possibly the earliest remains in highland Ecuador of the first farmers and are dated at around 1000 B.C. Cultural influences from Colombia and possibly from Central America are more apparent throughout the Sierra than those from Peru before the Inca period. The Ecuadorian peoples did not develop the high level of technical competence and political organization characteristic of their neighbors to the south.

The Andes provided the indigenous peoples with fertile valleys in which to farm. Each valley was a relatively well defined and defensible area yet was not isolated from contacts with other highland valleys and the lowlands. The various groups developed as similar but separate societies, remaining independent of each other until the Incas began their conquest shortly after the middle of the fifteenth century.

Although the Incas ruled the region, setting up a second capital of their empire at Quito, they never succeeded in totally dominat-
ing the various tribal groups, mainly because their period of hegemony lasted for little more than fifty years. When the Spaniards moved north from Peru into Ecuador, they found several willing allies—the Cañaris of the southern Sierra being perhaps the most significant—who sought to overthrow the Incas (see ch. 2).

Where the Incas had failed, the Spanish succeeded to a degree in imposing a social and cultural homogeneity on the various highland groups. The Quechua language, introduced by the Incas, came into universal usage after the Spanish missionaries adopted it as their lingua franca. Notable elements of Hispanic culture implanted among the Indians were the Roman Catholic religion, a distinct local political organization, and European agricultural methods. The Indians had little choice but to accept most of these innovations, but at the same time they adapted them to their own culture. Their only possible defense against total domination by the Spaniard was withdrawal, but this was generally impossible. The encomienda (see Glossary) of the colonial period and, after independence, the hacienda system served to subordinate the native to white demands.

For centuries the Sierra Indians have been dealt with as a single pool of subject labor. Pursuing similar occupations, comprising a single socioeconomic class, and subject to the same influences, most now share a generally uniform way of life. Once distinct tribes, such as the Quitus, Paltas, Cañaris, and Panzaleos, are remembered only in an occasional place name.

From their common social experience the highland Indians developed a uniform attitude of distrust and reticence toward whites and, to a considerable extent, a uniform system of values. They did not, however, become a cohesive group with a common ethnic identity because of geographic, social, and economic factors that have inhibited communication and bred distrust and fear of outsiders. In fact, the number of distinct local groups has probably increased since pre-Hispanic times.

In the early 1970s minor cultural differences continued to distinguish the various Sierra Indian groups from one another. These included variations in houses, dress, methods of technology, religious ritual and belief, and magic and curing practices (see ch. 5). Also present but less apparent were subtle variations in certain attitudes and values.

Perhaps the most distinctive of the highland groups are the Otavalos of Imbabura Province, known throughout the country as weavers and vendors of woolens. Otavalo men even travel into other countries of northern South America to sell their wares. Success in commercial weaving has done much to raise their standard of living. Diversification and industrialization may soon
give them even greater advantages. Many Otavalos enjoy more material comforts than neighboring whites and mestizos of the lower class. As a result they display less humility and greater independence than is characteristic of the other Sierra Indians.

The attitudes and values of the Salasacas of Tungurahua and the Saraguros of Loja also differ markedly from those of the bulk of the highland Indians. The 2,000 or more Salasacas are all free-holding peasants by tradition; none are huasipungueros (see Glossary). As they were not indebted for generations to white landlords for their subsistence, they display a great deal of pride and independence. A similar situation prevails among the Saraguros, who have large cattle herds that have made them prosperous.

Most Sierra Indians are rural based; only about 2 percent dwell in settlements of more than 2,500 persons. In some provinces, such as Chimborazo and Imbabura, they constitute over 50 percent of the rural population.

Like the majority of highland rural dwellers, the Indians depend on subsistence agriculture. Vegetable products and grains, including barley, corn, quinoa, and wheat, are the mainstay of their diet. Beans are the principal protein source, but on special occasions a guinea pig may be roasted or fried. Although many families keep chickens, eggs are rarely eaten but are traded for other items in the market.

Chamomile and various other herb teas are drunk as hot beverages. The traditional chicha, a fermented corn liquor, is still the most popular alcoholic drink, but aguardiente—a raw distilled liquor made of sugarcane—is also widely consumed.

Rural communities may be either dispersed or nucleated. Among the Salasaca tribe, for example, the family occupies a hut or a cluster of dwellings surrounded by farmlands and widely separated from neighbors. There is no real village, but the numerous inhabitants of a neighborhood recognize a social and political unity focused on a small cluster of publicly maintained buildings—the church, the meetinghall, and the school.

In the nucleated villages in other parts of the Sierra the orientation is also toward a cluster of public buildings, but the dwellings are more closely grouped. Any commercial establishments, stores, or bars are generally located in the vicinity. The larger houses belonging to more affluent members of the community are close to this focal point. Settlement patterns are irregular, and the houses are oriented according to the owners' preference or in conformity with the terrain. The tendency is toward small clusters of dwellings inhabited by an extended family. An otherwise irregular settlement is given some uniformity by the orientation toward the
public buildings. At times the farmlands that are worked are some distance from the village.

Most persons are at least loosely tied to the cash economy, and many domestic skills, such as pottery making and weaving, are giving way to the purchase of manufactured goods. Clothing is frequently made from factory-made goods, but backstrap looms and, among the Otavalo men, full looms made by white craftsmen are found in many homes. Sewing machines are becoming increasingly common, and transistor radios are widely distributed.

The basic costume for both sexes is fairly standard, but many details of dress vary from one locale to another. Nowhere in the highlands has the pre-Columbian costume survived. Today's Indian dress is rather an adaptation of colonial Spanish styles and consists of grey or dark calzones (shin-length trousers) and a long-sleeved shirt or blouse with a cloth or rope belt. Exceptions include the black knee-length shorts worn by the Saraguros, who often say that they are in mourning for their ancestor Atahuallpa. Modern mestizo dress, of general European style, is worn by many, especially by those nearest to a center of white-mestizo culture. Woolen ponchos are worn in all regions, but the color and design may vary. Headgear is of a wide variety, as is hairstyle—from the moderately short cut of the Saraguros to the long single braid of the Otavalo.

Among women the long wraparound skirt is fairly basic, but each local group or village differs according to preferred color, and there are additional differences between everyday dress and market or festival clothing. Blouses, whether handmade or purchased, are embroidered to suit personal taste and the custom of the group. Most women wear blankets draped around the shoulders. The manner in which the shawl is fastened, and the hairstyle frequently indicate a woman's marital status. Headgear may be a distinctively draped cloth that is usually topped by a felt hat. Footwear is usually worn by men and more rarely by women. It often consists of sandals made from old rubber tires.

Except among the Otavalo men, there are very few full-time non-agricultural specialists. Secondary activities pursued by some individuals include construction, truck driving, and domestic work. A few Indians are learning trades and finding work as skilled artisans, principally as masons and carpenters. Others may enter the commercial area as storekeepers or middlemen, buying surplus agricultural produce, or as labor brokers, recruiting manual laborers for haciendas, towns, and nearby cities. Such a move into commerce, however, is usually a part of the transition from Indian to mestizo socioeconomic status. For most rural Sierra Indians the social, economic, and cultural insecurities involved in abandoning the agricultural way of life are too great to be faced.
Although the practice is not as widespread as was once thought, there are still areas where villages hold lands in common, each family in the community receiving a portion for its own use. Such lands may be passed on through inheritance, but usually they may not be sold to outsiders. Since all of a man's sons share in the inheritance of land, substantial fractionation of property occurs after several generations, leaving descendants with insufficient land for subsistence. In such cases, a family may sell its land to another member of the community and emigrate, becoming day laborers in another area.

Until the 1964 Agrarian Reform Law was instituted, a large proportion of the Sierra Indians lived as huasipungueros or tenant farmers on large haciendas. Under this traditional form of peonage, the tenant labored several days a week for the hacienda owner in exchange for a house site, a small portion of land for his own use, the right of pasturage for his animals, and a minimal cash remuneration. Usually the huasipunguero received marginally productive and, therefore, the least desirable land. By custom he could be expected to use his animals in his employer's work and members of his family to serve as unpaid domestic servants in the owner's house (see ch. 13).

The Agrarian Reform Law has made the practice of huasipungo land tenancy illegal, and it was being effectively phased out in the early 1970s. Under the law's provisions, thousands of former huasipungueros have begun to receive titles to their land (see ch. 13).

Although the Indian's economic level frequently does not improve when he becomes a private landowner, a great deal of prestige is attached to landownership. So strong is the desire to own land that most Indians strive to possess a parcel regardless of its actual productiveness. In fact, the value placed on ownership also exists independently of the wish to improve the living standard. Where Indians have taken advantage of government-sponsored land reform projects or agricultural colonies, they appear to be content with producing only enough for subsistence and seldom produce to the limit of the land's capacity.

Methods of agriculture are similar to those in use during the Spanish colonial era. Oxen and wooden plows are often used on level ground, and hoes and digging sticks are used on the steeper slopes.

Central to the social organization of the Sierra Indians is the nuclear family, comprising a father, mother, and their unmarried children who share a common dwelling and produce as a unit. Ties with relatives outside the nuclear group, whether by blood, marriage, or ceremonial kinship, are the basis for cooperative labor. There is a constant interchange of mutual aid among kins-
men, whether the activity is house construction, harvesting, or preparing for a ceremony or fiesta. Social relations with those outside the family are seldom intimate, even among members of the same community.

The *minga* is another form of cooperative labor. In most Andean countries the *minga* has festive connotations—workers are provided with food and drink—but in highland Ecuador it represents obligatory labor performed without pay on public works, a hacienda, or community project, usually under some type of coercion.

Since 1937, when the Law of Communes was promulgated, the official government of Indian communities has been vested in the *cabildo*, an elected body consisting of a president, vice president, secretary, and treasurer and four other officials. The traditional system, in which appointed local officials were responsible to the *teniente politico* (political lieutenant), who was a white person residing in the parish seat, continues to operate simultaneously (see ch. 9).

The *cabildo* is ineffective, partly because the office was established in accordance with European ideals, which often have little relevance to the Indian system of values. In many villages it has been established because the Indians have a habit of acceding to white demands, although in fact they view the *cabildo* as a foreign organization and have no confidence in it. Consequently, villagers elect men whom they feel will be acceptable to the dominant society rather than those who would be effective leaders in internal affairs.

More central to real and effective civic authority is an informal system in which leadership is vested in persons who are respected in the community. Requisites of leadership include knowledge of and involvement in community activities. Leaders are expected to represent the wishes of the majority and to speak for it. The dominant, forceful personality is considered offensive; a leader must display instead a reluctant willingness to accept responsibilities.

In their associations with members of the dominant white society, the Indians assume a passive, submissive role. This is true even among the relatively independent Otavalos, Saraguros, and Salasacas. An attitude of deference is instilled from childhood, and Indians talking with whites will remove their hats, lower their heads, and speak in soft tones. Within the security of his own village, however, the Indian is often disdainful of the whites and mestizos, making them the objects of ridicule and the butts of jokes. Unnecessary contact with white or mestizo outsiders is avoided because of the Indians' traditional fear and distrust of the outsider.
A number of outside agencies are at work in the Indian communities. Among them are various socioeconomic reform groups and the International Labor Organization's Andean Mission, which has carried out some important demonstration projects in selected areas. Representatives from communist and other political organizations have also been working to awaken political consciousness and group unity among the Indians, but they have had only limited success.

The Roman Catholic Church, as embodied in the local priest, has for centuries had influence in Indian villages, and religion is an important part of community life. Most Indians profess Catholicism, but they have little knowledge of formal church teachings. Indigenous or folk beliefs coexist with Christianity, the two aspects of religion governing different areas of spiritual life. Spirits are felt to govern natural forces affecting life on earth. They are of great immediate importance because health, weather, and the success of the harvest depend upon their beneficence. Catholic worship, on the other hand, is primarily concerned with the afterlife and with the complex social relations involved in the religious fiesta system. Because of his role as a representative of the dominant society as much as for his religious office, the authority of the priest is accorded respect (see ch. 5).

Most Catholic religious activity centers on the fiesta calendar that has six to twelve celebrations a year, of which one or two are of major importance. Each fiesta has a sponsor who is nominated by the community or the priest and assumes financial responsibility for the food, drink, church decorations, and fireworks (see ch. 7).

The most meaningful events in the life-cycle of the individual are associated with religious ritual. Baptism and the attendant celebration are of major significance; furthermore, the selection of godparents is important for the ceremonial kinship ties then established. Marriage involves the next important change in status and, again, a religious ceremony is central to the occasion. Death also involves religious ritual, and, if a priest is not available, usually individuals in the village act as part-time prayer specialists. Custom demands that a feast be held as part of the funeral rite (see ch. 5).

The family functions as a unit, and few activities take place apart from the family setting. Women give birth in the home with a number of midwives in attendance. During the first years of life the child is the object of the entire family's affection, receiving almost constant attention from one person or the other.

Unmarried children remain in their parental household, working as part of the unit. The selection of a mate is usually left up to the individual, but the family's assistance is sought in making
the marriage arrangements and later in setting up an independent household. Ties with the family of origin remain close for life, and among most Indian groups each child receives some portion of the inheritance at the death of the parents.

For the average Sierra Indian, the family is the only reliable defense against the hardships and frustrations that characterize his life. They give him care when he is ill and aid when he is destitute. In turn, the individual works throughout his life to assure the continuance of this primary group.

THE COSTA

Of the once numerous tribes the only remaining indigenous groups are the Cayapas and the Colorados in the Costa, together having a population of some 2,000. The total number of Indians residing in the area has been augmented in recent years by Yumbos who migrated from the Oriente and by Coayqueres who have wandered south from Colombia. In addition, there is a continuing trickle of landless Sierra Indians who seek a better life. Upon entering the cash economy, however, they cease to be part of the Indian population and gradually enter mestizo society.

All that remains of the other indigenous groups are the acculturated fishermen and plantation workers called montuvios, who make up the bulk of the rural population. The montuvios include persons of varying racial admixtures, but there is always assumed to be an underlying Indian strain. Except for regional distinctions there is little difference between them and members of the mestizo section of the rural lower class throughout Ecuador (see ch. 5).

The Colorados and Cayapas speak mutually unintelligible languages belonging to the Chibchan family. They have occasional contacts but no permanent ties. Both groups are rapidly losing their traditional culture through contact with other Ecuadorians. They live mainly by farming, but hunting and fishing also contribute to their subsistence.

Neither group traditionally lives in villages, but at dispersed locations a church with a small cluster of dwellings serves as a ceremonial center. The houses are occupied on infrequent occasions, such as Christmas and Easter, when a Catholic priest visits to celebrate mass. During the rest of the year, the Indians live dispersed along the rivers and throughout the jungle. Traditional settlement patterns are beginning to change as both Colorados and Cayapas enter the cash economy.

The dwellings of the two groups are similar open-walled structures, and the palm-thatched roofs are supported by posts. The major difference is that the houses of the Cayapas are elevated on six- to twelve-foot poles.
The Colorados are so named for the red body paint they use, which is made from the annatto tree seed. Women confine painting to the face and wear their hair long and uncovered. Their costume consists of a knee-length wraparound skirt and a scarf or shawl thrown over the shoulder and tied at the neck. Men wear a similar skirt and a cloth over one shoulder. Their hair, cut at ear length, is parted in the middle, banged, and plastered with the same red dye used for body painting. Cayapa men wear a garment somewhat similar to a bathing suit and short-sleeved shirts of colored prints. The skirts of the women are longer than those of the men, and the upper part of the body is left bare.

The nuclear family is the basic social unit. Husband, wife, and children cooperate in production and share in consumption. When help outside the household is needed, it is sought from the extended family, which inhabits a small cluster of dwellings comprising the settlement. All the men in the settlement work at clearing new land for agriculture and reciprocate in constructing houses.

Christianity has been long established among both groups. Their religion combines indigenous and Christian spiritual elements, and the chief, shaman, or family head takes charge of most religious practice and ritual. The annual celebration of Easter and Christmas are the most important religious festive occasions to the Colorados and Cayapas.

The Colorados are increasingly concentrated around Santa Domingo de los Colorados, where they earn money by posing for tourists' photographs. Many Cayapas are abandoning their subsistence agriculture and settling along the Cayapas River where they have built up cattle herds. In addition to their income from tourists, the Colorados are efficient farmers, and many of their products, especially bananas, now reach the national market. Some have even become prosperous enough to hire labor. The Cayapas depend upon the sale of bananas, rubber, and their traditional handicrafts, particularly mats and basketry; although these are apparently being abandoned.

THE ORIENTE

Like the other indigenous peoples of Ecuador, those of the Oriente have experienced contact with whites since the sixteenth century, although in their case it has been more sporadic. Until the nineteenth century most of the non-Indians who entered the Oriente were missionaries or traders who purchased raw materials gathered by the Indians in the forest. In recent years, however, the construction of roads and the government’s encouragement of colonization from the highlands have brought new settlers into
the area. Projected exploitation of the Oriente’s natural resources, especially oil, may soon add to the population influx and have profound influence on the tribal groups living there.

The government has taken little official action on behalf of the Oriente’s indigenous groups. What little work has been done among them has been through the efforts of religious missionaries who have faced great hardship to bring education, Christianity, and medical, social, and economic aid to the Indians. The remaining tribes of the Oriente—Yumbos, Zaparos, Jivaros, Aucas, and others—are believed to have numbered some 200,000 at the time of conquest but had declined to less than 80,000 in the mid-twentieth century. Those who have survived disease and the abuse of rubber gatherers are now facing the ultimate destruction of their culture and rapid assimilation as white civilization expands into their areas. Those who wish to escape the full impact of outside influence have moved deeper into the jungle, but further retreat may soon become impossible.

The Yumbos

Yumbo is a term applied to the 30,000 to 50,000 Quechua-speaking Indians of the Oriente. Unlike the Aucas and Jivaros, both distinct tribes with prehistoric origins, the Yumbos grew out of the detribalization of members of many different groups—Quijos, Canelos, and Baezas, among others—after the Spanish conquest. Subject to the influence of Quechua-speaking white missionaries and traders, the various elements of the Yumbos adopted that language and lost their original tribal identities.

Only the relative isolation of the Yumbos has enabled them to retain their Indian identity, and this isolation is quickly disappearing. Most women remain monolingual in Quechua, but most men know at least rudimentary Spanish. Some Yumbos reside in the larger settlements of the region, such as Napo, Tena, Puyo, Archidona, and Baeza. Most, however, continue to live in small extended family communities. Villages are moved frequently as the land loses its fertility. Dwellings are built from readily accessible materials, such as bamboo for the walls and grass for the thatched roofs.

Subsistence is focused on horticulture of the slash-and-burn type. Yucca and a number of fruits, including plaintain, are grown. Along the new roads in the area the Yumbos, like the settlers from the highlands, grow the naranjilla (little orange), a fruit valued for its juice. This crop is sold to truckers, who transport it to the cash market. For the small amount of money needed to buy rifles, cooking utensils, cloth, rice, beans, and salt, men may work periodically on one of the coffee plantations or help
clear land. Many pan for gold in jungle streams. Not infrequently, young women find employment as domestics.

Sociopolitical structure is kin based. The male head of the family is also the leader of the community because all of its residents are his relatives. Ties with neighboring communities are created through marriage.

Most Yumbos consider themselves and are considered by other Ecuadorians to be Roman Catholic. Although they know little of Catholic doctrine, many readily accept the authority of the priest and attend mass when it is offered. A variety of animistic beliefs is also held, but apparently there is no highly structured indigenous religion nor are there native religious specialists.

Social harmony and the avoidance of conflict are rated highly in the scale of values. The division of labor within the family is fluid, and the authority of the family head is usually mild. A negative value is placed on discord and argument. Hospitality is very highly valued. In fact, many girls have been unsuccessful as domestics because they give away their employers' food to friends who request it; to refuse such a request would imply that the person was miserly, a grievous fault to the Yumbos. The Yumbos have accepted manufactured goods, which they feel will improve their traditional way of life, but they have rejected aspects of Ecuadorian culture that they feel might change their own culture drastically. Aware that they are culturally distinct from the highland Quechua speakers and feeling superior to other lowland indigenous groups, the Yumbos still recognize an affinity with other Indians. In their relations with whites, they are usually passive and aloof.

**Jívaros**

The Jívaros are probably the best known in North America of the primitive South American indigenous groups. Occupying Morona-Santiago, Zamora Chinchipe, and Pastaza provinces near the Peruvian border, the Jívaros have rejected intrusions by all outsiders. Some seventy-five Jívaro groups comprise a total population estimated at about 13,000. The warlike tendencies for which they, along with the smaller group of Aucas, are known were probably once shared by most of the now extinct tribes in the region.

Much of the area lacks modern means of communication with the rest of the country, although this is rapidly changing. Contact with missionaries had been superficial, but that also has changed. The Jívaros possess a degree of bilingualism since they retain their own language and learn Quechua through contact with other Oriente tribes.
Jivaro subsistence depends largely on hunting, agriculture, and the gathering of wild plants. A variety of crops—fruits, vegetables, cotton, and tobacco—is grown. Unlike most forest groups, the Jivaros also keep domestic animals, including guinea pigs, chickens, and—occasionally—cattle.

A Jivaro settlement usually consists of one large communal house in which the entire extended family of eighty to 100 people lives. The house is elliptical in shape and has a thatched roof and walls of sapling, stringly built to resist attack. The males occupy one end of the house, and the women and small children occupy the other end.

The arts of spinning and weaving are traditional male activities, and ceramics, that of women. Basket weaving is also highly developed. A variety of weapons for hunting and warfare are produced, including lances, spears, shields, blowguns, fishnets, and fishhooks. Craftsmen displaying particular skill may be asked to produce articles for others, but there are no full-time craft specialists.

Community leadership falls naturally to the head of the extended family, who may also be the religious authority. Communities are separated by one or two days' walking distance. Although neighboring communities may unite temporarily for warfare, each community is politically independent. Houses are abandoned, and new ones are constructed in a different location about every six years as the soil productivity is exhausted.

The Jivaro religious system displays little of the mixture of Christianity and indigenous belief found among the other indigenous groups. Their religion focuses on a supernatural force embodied in deities, which include the rain god and the earth mother, who imbue objects and spirits with power. Gods and spirits are feared and placated through ritual, but there is no organized religious structure.

During birth the Jivaro mother is isolated so as not to contaminate others. Both she and the father observe certain restrictions afterward in order not to bring harm to the child. Whether or not puberty rites exist is still a subject among observers of the Jivaros. Marriage either by purchase or by bride service—in which a man works for his prospective-father-in-law for a short period—appears to be prevalent. Cross-cousin marriage is often preferred. Upon the death of her husband, a wife is required to marry his brother.

Deceased persons are placed in a hollow log coffin and left in a specially built hut, along with a supply of food and water that is supposed to last for two years. Under the influence of Christian missionaries, however, earth burials are becoming more common.

Most Jivaros continue to be indifferent to other cultures and
ways of life. As the white civilization encroaches farther into their territory, however, they will be forced to make the adjustments they have so far avoided. The Jivaros and, more so, the smaller tribe of Aucas have been feared for their warlike tendencies and hostility toward outsiders. The shrunken human heads for which the Jivaros became known are seldom produced; the decline is partly the result of stringent government restrictions on their purchase and partly because of decreasing intergroup warfare. Originally the heads were of magical significance, but the ready market for these trophies encouraged their production for other than ceremonial purposes.

INTEGRATION OF INDIANS INTO NATIONAL SOCIETY

In 1937 the Law of Communities established the legal status of Indian communities and provided for a new system of local government. However well-intentioned, this law began with the assumption that communal lands were more extensive than they actually were, and therefore the law had little effect. The Constitution of 1945 calls for measures to promote the moral, economic, and social improvement of the indigenous peoples and for their incorporation into national life.

In 1958 the Ministry of Labor and Social Welfare, under whose authority most Indian problems fell, created the Indian Affairs Board in Quito, whose duties were to compile statistics concerning the indigenous groups, supervise the enforcement of protective legislation, and suggest new measures of protection. Shortly thereafter a similar body was established in Guayaquil. Ecuador is also a charter member of the National Indigenous Institutes founded at the Inter-American Convention in 1948. The Andean Mission, founded in 1954 under the auspices of the International Labor Organization and the United Nations, but in 1972 under national control, is the principal organization concerned with the Sierra Indians.

In addition, a number of international agencies, including the United Nations Children's Fund (UNICEF), Cooperative for American Relief Everywhere (CARE), Papal Volunteers for Latin America, Peace Corps, and Agency for International Development (AID) have served to promote the integration of the Indian into Ecuadorian society. Most of these groups, coordinated by the Andean Mission, have been oriented toward the lower social strata in general rather than specifically toward the Indian. Although the emphasis on the lower class in the Sierra limits the projects largely to work among the Indians, the nature of the programs makes them better understood in the context of social class rather than ethnic group (see ch. 5).
Many plans fostered by outside agencies suffer from the fact that they are based on European rather than Indian values. The fact that they have sometimes seemed successful stems from the Indians' superficial acquiescence to the demands of their social superiors. Other difficulties stem from the Indians' distrust of the outsider and their reluctance to depart from traditional patterns. Census takers, foreign agricultural specialists, and smallpox inoculation teams have been met not only with suspicion but also with open hostility.

The use of mass communication systems may have a far-reaching effect on indigenous groups in all parts of the country but it has been particularly effective in the highlands. In the early 1970s radio was used experimentally in the Sierra to introduce a program of health and sanitation in selected Indian communities and was apparently successful. More important are the radio programs created by the bishop of Riobamba in 1962 for the purpose of reducing rural illiteracy. This system of education by radio now extends throughout much of the Sierra and in other regions as well (see ch. 8).

Despite the success of certain development programs, the Indian is not prepared to accept Hispanic values or the Hispanic social system as a whole. Education and other modern elements are, rather, valued if they are seen to enhance already existing values and to permit the realization of familiar goals.

NEGROES

Throughout the country's history Negroes have remained concentrated on the coast and in the Chota River valley of Esmeraldas Province. Negro slaves were imported particularly to work on the coastal sugar plantations in the latter part of the sixteenth century. They were never introduced in great numbers, however, and totaled only 7,831 at the time slavery was abolished in 1852. Given their constant contact with Indians and whites, the percentage of unmixed Negroes is small. Negroes and mulattoes together probably number no more than 500,000.

Most of the Negroes living in the coastal region are socio-economically similar to the montuvios and make up most of the manual labor force. Unlike the Indians, Negroes are frequently employed on fishing, shrimp, banana, and cargo boats. The majority, however, live mainly by some form of agriculture.

Negroes hold a slightly higher social position than that of the indigenous population. They occupy one of the lower rungs on the social scale but are characteristically less subservient than their Indian counterparts. There are few readily identifiable vestiges of the African cultural heritage remaining, except for some aspects
of music and dance and perhaps some elements of magical belief. Although there are some distinctions, for the most part the Negro way of life is similar to that of other members of the lower social strata.

Negroes strongly prefer village life as opposed to the dispersed rural settlement. Frequently, dwellings contain two rooms, one for sleeping and another for various domestic activities. A few white-washed homes indicate the higher status of their occupants.

Except for a few full-time fishermen, manual laborers, and shopkeepers, agriculture is the basis of Negro economic life. The few who own their own land have small parcels and have no economic advantage over those who work for others on either a cash or share basis. Racial barriers do not prevent the Negro from engaging in other than agricultural activities, but socioeconomic circumstances do keep him from doing so. Vegetable products make up most of his diet. Most families keep pigs; but goats, which provide both meat and milk, are extremely common in the Chota region. Fish is a major staple along the coast.

The structure of local government in Negro communities is generally informal, and leadership is based more upon individual prestige than elected officials. The family is by far the most important social unit. The cooperation of the extended family, particularly mutual aid between a father and his grown sons, is central to social organization. Residence is nearly always patrilocal. The tendency is to marry women from neighboring villages, thereby forming loose social ties among several communities.

Roman Catholicism is the professed religion. The church plays a considerable role in the life of women but is much less important among men. Most fiestas center upon religious holidays, and Christmas is the most important festive occasion. Birth, marriage, and death rituals, like those of other rural lower class Ecuadorians, mestizo and Indian, are rooted in traditional Catholicism. Baptism is important to the establishment of compadre relations; and, although church marriage is considered ideal, many couples establish purely consensual unions. In the face of myriad difficulties, the accomplishments of the various programs aimed at developing a national consciousness and raising the social and economic level of the Indians are noteworthy. Additional schools are built every year, and illiteracy continues to decline. A new program using Quechua in the schools where Spanish had previously been required is expected to benefit children of Quechua-speaking parents (see ch. 6). Irrigation projects and the introduction of new and more productive crops and domestic animals have increased the farm yield. Agricultural cooperatives result in economic benefits; road construction facilitates transportation, and medical programs are making progress in improving health and
sanitation facilities. Although most of these innovations are as yet confined to limited areas, they are important indicators of future progress.

MINORITY ETHNIC GROUPS

Several foreign ethnic groups, although small in numbers, have made a definite impact on national life. One of the most significant of these is the Lebanese. Often referred to as Arabs (arabes) or Turks (turcos), they are concentrated particularly in the port city of Guayaquil. They have established themselves as merchants and exert considerable influence in this capacity. Most marry within their own ethnic community and, for the most part, retain their separate identity. This characteristic, as well as their affluence, has sometimes made them a target for prejudice. In general, the Lebanese are part of the middle class, regardless of wealth. A few have married Ecuadorians of middle class status.

Although the Lebanese have not assimilated all aspects of Ecuadorian culture, they have succeeded in achieving political influence. Many important political leaders in Guayaquil are of Lebanese descent, their prominence indicating support from outside their own relatively small group. Unfavorable remarks directed toward Lebanese from the Quito-based political elite must be interpreted not only in terms of ethnic prejudice but also as another manifestation of the Quito-Guayaquil political discord (see ch. 5).

The Chinese are also centered primarily on the coast, although some are found throughout the country. Most are small shopkeepers or wholesalers who, through hard work and frugal habits, have achieved economic security but not wealth. Those who are middlemen deal primarily in agricultural produce, which they acquire either through barter or purchase in their stores. The focal point of the Chinese community is in the town of Quevedo, located north of Guayaquil.

Ecuador has periodically attempted to attract immigrants, but with little success. During World War II approximately 1,000 European refugees fleeing Hitler emigrated to Ecuador, and after the Spanish civil war the New World Resettlement Fund brought approximately 5,000 Spanish farmers and their families into the country.

Not included among ethnic minorities are a number of persons who, although descended from a non-Hispanic European group, do not identify with it. Among them are prominent families bearing English, Irish, German, and French surnames, who consider themselves Ecuadorians. They feel no special affinity with recent-
ly arrived persons of similar ethnic extraction and often do not associate with them.

LANGUAGES

As spoken in Ecuador, Spanish is generally the same as that used in Spain, but there are some differences in vocabulary and pronunciation. Changes in vocabulary usually are the result of incorporating Indian (primarily Quechua) words into the language. Although most Ecuadorians are familiar with such words, at least as they are used in their own region, they are most frequent in the speech of the less educated and the rural persons in general.

Recently numerous English words, usually technical terms or words used in business and commence, have crept into the language. In order to eliminate the use of so-called foreignisms, the national government in 1972 banned non-Spanish words and phrases in Ecuadorian companies and products and ordered them to be replaced by appropriate Spanish titles.

There are three distinct regional dialects of Ecuadorian Spanish, following the coastal, highland, and Amazonian geographic divisions. The coastal dialect can be further subdivided into that spoken by the Negro (extending into the Chota River valley) and that used by the rest of the coastal population. In the Sierra there is a difference between the northern and southern subdialects, demarcated approximately by the border between Cañar and Chimborazo provinces. A formidable geographic barrier, created by several high Andean peaks, separated the pre-Hispanic Quitu, Cara, and Puruha tribes from the Cañari and Palta tribes. Current differences in pronunciation may stem from differences in indigenous languages of the two regions, although now all the Indians speak Quechua.

Dialectal differences within the country tend to follow a pattern that is not exclusively Ecuadorian but that occurs elsewhere in Spanish-speaking Latin America. The Sierra dialect used around Quito and in Cuenca, an old university city, is considered the better Spanish, as are most dialects spoken in the South American highlands. It is relatively closer to Castilian Spanish than are the other dialects.

The Spanish spoken in the Oriente shares features with neighboring areas of Peru and Colombia. The coastal dialect is part of a speech pattern characteristic of a vast maritime zone, including Panama, the coasts of Venezuela and Colombia, and such regions as Vera Cruz of the Gulf of Mexico. It is closely related to the Spanish of Andalusia in southern Spain. The Negro subdialect, on the other hand, is shared with persons of the same racial origins.
living in the Antilles and South America's northern Atlantic and Pacific coasts.

As spoken in the Ecuadorian highlands, Quechua is fairly uniform and has only minor dialectical differences. In the lowlands, as it is used among the Yumbos, there are not only sound changes but also grammatical differences caused by the tendency to drop suffixes. Ecuadorian Quechua as a whole differs substantially from that of Bolivia and southern Peru.

Quechua became a written language when it assumed Spanish orthography soon after the conquest. It was used in sermons; dictionaries were compiled; and books were written. It is still used in written form for religious instruction or for propaganda purposes, and it is still taught to those who work closely with the Indians, including religious missionaries, social workers, and scholars engaged in Indian research.

In the western lowlands, only the Cayapa and Colorado languages remain—and they are quickly dying out. The Indians of the Amazon are also being introduced to Spanish, but there is no immediate possibility that the indigenous languages will disappear. Apart from the Quechua spoken by the Yumbos, Jivaro is the most widespread language in the tropical forest. Záparo, Tetete, Cofan, Aushiria, and Siona are also in use. The linguistic missionaries of the Summer Institute of Linguistics have written alphabets for most of the Indian languages.

Among the European languages taught in school, English has surpassed French and German as the most popular. Those who can afford to do so in many cases send their children abroad for at least a year in order to increase their fluency in a foreign language.
As a society, Ecuador possesses features common to many states in an early stage of the development process. Its rigid class structure, presided over by a small traditional elite and resting on a base formed by a large rural underclass, could be duplicated in developing countries in various parts of the world. Its closed, hierarchic institutions, fragmented both horizontally with respect to geographical location and vertically with respect to social class, bear a recognizable likeness to institutions in other developing nations. Typically also it adheres to value orientations determined in times long past. Furthermore, Ecuador shares with preindustrial societies everywhere in the twentieth century its confrontation with profound social change.

When Ecuador is observed alongside other Latin American countries, the similarities increase. Resemblances are particularly strong between its social system and those of its nearest neighbors, the other Andean states. The nations of the Andean region are situated far from the avenues of trade and immigration of recent centuries and are set in rugged landscape. Each of these countries has lived in isolation from the world outside; furthermore, every area of each has been separated from the rest of the country to which it belongs. The effects of psychological as well as physical isolation can also be perceived in them, since the great bulk of their inhabitants are persons belonging to cultural entities conquered by the Spaniards but never assimilated either by them or by the republic that succeeded them. Thus all of the Andean societies combine customs, institutions, and beliefs inherited from medieval Spain with customs, institutions, and beliefs that go back to the pre-Columbian societies of the region, creating a distinctive Andean pattern.

Yet the conditions that have shaped Ecuador as a nation have given it a social configuration not precisely like that of any of its neighbors. First, fragmentation and separatism have been carried to their extreme limit; second, these forces have been exerted in a way that has resulted in a uniquely Ecuadorian problem—the polarization between the Sierra and Costa; third, the static quality of the society has been especially pronounced, and resistance
to change has been more successfully prolonged here than elsewhere; and fourth, because of the newly discovered petroleum resources this traditionalism now faces what may become the most abrupt economic rise in the history of the continent.

Scholars report an age-old cultural discontinuity that reflects the fragmented toponography of the country; they describe, for example, Indian communities that have lived for centuries a few miles apart with little or no interaction between them. Even the towns and cities of the Sierra preserve today much of the separatism and self-sufficiency that has characterized them since colonial times. Neither the Inca Empire nor the Spanish conquest succeeded in unifying the people of these tilted, fractured lands, and the success of the Republic of Ecuador in achieving unification has been limited.

The economic and social differences between the people of the highlands and those of the coastal plains are formidable in all the Andean countries. In Ecuador, however, they have been exacerbated by an approximate balance of strength between the two regions. Whereas in other countries either Sierra or Costa managed to dominate the whole, the struggle here went on and on, and the national government remained in a state of perpetual fluctuation between the two poles, Quito and Guayaquil. In discussing Ecuador as a social system this dichotomy creates a problem: nearly every feature must be described twice, because neither the customs and institutions of the Sierra nor those of the Costa have established themselves as the predominant social system of the country.

The singularly static quality of Ecuadorian society has been, at least in part, a function of the country's relative poverty. In Peru and what is now Bolivia, impressive mineral wealth was discovered soon after the conquest. Colombia, Chile, and Venezuela, during succeeding centuries, were found to possess mineral or agricultural resources (or both) attractive enough to bring a stream of capital and immigration from the outside world; thus both the economic capacity for change and the availability of models of a more advanced life-style were present in those countries. Like the other Andean counties, Ecuador was subjected to the intensive search for hidden treasure, but little comparable to its neighbors' natural resources was brought to light until the discovery of major petroleum fields in 1967. Thus the presence of important modernizing influences is either very recent or still to come.

As might be anticipated in a society so divided and so oriented toward the past, its characteristic traits are apparent not only in the structure of the society itself but also in the substructures: its institutions. The institutions in question relate to agriculture,
business and trade, education, political parties, and every other aspect of the country’s life. In each, whatever its function, vertical and horizontal disjunctions split the whole into segments; in each there exists, to a greater or lesser degree, a polarization between the part in the Sierra and that in the Costa; furthermore, entrenched traditionalism in each confronts forces of change that show signs of gathering strength. Institutional religion and the institutions related to the family provide clear examples of the ways in which these trends operate in other contexts as well (see Family and Kinship; Religious Life, this ch.).

Social value orientations continue to manifest little change since colonial times. The society’s values had their origin, at the conscious level, in the country’s Hispanic heritage; there are also deep, less conscious loyalties to indigenous—or, in some areas, Negro—values. All of these, Hispanic and non-Hispanic alike, form a single, amalgamated tradition.

Changing conditions have been slowly shifting the foundations of the society; many of the traditional values have been gradually reinterpreted, but few have as yet been transformed beyond recognition. The ways in which a more rapid rate of change will modify this traditional social system can be extrapolated only in part from the experience of other countries, even those in the kindred Andean group. The character of Ecuador itself, the suddenness with which its economic rise is expected to begin, and the timing of this occurrence in relation to world conditions and the climate of world opinion may give the country’s imminent development a pattern distinctively its own.

CLASS STRUCTURE

Class cleavages are extreme in all parts of the country. Members of different classes diverge from one another in ways that are clearly apparent—in physical appearance, in dress, and in general life-style. Rigid class distinctions are supported by a strong tradition of social distance between the gente decente (gentlefolk) and the pueblo (common people). A static economic system, limiting opportunities for upward mobility has reinforced the barriers between classes erected by long-prevailing social conservatism.

Class structure in the Sierra differs profoundly from that of the Costa. The Sierra is the center of resistance to change. The society of its upland valleys took shape around a static agricultural economy created in colonial times by Spanish settlers, many of them scions of noble families, who reached these remote areas after overland journeys from eastern Colombia—journeys that
are said to have lasted nearly two years. The cities that they built in the highlands—Quito, Cuenca, Ambato, Riobamba, and the rest—were points of concentrations of the Hispanic culture, in which forms and attitudes of the mother country were kept alive and in which many of these survive today.

The tropical Costa, however, is different. Before the coming of modern sanitation and medicine it did not attract the aristocrats of the Sierra, and thus it remained nearly as peripheral to Sierra society as the eastern hinterland of the Oriente does today. The Pacific Ocean, however, brought it into contact with other coastal regions of the continent and beyond; it began to cultivate agricultural products for world export and so further increased its interaction with the outside world. During the nineteenth century Guayaquil, growing in size and wealth, lay closer in time to Lima, Buenaventura, and other South American seaports than to highland cities of its own country. Not until 1908 did a railroad connect it with Quito. Society in the Costa is less closed and ingrown at all levels than its counterpart in the Sierra. Few ties bind one to the other.

The two regions are rivals in a contest that, after more than a century, is still unresolved. Since their economic needs as each perceives them are in opposition to one another, there is a pragmatic reason for the power struggle they have waged ever since the Costa grew strong enough to challenge the central government and the factions in the Sierra that have sought to maintain control over it; The dissension is not wholly economic; however, considerations of social status, contrasting attitudes toward national institutions—especially the church—and differing value orientations have all played significant parts.

A second regional cleavage of which Ecuador is becoming aware in the wake of the discovery of petroleum in 1967 is that between the Oriente and the rest of the nation. This lowland region to the east of the Andes was, throughout the country’s past history, a distant appendage sparsely populated by Indians whose tribal customs and institutions were of little concern to anyone except themselves. Currently, however, settlers from other parts of the country, attracted by the petroleum industry or brought in by the government colonization program, are changing the social structure and the patterns of social interaction in the area (see ch. 2; ch. 4; ch. 14).

Still another cleavage occurs within the Sierra between urban and rural sectors. In the Sierra countryside itself, sharp discontinuities exist between mestizo peasants and Indians. The Indians are often hostile to, or simply not in contact with, other Indians in a neighboring hamlet.
The Upper Classes

The archetypal upper class is that of the Sierra. The city of Quito, since 1563 the political and ecclesiastical center for all Ecuador, is by long tradition the cultural capital as well, and its elite considers itself the bearer of the Hispanic-based cultural heritage of the nation.

The Sierra elite is small. It occupies its superior position by right of birth and has maintained its exclusiveness through intermarriage. The static, predominantly agrarian economy on which the wealth of the Sierra is based has provided almost no opportunities for the massing of new fortunes, and until recent years the limited access to educational facilities has inhibited advancement through professional careers. Political control has been closely held by upper class families of the Sierra throughout much of the country’s history; for the most part power has been preserved less by overt participation in politics than by indirection, through political personalities allied with the Conservative Party.

In addition to the top stratum, which consists of the owners of immense haciendas, there are in the Sierra lesser elites whose patrimony is composed of smaller—although still by outside standards considerable—landholdings and who typically lack access to capital in quantities adequate for modernizing their properties or investing in commerce or industry. Unlike their richer kinsmen, who live in princely style in Quito, they constitute the provincial elite of the smaller cities of the Sierra. Less secure in their fortunes, they tend to take a more direct part in both politics and military affairs. This “lower upper” class has full membership in the gente decente and keeps the prescribed distance from lower social orders. It often embodies the most archaic and intransient qualities of the traditional upper class of the Sierra.

Some members of the Sierra elite are aware of the anachronistic character of the social and economic system to which they belong and recognize the need for at least moderate reform. Pressures for change have been increasingly felt for the last twenty-five years within the oligarchy of the Sierra as well as from competing forces outside. Since 1970 government efforts to step up enforcement of the land reform statutes that have been in effect since 1964 are making some inroads into the landholding base upon which Sierra social status has rested.

The elite of the Costa came into existence nearly 300 years after the formation of the society of the Sierra. Many of their forebears were poor immigrants who rose by their own efforts in the relatively open coastal business world. Economic interests as well as social background have made the upper class of the Costa
more innovative than their opposite numbers in the highlands. Their fortunes were based either on plantations shipping their produce overseas or on commercial firms importing foreign commodities for a national market. Thus the business elite of Guayaquil clashed head-on with the landed gentry of the Sierra, who believed that their interests are better served through the continuation of the peasant class, largely outside the money economy, from which they have always drawn their labor supply. Principal issues between the elites of the two regions since the nineteenth century have thus related to the tariff and other barriers to external trade and to legislation designed to improve social conditions and encourage an internal consumer market.

Members of the upper classes of the Sierra and the Costa rarely mingle socially. Their lives center on their respective principal cities. Sierra families that are at home in Paris and Madrid can see no reason to visit Guayaquil, whereas costeños (coastal people) of equal status board a plane for New York rather than make the half-hour flight between perpendicular mountain walls that would put them down in Quito.

The Middle Classes

Constituting only a small segment of the total population, the middle classes are concentrated in the cities and larger towns. They include most businessmen and professionals, managerial and clerical personnel, middle grade bureaucrats, army officers, and clergies. Middle class status rests on a complex of social as well as economic criteria; minimum prerequisites consist of the acquisition of at least a secondary education; abstinence from physical labor; and appropriate dress, grooming, and manners.

Historically the middle sector has served to only a small extent as a channel of social mobility. Upward movement has been circumscribed at its upper limit by the exclusive policies of the traditional elite; it has been restricted at its lower boundary by such factors as the slowness of the urbanization process, the meagerness of economic opportunity, the absence of educational facilities for ambitious members of the lower classes, and the ascription to lower class artisans of even the highly skilled crafts and trades that might have served for advancement into the middle class.

Furthermore, a sharp division in life-style and in patterns of association separates the lower middle class, consisting chiefly of minor functionaries, small businessmen, and primary school teachers, from the upper middle class, which is made up of the more prosperous professionals, executives, and businessmen. This division between upper and lower middle classes is strengthened by the difference between those whose social origin is upper class
and who are "white" in appearance and those who stem from the lower class and display more pronounced mestizo characteristics. For this reason it is appropriate to speak of the middle classes rather than a single middle class.

If the influence of the middle classes has been constricted by their small size and their relative inutility as channels for social mobility, it has been still further limited by their weak sense of identity. Since in its traditional self-image the society has seen itself as possessing only two sectors—gente decente and pueblo—the middle classes, both upper and lower, have lacked a sense of satisfaction and pride in their role; they have endeavored to merge as far as possible with the gente decente and to escape being relegated to the pueblo.

Middle class status has always been more accessible in the Costa, where opportunities for advancement were somewhat more frequent, where many communities started poor at a relatively recent date, and where the presence of foreigners from more egalitarian societies sometimes affected the norms. Yet even in the coastal towns upward mobility is limited, and the size, strength, and sense of identity of the middle sector are a long way from those of more developed societies.

In recent years the spread of economic and educational opportunity has begun to pump new vitality into the middle classes. As these movements continue, Ecuadorians may be expected to become more aware of the unique role of the middle class in the development process, and members of the middle class may be expected to extend their influence.

The Urban Lower Class

The lower strata of society, consistent with the steeply pyramidal and discontinuous structure of the upper and middle classes, exhibit sharp cleavages of their own. The urban lower class forms a well-defined social element, excluded from the middle class by occupational and educational insufficiencies, yet perceiving itself as superior to its rural counterparts.

In the absence of industry most Ecuadorian cities offer little alternative to even the harsh life of the Sierra peasant; less than two-fifths of the total population live in urban centers. Guayaquil, the most active industrial center, is the one urban area able to attract internal migration, and many of its rural migrants are temporary. The relatively mobile countryman of the Costa floats in and out of this active port city, working and living there for a short time before returning to the coastal villages and plantations. As Guayaquil's economic development gathers momentum, however, peasants both from the Costa and from the Sierra have
begun to arrive in a steady stream, often with the intent of permanent settlement.

The lower class of the large cities includes factory workers, construction workers, petty merchants, craftsmen, domestics, and manual laborers. About all that these diverse elements have in common is the Spanish language and a national identity. Beyond these there is little basis for the integration of their multiplicity into a cohesive group that has consciously shared goals. In the absence of a large industrial class, labor unions have failed to develop much strength. A low level of education, ingrained conservatism and suspicion, and the lack of experience in cooperation have held back the urban lower classes from working together on projects designed either to improve their circumstances directly or to exert influence on those holding power to secure better conditions. Community development agencies that have attempted to promote civic association and action have encountered only modest success. The activities of some political and labor groups, however, have helped to bring about improvements in health and welfare facilities; of greater import, they have demonstrated the potential power of the urban lower class.

The Rural Lower Class

The Mestizo of the Sierra

Most upper and middle class landowners of the Sierra live in the cities and larger towns, but there is a considerable non-Indian population whose level of existence is that of the lower class. This mestizo population may own small properties or may work the land of others as day laborers, share croppers, or huasipungueros (workers who trade their services for the use of a plot of land). The circumstances of the rural mestizo vary from somewhat above subsistence level to grinding poverty, but the group as a whole is better off than the Indians. They have put aside the Indian dress and speak Spanish (although they often speak Quechua as well), and they identify with the “white” culture and participate to some extent in the general discrimination against Indians. This class is permeable at its lower economic and cultural boundary, through which assimilation of Indians into the non-Indian world is going on at all times.

The mestizo of the Sierra leads a dour life. He is aware of his regional and national identity, however, and has ties through compadrazgo (relationship between godparents and parents) outside his own circle (see Family and Kinship, this ch.). He votes—although not always independently—and he has been able to develop leaders from his own ranks—although not always of capable and trustworthy caliber. The possibility of progress exists for him; young members of mestizo families aspiring to a better life
migrate with increasing frequency either to the cities or to the lowland countryside.

The Indian of the Sierra

The base of the social pyramid in the Sierra is made up of Indians. It is estimated that “pure” Indians comprise 20 to 25 percent of the Sierra population and that Indians in the process of acculturation, yet still distinct from the mestizo class, account for another 40 to 45 percent. The degree of acculturation and the forms that it takes are subject to wide variations.

The Indians are farmers, generally working the smallest plots in the poorest areas, without irrigation and with seeds and livestock of inferior grades. Their labor in many cases serves only to provide the most squalid living conditions. The Indians’ humility and their lack of knowledge of their rights make them the preferred workers at the lowest manual and domestic tasks, and the treatment that they have often received from the non-Indian world has driven them back upon themselves. Unable to read or write and not knowing the Spanish language, they live in a separate cultural world—not a world of Sierra Indians in general but of their own small community. They are not totally removed from the society, yet they are not part of it. Few Indians vote, and none hold public office.

The Indians’ traditional system has persisted despite the proximity of the Spanish culture and its very different norms. It is a cooperative system based upon ties within the community, a responsible place in the nuclear family, lifelong involvement with the land, and the seasonal rhythm of communal fiestas. It also includes strong elements of magic and superstition; and it frankly exalts the joys—or at least the temporary escape from miseries—of periodic drinking bouts.

Acculturation of the Indian is taking place through improved communications, through army service, and through the growing interest of the outside world in his arts and crafts. Educational opportunities are slowly improving, and organizations, including the communist-sponsored Ecuadorian Indigenous Federation (Federación Ecuatoriana de Indígenas—FEI), have been created to awaken in him a sense of solidarity. The typical subservience and fear of whites are said to have lessened, and some of the Sierra Indians are beginning to believe that they have the same rights as other men (see ch. 4).

The Costa

The countryman of the coastal region, although overwhelmingly of Indian descent, has been more generally acculturated than his counterpart of the Sierra. Since colonial times the montuvio,
as the coastal mestizo or acculturated Indian is called, has spoken Spanish and adopted the dress, the customs, and the religion of Spanish life. Whether a small farmer, plantation worker, or fisherman, he has more options open to him than the rural serrano (highlander). He is often familiar with the city, where he may find seasonal work on the docks or a temporary place as an unskilled factory worker.

Two small Indian communities remain in the Costa, and the population of the three provinces nearest to the Colombian border is predominantly Negro (see ch. 4). The Negroes constitute a somewhat distinct geographical group, but they share the customs of the other people of the coast and interact freely with them whenever an opportunity occurs; indeed, marriages between Negro and montuío families happen with some frequency. To a considerable extent, therefore, the rural costeño, unlike the serrano, can be subsumed in a single social grouping.

The Oriente

Until the 1967 petroleum find, residents of the Oriente did not in any meaningful sense form a part of the national society. This picture is changing. With the influx of white and mestizo newcomers in the wake of the opening of the oilfields and with the construction of penetration roads and of the pipeline to the coast, the acculturation of the hitherto unassimilated Oriente Indian is underway.

In addition to tribal Indians—still the predominating element—and Indians in the process of acculturation, settlers of various types have been moving into the area at an increasing rate for some years—teachers, missionaries, army units, land reform agents, colonizing farmers from the Sierra, gold panners, peddlers, and oil company geologists. In 1962 the total non-Indian population of the Oriente was about 6,000. In 1972 there were no population centers that could be called urban, but towns were growing and might soon merit the designation. Indians near the white and mestizo settlements are said to be receptive to elements of the new culture that they find there, although abuses are said to occur often enough to drive some of them back to their forests.

This then, in brief terms, is the class structure of the country: a small but powerful upper class, which consists of two rival regional groupings; a weak and stagnant middle class, likewise small; and a large but fragmented lower class not yet fully aware of itself or of its place in the social whole. The factors that created these elements of the social structure also shaped the institutions through which members of the society come together to achieve their goals.
FAMILY AND KINSHIP

Of all the institutions that make up the social fabric, the most stable and enduring in Ecuador is the family, with its concomitant—the broader kin grouping. The family varies less either between classes or between regions than does the class structure; even where there is variation in its composition, there is none in the high esteem in which the family is held. For the landed gentry of the Sierra upper class a distinguished family name plays a major role in the assignment of a status; and, although kin cohesion loses some of its force at each step downward in the socio-economic scale, at all levels trust and responsibility are channeled primarily along the lines of kinship. The emphasis on the family has its roots in both the Hispanic and the Indian traditions, and the continuing strength of its hold upon modern members of this society owes something, no doubt, to the absence of strong alternative institutions.

The typical household unit is the nuclear family—a father and mother living in a stable union with their minor and other unmarried children. The presence of one or more members of the larger family circle, to whom for one reason or another shelter has been extended, is common at all levels, and in upper class and many middle class families one or more servants form a part of the household.

In the upper and middle classes, marriage is formalized before both the civil and religious authorities, and among the lower classes of the Sierra—whether urban or rural and whether mestizo or Indian—a majority have been joined in legal marriage. In the Costa, where there is a smaller number of religious institutions, the frequency of consensual unions increases steeply; estimates of the incidence of unions of this type in such provinces as Guayas, Los Ríos, Manabí, and Esmeraldas range from one-half to two-thirds (see Religious Life, this ch.). In the coastal provinces a lower class household will thus often consist of a mother and her children and a succession of “fathers,” rather than of a father-mother-children group.

The role of the man in an Ecuadorian family is that of the unquestioned head of the household, the fount of final authority, and the model of manhood for his sons. He may also be a kindly and affectionate parent, but he is unlikely to take an active part in the day-to-day functioning of the family. Hispanic social tradition grants men the right of independence in their leisure time, and many men take full advantage of their freedom of action, spending much time in clubs, coffeehouses, and bars or simply on the street, depending upon the social stratum to which they belong.

A woman’s range of activity, by tradition, lies within the home.
She is responsible for the management of the household and for the welfare of its members. Provided that she runs the house in a way generally satisfactory to her husband, she can usually expect him to allow her considerable autonomy; but it is an autonomy that is his to give or to withhold. Foreigners from different traditions describe her status as that of a high-ranking servant rather than a partner in the marriage enterprise, but the comment does not do full justice to the importance of her role. Her most fulfilling relationship is typically that with her children.

Those men and women in the lower classes whose family life is based on a series of consensual unions fill roles not unlike those of spouses joined in legal wedlock, except for the frequent lack of continuing financial responsibility on the part of the father. The mother, however overwhelming the odds, generally carries on the struggle to keep her family afloat.

The Sierra Indian pattern, like that of white and mestizo society, stresses male dominance, but among the Indians there is less preoccupation with the contrasting roles of the sexes. The active role of the Indian wife in the household economies is reflected in a higher expectation of effectiveness and initiative on the part of the wives; and the double standard for marital fidelity, tacitly accepted in Hispanic culture, is replaced by a code of fidelity that applies with almost equal rigor to both sexes.

In recent years widening educational opportunities for women and their entry into the professions and white-collar occupations have given a degree of independence to a growing number of Ecuadorian women, especially to those of the middle class in the larger cities. Customs in this society change slowly, however; even in the cosmopolitan social sectors of the principal cities the traditional role of the wife and mother has remained almost unaffected, and even the young woman who has made her way in a profession is rarely free, if married, from subordination to her husband.

The social custom of male dominance is supported by the legal code, which in most instances holds a woman legally incompetent to enter into contracts, engage in business, or appear in court without her husband’s permission, and which defines the wife’s property as part of a conjugal partnership administered by the husband. The husband’s prerogatives can, however, be limited by a premarital agreement exempting a specific portion of the wife’s property from his control. Ecuador recognizes civil divorce, and a property settlement, on a number of grounds; but the incidence of divorce is low.

The upbringing of children presents wide contrasts. In almost every family, whatever its circumstances, a welcome awaits each newborn member, and during the period of helplessness infants
receive the gentlest treatment. In later years, however, their destinies have differed sharply as between social classes. Children of the poorer families are expected to undertake their share of domestic chores when they have barely emerged from the toddler stage; small boys in the cities may add to the family income by shining shoes, watching parked cars, or begging, while tiny girls may carry the family baby on their backs and attend to its wants like little mothers. In the upper and middle classes, on the other hand, children are typically petted and indulged by mothers, female relatives, and servants, and this unexacting policy may continue in force (especially in the case of boys) during adolescence as well as childhood.

A second contrast in childhood experience, which often occurs within a single family in the upper and middle classes, lies in the different treatment of boys, who are early allowed considerable social freedom, and that of girls, who remain under close supervision and are schooled in ladylike, submissive behavior. As the world of the boys widens, that of the girls tends to grow more narrow.

*Parentesco* (the kinship circle extending beyond the nuclear family) is a valued social institution in this relatively static, non-affluent society, providing to each of its member families a source of help in time of crises and one of the few instruments for achieving social mobility. The range of recognized kinship circles varies from those of the great landowning families of the Sierra, whose status and power derive in part from their wide and intensely cultivated community of kin, to lesser families—whether middle class, lower class mestizo, or Indian—which by custom maintain a more limited circle of kinship contacts, more or less in proportion to their social and economic positions. At the bottom of the ladder in the larger cities are those defenseless individuals who lack kindred support.

Kinship obligations for hospitality and other favors are morally binding, and they may involve a considerable part of a family’s income. Hence the decision concerning the range of these relationships is an important one for any family. The number of known relatives may be large; thus the effective kinship circle is a prudently selected rather than a natural group.

The kinship principle is carried even further by the *compadrazgo* system. *Compadrazgo* is a kind of imaginary *parentesco*, and there is still greater scope for selection. An individual deemed important or influential receives numerous requests, from families of equal or lesser status, to serve as a godfather; his acceptance implies a willingness to establish obligations for mutual assistance between himself and the parents of the child he has agreed to sponsor at baptism.
rentesco and compadrazgo relationships permeate economic and political as well as social structures. For the nuclear family, often isolated socially and geographically, they provide channels through which sources of power may be tapped.

The roles of the family and kindred were undergoing some modifications in the early 1970s. Alternative structures that generally operate in more developed societies have already begun to take over some of the tasks traditionally assigned to the family. An early example of such a takeover is the social insurance system, founded in 1928 to provide old age, death, sickness, and maternity benefits. For the limited number of workers that it covers, dependence on the family and kin is appreciably lessened. Another example is the opening of the universities in 1971 to all secondary school graduates; the proliferation of opportunities for higher education under this program, if even moderately successful, will create an upwardly mobile group (including, significantly, a high proportion of women) who will find their identity in professional or business success rather than solely by ascription to their family and kinship circles.

RELIGIOUS LIFE

Most Ecuadorians, if queried about their religion, would reply that they are Catholics, and the Roman Catholic Church in Ecuador is often cited as one of the strongest and most influential in the hemisphere. Nevertheless, the church in Ecuador has in the past been an issue in political struggles.

In the Sierra hundreds of handsome baroque churches proclaim the religious fervor of colonial times, and in much of this highland area the same devotion exists today. In the Costa, however, church membership is nominal or nonexistent for the majority, and anticlerical feeling is widespread.

The history of the church has been closely interwoven with that of the country. Monks accompanied the small Spanish expeditionary force that conquered Ecuador and Peru, and large numbers of priests and nuns soon flowed into the country to meet the spiritual needs of the Spanish population and to Christianize the Indians. The crown had authorized the settling of many of the Indians in encomiendas (see Glossary) and reducciones (see Glossary) for purposes of "moral education"—which was understood to mean conversion—by members of the clergy; missionaries also traveled to the outlying lowlands to work among the more primitive tribal Indians.

From the outset church involvement in colonial life was not confined to the spiritual sphere. It served as the chief agent for the introduction of Spanish culture: formal education was estab-
lished under its auspices; schools of arts and crafts were founded; and new techniques in agriculture were taught to the Indians. Quito became known as the city of convents, and the building and adornment of churches and other religious buildings provided the inspiration for the art that made Quito famous. Care of the sick and needy was another function assumed by the church, and institutions were founded for this purpose. Most important of all, the church served as the protector of the Indians from the rapacity of some of the white settlers.

The power of the church was enhanced both by the essentially religious nature of the Hispanic segment of society and by the loyalty of the Indians, who saw the clergy as their defenders from grasping landlords and officials. It was also increased as a result of the rights conferred upon it by the Spanish crown under the system of royal patronage, which entitled the king to participate directly in church revenues and governance and in turn conferred on the church the moral and financial support of the crown. Over the years the church became one of the wealthiest landowners of the Sierra. Its conservatism and its interest in mundane matters increased with its wealth.

After Ecuador achieved independence, the republican government succeeded to the position of the monarch in church matters, making the relationship of church and state a close one. At first, objections were voiced only by a small group of liberal intellectuals, but in time the might of the powerful combination began to be felt as oppressive, especially in the Costa.

In the mid-nineteenth century the Conservative Party and the Liberal Party began to crystallize. The church was the principal issue between them. The Conservative Gabriel García Moreno, in power from 1861 to 1875, tried to make the church the chief instrument of national unity. He signed a concordat with the Vatican that gave the church additional power; and amid much popular fervor, he dedicated the republic to the Sacred Heart of Jesus (see ch. 2).

The liberal forces, centered in Guayaquil, opposed the church's involvement in politics and what they deemed the church's reactionary influence. When in 1895 the Liberals under Eloy Alfaro seized power, the privileges of the church began to be curtailed; by 1908 church and state had been effectively separated, a system of secular public education had been established, representatives of other religious faiths were permitted to enter the country, and congress had been given the right to authorize the sale or transfer of church-owned rural properties. Church power was reduced; the state moved toward a policy of noninterference with church affairs; and the church-state issue, although retaining sufficient
force to inspire occasional outbursts, no longer figured as a principal source of controversy (see ch. 2).

As a consequence of the part it played in colonial times and during the first century of the republic, the church in Ecuador is a geographically unbalanced institution. Two of its three archdioceses—those of Quito and Cuenca—are to be found in the Sierra, as are seven of its dioceses and three-fourths of the country's priests. The prevailing attitude in the Sierra favors religious commitment and practice. Within the upper class, which tends to associate the faith with the existing order, religious observance is still very strong; and among Sierra Indians participation in the rites of the church is widespread, attendance at mass is fairly regular, and the priest is a figure of great authority. Among the middle and the non-Indian lower class inhabitants of the Sierra, religious allegiance continues to be strong also, although observance tends to be somewhat less scrupulous than at the two extremes of the social structure.

Moreover, the church's pursuit of short-term advantage had serious consequences for the society. There are, for example, widespread sex differences in religious matters: until adolescence children of both sexes receive approximately the same degree of religious instruction, but young men rarely continued their observance into adult life. Whatever the level of religious allegiance of the family, the women tend to be more strict practitioners than the men. Even more fateful has been the erosion of the church's potential for contributing to moral consensus, either at the national level or in decisions relating to the family or to business life. In the Judeo-Christian tradition, morality and religion are closely allied, and in Catholicism the church had appropriated a major portion of the responsibility for moral decisionmaking. When the colonial church became the owner of extensive haciendas, men of good will began to question the credentials of such churchmen as the representatives of a just God. After independence, when the church in the Sierra lent its prestige to the side of the Sierra in political disputes, its moral authority suffered still more serious erosion. Furthermore, once detached from Spain, the church in Ecuador had lost some of its discipline and efficiency; many of the Sierra Indians and poor mestizos still revered the figure of the local priest on whom they had learned to depend, but other persons at different social levels, seeing the acquisitive behavior and unexemplary private lives of some churchmen, lost respect for their claim to speak for a reality higher than the one by which they lived.

The total number of persons belonging to religious groups other than the Roman Catholic Church is small. The Indians still practicing tribal religions in the Oriente are not numerous. Settlers
from Europe and the United States include members of Protestant denominations, and several churches and chapels serve their religious needs. There are also said to be about 2,000 members of the Jewish faith in the country; and some Muslims have formed a part of the Middle Eastern immigration to the Costa in recent years (see ch. 4). Protestant missionaries have been present since the country was opened to non-Catholics by Eloy Alfaro; they have made few converts among native-born Ecuadorians, but they have provided schools and other community services of various kinds. One interdenominational Protestant group has made a contribution to the development of public opinion through the powerful radio stations of the Voice of the Andes (see ch. 8).

During the period since World War II, missionary priests and nuns from Europe and North America have come in considerable numbers to live and work among the disadvantaged of the cities and the countryside and to stimulate social and civic action among the more privileged classes. Often youthful and idealistic, they are bringing new life to the ancient institution of the church in Ecuador.

**SOCIAL VALUES**

Widely held social values, which form a part of the country’s cultural heritage, have in turn affected decisions that determined the course of its history. Some of these value orientations have inhibited development; others hold the potential for contributing to it.

**Values Related to Social Classes and “Caste”**

Sharp as is the cleavage between classes, the cleavage between Hispanic, or “white,” and Indian groups (sometimes called castes) is equally abrupt. The boundary is formally drawn on ethnic lines; however the definition of the two categories is basically cultural rather than racial, and members of the one move freely into the other as they abandon Indian dress and customs. *Mestizaje* (see Glossary), the fusion of white and Indian, is the name given to the process.

Certain aspects of Hispanic character as it acted upon the colony at its inception had much to do with the disdain in which the Indian was held. The conquistadores were men of a country that had just completed a war lasting only a little less than 800 years; they brought with them a single-minded esteem for the soldierly virtues of their native Spain. They also brought the intolerance for the non-Spanish infidel that they had acquired during the long reconquest of their land from the invading Moors. What they set up in their New World colonies—was, in essence, a military occupation; their veneration for all thing Spanish helped to keep the subject people in their place.
The Indians also brought to the encounter traits that contributed to the development of a caste-like system. Subjugated by the Inca Empire half a century before the Spanish conquest, they had already learned the harsh lesson of survival through submissiveness to a foreign master. To the warlike Spaniards they must have seemed a servile people, not worthy of a soldier's respect. Furthermore, the Indians felt a deep attachment to their land and to their small communities, and a part of their heritage was the moral imperative to share their property with the other members of their extended families; these qualities made it virtually impossible to better their condition so long as they remained Indians.

The two groups, living side by side as distinct and alien neighbors for more than 400 years, are the joint ancestors—culturally as well as racially—of the great majority of the more than 6 million inhabitants of the country alive today. In a society that glorified the Spaniard and abased the Indian, the dual inheritance has created grave problems of identity for many of its members.

The process of mestizaje began for many individuals with the ordeal of voluntary separation from the original Indian community and the acceptance of Hispanic values with their disparagement of the Indian. The ex-Indian, not fully a member of either group, tended to emphasize his separation from the Indians and emulate the values of the whites. Yet whether he and his descendants remained in the mestizo lower class or succeeded in moving up to middle class status, they found it difficult to acquire a value orientation that was appropriate to their needs. Achievement was not highly valued at any level. If it included work with the hands, however skilled, it even blocked entrance into the middle class. The practical route to social advancement for an ambitious young man was some sort of dependency relationship with upper class personages, whether it involved personal services of some kind or volunteering as their political or economic intermediary among the Indians and poorer mestizos.

The caste system in this society preserved a wide separation between the castes, yet it left open the boundary between them; it did not bottle up the Indian in a situation that had no exit, but it admitted those who decided to cross the boundary into a kind of no-man's-land. The mestizo and his descendants aspire to merge more completely with the more authentically Hispanic upper classes, and in a static society the aspiration is destined in most cases to be frustrated. Toward members of Indian groups the mestizo may feel, either for himself or for the parent or grandparent who made the crossing, a sense of guilt because of the desertion; at the same time he may look with considerable scorn on the poor Indians, still mired in inertia and superstition.

In shaping the value system in the society both Hispanic and
Indian cultural traits have played a part, but the historic fact of mestizaje has had a significance that can hardly be exaggerated. The pervasive reality is the presence of the Indian—not only his corporal presence, living in squalor in his distant village, but his spiritual presence as well, in the heart of the non-Indian.

**Values Related to Family and Sex Roles**

The form commonly taken in the relationships between men and women owes more to the customs of Spain, where women are expected to take a subordinate place, than to those of the Indians, among whom the roles of the sexes were more nearly coequal. The disparity between the positions of men and women in a marital partnership was reinforced by the way in which many families were constituted in early colonial times, when conquering males took as their sexual partners young girls from Indian communities; the same pattern was repeated throughout later generations by men of the powerful sectors of the locality when they established households with women of lower social strata.

Boys of all classes absorb early in life the ideal of machismo (virility). Machismo implies courage, forcefulness and boldness, a keen sensitivity to slights, and a readiness to retaliate instantly; it also connotes amorous capability and success, a lordly attitude—especially toward women—and a detestation for dull detail. In upper class circles the image is refined to become that of the gentleman, who by tradition either leads a life of leisure or engages in activities of an intellectual or artistic nature; his occupations may be broadened to include professional or political activity but, except on the coast, active participation in business is not highly regarded. Vehement or even violent action does not necessarily seem scandalous when it is associated with a virile man from any social level, especially if his honor or his politicosocial ideals are at stake.

Men's valued friendships are with other men, and for many men, at least, women are primarily sexual partners and the mothers of their children; to treat women forthrightly or as equals would be evidence of inadequate male self-respect. Still, however heartless a man's behavior may be toward other women, he rarely fails to give to his mother an almost religious devotion; his veneration for his mother does not imply, however, any thought that he might emulate the virtues he admires in her. She is the mother; he is a man. They are not to be measured by the same yardstick.

Women learn from early childhood what they are and what is expected of them. Women are considered inferior in status to men. In fact, their status comes from their men—from being Pedro's daughter, Juan's wife, or José's mother. Their calling in life is to have children and to bring them up with loving care.
The role of the wife and mother is known to involve self-sacrifice and sometimes great abnegation, but it is generally in fact, although not in title, the principal role in the family. It has traditionally been regarded as the glory of womankind and totally self-fulfilling. Among the wretchedly poor of the city slums the men sometimes abandon one woman and family after another; but even at the edge of starvation a mother seldom forsakes her children. In addition to giving love and nurture to the young, women are a principal channel for transmitting the culture, including the Christian religion and the moral values that it instills.

Boys and girls absorb the value orientation appropriate to their respective roles at home, at school, from religious preceptors, and in all the pervasive nonverbal ways in which cultural values are handed down. On the whole, they seem to accept their roles gladly, and both men and women cooperate effectively in bringing up their offspring. Persons in all social ranks hold the family in the highest esteem as an institution and frequently express concern over what appears to them to be a possible lessening of its importance in modern life.

**Values Related to Religion and Morality**

Ecuadorian society functions within guidelines set by the values of the Hispanic cultural heritage. Probably the most striking aspect of that heritage is a preoccupation with individuality and a strongly held complex of ideas regarding the individual and his place in society. At the heart of this notion of individuality is a conviction that every person is unique and endowed by God with dignidad, which implies an inner dignity that is inalienable and worthy of universal respect.

The concept of dignidad is reflected throughout in the customs of the society. Since it is important to avoid treating any individual as a nonentity, open demonstrations of friendship in word and gesture are customary in all encounters between acquaintances. Hospitality, as a means of showing interpersonal esteem, is invested by both hosts and guests with ritual cordiality. Even in business the quality of personal interchange has great importance.

The high value placed on dignidad leads also to a preoccupation with the individual as opposed to the group and to a strong emphasis on personal qualities over abstract theories; interpersonal trust is more highly valued than impersonal loyalties to institutions or ideologies. History and national events are conceived as the results of the actions of individuals rather than of social forces, and in political debates ideas are subordinated to personal appeal.

The obverse side of this concern for the individual is person-
alismo, which may be defined as an exaggerated attention to one's own interests, status, and personal relations. Although present in many societies that have their roots in Hispanic culture, personalismo seems to owe some of its strength in Ecuador to the church's inability to fulfill its historic role as a moral authority (see Religious Life, this ch.). In the absence of any independent point of moral leverage, such as the church might have provided beyond the day-to-day imperatives of pragmatism, the fragmentation of values proceeded in much of the country to a point at which individuals recognized in their actions—and expected of others—only the short-run satisfaction of their material needs. The habit of looking out for oneself and a lack of public spirit are not a monopoly of any nationality or group; in this society the restraints upon those forces proved less than adequate.

The fact that a moral consensus has been slow to develop in the society as a whole does not mean, however, that standards of virtue and generosity are not adhered to by many of its members. Within certain groups a moral consensus does exist; there are elements, as yet relatively inconspicuous and perhaps not fully aware of their potential for change, that are already working to build a viable social system.

Youth represents one of these elements. Protests by the young, often for idealistic reasons, are an old story in Ecuador. The concept of dignidad, which has such deep roots in Spanish thought, has survived through the centuries as a rallying point for youth. In the past students have sometimes been used as pawns by political figures, and secondary school students as well as young men from the universities have died in incidents in which they participated in the hope of remaking society.

Today, as more and more young persons from less affluent families attain university and professional status and as thought and value patterns characteristic of a secure middle class thus begin to prevail within a group of some size, some socially aware young people are casting aside the romantic image of a clash on the barricades and seeking social and political ways to improve the lot of their dispossessed countrymen.

Women also offer an especially strong potential influence for social change. The female half of the population has never suffered the lack of a moral consensus; it knows, without a shadow of doubt, that loving and nurturing children is right and that whatever works against this love and nurture is wrong. In the past the field of action of Ecuadorian women has been confined to the home and family, and they have taken almost no action in public affairs; but today their sphere is broadening. For the first time young women are being offered a chance to secure an education comparable to that of their brothers; the number of girls
in both primary and secondary schools began to shoot upward in the 1950s, and today a considerable number of women are carrying their studies on to the university level. For some years women have been predominant in social work, and their position in the teaching profession has been noteworthy. Now they are entering other professions as well, and there is evidence that many of them, instead of absorbing the atomistic values of some of their colleagues, have been able to transfer from the home and family to this wider field of action the values that they have held from the beginning.

The Indian is another source of moral values. Living apart, often miserably and sometimes in what seems to be a general disorder and demoralization, he has nevertheless succeeded in keeping alive in his small groups some of the qualities on which a viable society is built. The Indian knows who he is; as long as he remains an Indian he accepts this knowledge with dignity. Moreover, he knows that his identity is bound up with the community, and he is willing to make sacrifices if necessary for no other reason than the community's welfare. Finally, he has experience, in his mingas (see Glossary) and religious fiestas, of actually working with others for a common goal. Although he is not integrated into the large society, the Indian, by being himself, enriches the nation.

Some groups of foreign origin also play a significant part in change. Numerous among these are active young priests and nuns of the Roman Catholic Church who have been entering the country for some years. Coming from both Europe and the United States, these missionaries often provide opportunities for the urban and rural poor to improve their living conditions; and, more than this, they embody the concern and the moral values that their religion has always held up as an ideal. Protestant missionaries too have brought material help and new insights; and secular organizations, such as the Peace Corps and its counterparts from other countries, have set down in city slums or isolated villages warmhearted individuals whose only goal is to help. Here, too, whatever practical assistance they may provide is outshone by the gift of trust.

The most important agent of social change in the early 1970s, however, was the outside world as it impinged more deeply on the economic life of the country. Along with the physical changes that are occurring, such as the construction of new buildings and roads, and along with the increase in the tempo of economic activity, changes in the prevailing life-style are also taking place. The form that these changes take will depend on factors that have not yet been measured. Among these are the latent social values in this diverse country.
CHAPTER 6
EDUCATION

During the early 1970s the educational system was undergoing a process of change that had first become apparent in the 1960s and had marked an important break with traditional practices. It was undertaken by governments that, after 1960, had committed progressively larger proportions of the national budgets to the educational program and which had exercised strong de facto central control over the private as well as the public system. Stated broadly, the goals consisted of making the educational program available to all and of making its contents more flexible and better adapted to the particular social and economic needs of the diverse segments of the population. In particular, the objectives entailed conversion of the educational process from one that perpetuated economic and social disparities as well as regional differences, to one that attempted to overcome them.

The first schools, established during the colonial era by members of religious orders, were designed to teach arts and handicrafts and, at times, elements of reading and writing to small elements of the Indian population. Children of upper class families received their initial schooling from tutors or relatives and later training—largely in theology and philosophy—in seminaries and the first universities.

Toward the end of the colonial period the concept of general public education began to gain some adherents, and late in the nineteenth century a free primary system began to take definite shape. At about the same time several universities were founded, and the first polytechnical institute was established in Quito. After the turn of the century public schooling played an increasingly important role but, until after 1960, education continued to be in large measure an urban-based operation designed to meet the needs of the upper and middle classes. In some instances young people in the countryside, many of whom were Quechua-speaking Indians with limited command of the Spanish language in which the classes were taught, had no school to attend. In others, the period of attendance was too short or the instruction was not sufficiently effective to result in the achievement of even functional literacy. A serious effort to incorporate classes conducted
in Quechua in the primary curriculum was not made until the early 1970s.

In schools of all kinds the class-hours were long; textbooks and teaching aids were few, and learning consisted largely of note-taking from lectures coupled with rote memorization. Rigid curricula, in the countryside as well as in the town, emphasized traditional studies in the classics and humanities, which had little relevance to the needs of most of the school-age population. Each level of school was designed primarily as preparation for matriculation at the next. At each level, however, a large majority of the student body was lost through attrition, and the few who completed their higher education had prepared for law, medicine, or civil engineering rather than for other professions increasingly needed by the country’s developing economy.

In part, the change during the 1960s was quantitative. Primary enrollment almost doubled, secondary enrollment almost tripled, and enrollment in the institutions of higher education quintupled. The number of dropouts at all levels remained high, but primary and secondary retention rates improved steadily during the decade, and teacher training institutions increased their output of graduates. At the same time the previously abbreviated curriculum of the rural primary schools was increased to the full six years of study already offered in urban institutions.

The qualitative reforms introduced during the 1960s involved changes in both primary and secondary systems. Teachers were given greater freedom to exercise initiative, and courses of study better correlated with the probable future needs of the students were introduced. An effort undertaken to introduce some flexibility to the structure of the institutions of higher education proved abortive, but some of the newer institutions pursued programs that were progressive to the extent possible within the existing bureaucratic framework.

Enrollment growth created its own problems. The rate of primary and secondary increase was such that administrators were forced to devote the bulk of the funds available to costs of instruction; little remained for school building and maintenance. The crowding of classrooms at once placed limits on the number of additional teachers that could be engaged and reduced the effectiveness of the teaching process. At the university level an extensive building program had been made possible by foreign loans and credits. There were indications, however, that the number of young people with complete or partial higher educations was becoming, at least momentarily, greater than the number of new jobs created, even in the fields of professional competence most needed in the economy.
ADMINISTRATION AND FINANCE

Primary and secondary schools are operated by the state, by municipalities, and by private authorities. In 1968 some 70 percent of their collective enrollment was in state; 10 percent, in municipal; and 20 percent, in private institutions. Municipal units are under administrative direction of mayors or, in larger localities such as Guayaquil and Quito, of municipal councils; however, they are subject to the rules set down by the Ministry of Public Education, must use the state curricula, and are visited by state inspectors.

Although an increasing number of private schools are operated for profit by voluntary organizations and by foreign communities, a majority are maintained by Roman Catholic orders. During the third quarter of the nineteenth century control of all education in the country was vested in the church, and Catholic participation has continued to be an essential part of the education program. Like the other institutions in the private sector, however, Catholic schools are required to follow the rules and curricula prescribed for the public system. In addition, diplomas awarded by private secondary schools are recognized only when a representative of the Ministry of Public Education has supervised the final examinations, and private school principals and teachers of certain subjects must be Ecuadorian citizens.

Local administration of state preprimary and primary units is the responsibility of provincial directorates of education. Contact between the individual units and the provincial directorate is maintained by a corps of more than 200 inspectors who, where possible, visit each school at least three times a year. Liaison with the central administration is accomplished through counterpart national inspectors attached to the ministry. At the secondary level inspection is the responsibility of centrally based inspectors. Each specializes in a particular kind of secondary education and is responsible for specifically assigned schools. In the early 1970s, however, their small number limited the effectiveness of their performance.

Central, provincial, and municipal governments all contribute to the financing of education. Provincial councils participate in the costs of constructing and furnishing school installations, and municipalities are obligated to allot at least 15 percent of their budgets to educational programs. In addition, private schools may be assisted by the state and municipalities, provided that the total amount involved does not exceed 20 percent of the municipal budget.

Funds spent on education by the central government increased
from 19.5 percent of its total budget in 1966 to 22.6 percent in 1971. Education expenditures were consistently higher than those for any other ministry.

During the 1960s the expenditures of the central government varied somewhat from year to year, the relative amount allocated to institutions of higher education tending to rise at the expense of those of other levels. In general, primary schools absorbed nearly half of the total, and most of the remainder was divided about equally between secondary and higher education. The small balance went to adult education and to administrative costs not allocated by level. The direct cost of teaching was the largest item; some 65 percent of the 1965 recurring expenditures was for instruction.

In addition to their budget allocations, secondary schools and institutions of higher education derive income from state grants, enrollment fees, examination and graduation fees, donations, and special taxes. Public secondary education is tuition free, but public universities and polytechnical schools benefit from tuition charged some students; the 1970 higher education law prescribes that tuition be paid by students whose families have incomes or own property with values in excess of certain stated maximums.

Foreign assistance in the form of grants and loans to education provided an increasingly important supplement to domestic resources during the 1960s and early 1970s, particularly for building and equipping higher education facilities to accommodate the fast-rising enrollments. The principal sources have been the Inter-American Development Bank, the International Development Association, the United States Agency for International Development, and the United Nations Special Fund. Contributions have also been made by the Ford Foundation, the Rockefeller Foundation, and the Fulbright Commission (see ch. 12).

THE SCHOOL SYSTEM

Primary school attendance is mandatory under the Constitution of 1945 and required between the ages of six and fourteen by other legislation. Children under the age of fourteen may be employed only if they are also attending school. No school is available in some localities, however, and in others the local school offers only the lower primary grades. In addition, the need for a young person's labor sometimes takes precedence over school attendance.

The school year runs from October to July in the Sierra and from April or May to January in the Costa, a traditional schedule that has been frequently criticized as conducive to the perpetua-
tion of regionalism and as an obstacle to coordination of school programs between the two regions. In mid-1972 conversion to a single school year was reported to be imminent.

Preprimary and Primary Education

In 1970 nearly 1 million students were enrolled in preprimary and primary schools (see table 2). The preprimary program was originally available in three classes to children between the ages of three and five, but in 1964 the Ministry of Public Education commenced a cutback toward a single grade for five-year-olds in order to make additional teachers and space available for the expanding primary system.

Table 2. School Enrollment in Ecuador, 1960 and 1970

<table>
<thead>
<tr>
<th>Level</th>
<th>1960</th>
<th>1970</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preprimary</td>
<td>10,885</td>
<td>13,519*</td>
</tr>
<tr>
<td>Primary</td>
<td>566,805</td>
<td>970,366</td>
</tr>
<tr>
<td>Secondary</td>
<td>63,222</td>
<td>183,416</td>
</tr>
<tr>
<td>Academic</td>
<td>(37,055)</td>
<td>(99,695)</td>
</tr>
<tr>
<td>Technical</td>
<td>(19,450)</td>
<td>(63,881)</td>
</tr>
<tr>
<td>Normal</td>
<td>(6,717)</td>
<td>(19,840)</td>
</tr>
<tr>
<td>Higher</td>
<td>8,331</td>
<td>19,600*</td>
</tr>
<tr>
<td>TOTAL</td>
<td>649,243</td>
<td></td>
</tr>
</tbody>
</table>

*1968 figures.


During the early 1960s the urban primary curriculum consisted of six years of study. In rural localities the standard curriculum called for four years, but some rural units offered no more than two or three grades presided over by a single teacher. In 1967, however, the course of study was extended to six years throughout the country and was divided into two cycles of three years each; yearend examinations were given only at the conclusion of each cycle.

Attrition and protracted absenteeism result from both cultural and economic considerations. An undetermined, but probably considerable, number of Quechua-speaking Indian children leave school prematurely because of discouragement over instruction in the unfamiliar Spanish tongue. Some parents, misunderstanding the nature of education, withdraw their children after a few weeks or months in the belief that everything necessary has been learned.

In other cases the economic need for a child's labor results in his permanent withdrawal or seasonal absenteeism. In addition,
although primary schooling is free and there is a free lunch program in many of the schools, the required school uniforms and the textbooks and school supplies that must be purchased are beyond the economic capacity of the poorest parents.

The enormous growth of primary enrollments during the 1950s and early 1960s was in no way matched by school construction, and in 1964 the public school enrollments were divided into morning, afternoon, and evening sections. The move was undertaken as an emergency measure, but it remained in effect in 1972.

During the early 1960s teaching emphasis had been placed on rote memorization of poorly organized material and on the basics of reading and writing. Rural children had suffered from exposure to a formalistic curriculum that had been designated for urban classrooms and bore little relevance to the realities of rural life. A beginning was made during the 1967/68 school year toward a restructuring of the program.

New emphasis was placed on the interrelationship between the several subjects taught; teachers were encouraged to develop classroom activities appropriate to the subject matter; and children were introduced to practical studies in such fields as homemaking and craftsmanship. Some rural schools later added demonstration truck gardens. In addition, class periods were reduced to twenty-five minutes in order to avoid exceeding the span of student attention.

During its initial years of operation, the revised program was handicapped by a severe shortage of textbooks and by the fact that the books available were often poorly adapted to the system's needs. Early in 1972 efforts were undertaken to establish an adequate program for acquisition and distribution of texts. At the same time a committee of teachers was appointed to establish a system for preparation of texts specifically for the use of the country's primary schools.

The program inaugurated in the late 1960s continued to be geared more to urban than to rural needs, and the teachers—a majority of whom had urban backgrounds—continued to find difficulty in communicating with their country-bred students.

The problem of communication was particularly acute for the numerous Indian children who spoke Quechua in their homes and had, at best, a rudimentary knowledge of the Spanish language in which all classes were taught. In 1964, however, a program had been inaugurated to motivate leadership in the indigenous population by offering scholarships to normal schools for Indians who had completed their primary schooling. By 1972 the first of these had completed their studies, and a rural educational center, with twenty-two satellite primary schools being developed in Imbabura Province, was to provide them with teaching assignments. This
center of basic education and rural development was to be the first of a series to be established in areas of dense Indian population where the language barrier had represented a formidable obstacle to educational progress and even to the attainment of literacy.

Secondary Schools

To enter school at the secondary level, children must be at least twelve years of age and must have completed their primary education. Secondary enrollments of all kinds increased from 63,222 in 1960 to 183,416 in 1970, a total that represented about 26 percent of the population between the ages of thirteen through eighteen, the ages regarded as constituting the regular secondary-school age span.

Secondary education is tuition free, but it is a major expense item for families of modest means. Textbooks and other instructional materials must be purchased. The matriculation, examination, diploma, and other occasional fees charged add up to a total sufficient to cause frequent parental complaints, and education authorities have found it necessary to caution repeatedly against overcharging.

The secondary schools, unlike the primary, in 1972 had yet to adopt a system of multiple sessions, although a small night secondary program was open to students fifteen years of age and older. Crowding, however, had reached a critical point.

In 1970 about 54 percent of all enrollments at the secondary level were in academic schools, the curricula designed as preparation for further studies at the university level. The bachillerato (baccalaureate) diploma awarded for successful completion of the course was a precondition to university entrance.

Until 1966 the six-year academic curriculum had been divided into cycles of four and two years; the subjects studied were essentially the same in each year. The enrollment was separated into two sections, and course programs differed only in that one included Latin and Greek and one did not. In 1967 an extensive reform designed to give more flexibility to the system was introduced. It entailed the establishment of a three-year basic cycle, into which some practical studies were to be incorporated, and a three-year diversified cycle, in which the student was to emphasize studies that he planned to continue in an institution of higher education.

The basic-cycle curriculum was made up of general studies, including Spanish, foreign languages, and mathematics; general culture subjects included natural and physical sciences, history, geography, physical education, and applied electives in such fields as agriculture, business, artisan skills, and music. The heavy
weekly load of classroom study was made up of thirty-seven hours during the first year and thirty-five hours during the second and third years. In the diversified cycle thirty-two weekly hours of classroom work were required each year, and the student was to specialize in the sciences (mathematics, physics, and biology), social sciences, classical humanities, literature, music, or fine arts. Premilitary training was included during the sixth year in some schools.

A recurring criticism of the academic program has held that, although it is designed exclusively as a preparation for higher education, few of its graduates go on to postsecondary studies. During the late 1960s, however, the entering classes in institutions of higher education were not a great deal smaller than the graduating classes at academic secondary schools. Most of the original matriculants had dropped out of their secondary courses before graduation, however, and their incomplete academic schooling had done little to prepare them for entry into the labor force.

In 1970 some 35 percent of the total at the secondary level were enrolled in technical schools. Successive governments have endeavored to raise technical enrollments in order better to meet the practical needs of the country and to produce leaders in the development of a middle-class working society. The persistent rejection of many young people and their parents of technical secondary schooling, however, has been a major obstacle.

Technical enrollments registered a small relative increase during the 1960s, but they were badly unbalanced. In 1967 more than 75 percent of the technical school students were in commercial schools, which were producing more graduates than the economy could absorb. These establishments differed sharply from the other technical schools in that they offered preparation for white-collar office jobs rather than for skilled manual work. Most of the remainder were in industrial schools offering training in a wide range of specialties. Agricultural schools, schools for artisan training, domestic science schools for girls, and conservatories of art and music were also administered as parts of the technical secondary program. Like the academic program, most of the technical programs consist of a six-year course made up of a basic and a specialized cycle, each with a duration of three years.

Teachers for the primary system are trained in six-year normal schools at the secondary level. The 19,840 enrollment in 1970 was almost triple that in 1960, a reflection of the government's efforts to relieve a critical shortage of qualified teaching personnel. Some 2,070 were graduated in 1970. In 1968 nearly 70 percent of the students and 77 percent of the graduates were in Sierra schools, a sharp contrast with the secondary schools of other kinds in which enrollments and graduating rolls of the Sierra were not substan-
tially higher than those of the Costa. In part, at least, this imbalance resulted from the fact that job opportunities were fewer in the Sierra, and the prospect of a teaching career appeared relatively more attractive.

Private school enrollment in 1970 represented 41 percent of the total in secondary schools, as compared with 39 percent in 1960. Private education played a much more important role at the secondary level than at the primary, where it represented 18 percent of the total in 1970. The schools are smaller and less crowded than those in the public system, and teachers are relatively more numerous. Because of the substantial enrollments in convent schools and in commercial courses, female students tend to outnumber males.

Courses are offered in the academic program, the normal school program, and all kinds of technical programs. In 1970 students in private schools represented about one-third of the normal enrollment, a little more than one-third of the academic enrollment, and slightly more than half of the enrollments in the technical programs. Schools operated by the Catholic church are the most numerous, but commercial schools operated for profit were growing in number in major urban centers during the 1960s.

Particularly in the academic program, the private institutions have been generally considered to offer a better education than their public counterparts, and parents have gone to great expense to arrange enrollment for their children. In 1972 it was still too early to determine whether the secondary educational reforms of the late 1960s would result in greater popularity for the public schools, but at least through 1970 private enrollment continued to gain at about the same rate as that of the public units.

**Institutions of Higher Education**

Enrollment in institutions of higher education soared from a total of 8,331 in 1960 to 19,600 in 1968 and, in 1970, to an estimated 42,400, or about 7 percent of the nineteen-to-twenty-four age group considered to be of regular university age. At the beginning of the 1973 academic year, the enrollment was reported at about 58,000, with almost two-thirds of the total registered in the Central University and the University of Guayaquil.

The fourteen institutions of higher education in existence in 1968 included five state universities, three private universities, two state higher polytechnical schools with university status, and four other small public and private postsecondary institutes and schools (see table 3). In 1972 a press report counted fifteen universities, two higher polytechnical schools, and one higher school of technology. In addition, the higher technical institutions of the armed forces are by law accorded university status, including
transferability of credits to state universities and higher polytechnical schools, and civilians are accepted for enrollment in the five-year postsecondary courses of the Technical School of Military Engineers.

Table 3. Enrollment in Ecuador’s Institutions of Higher Education, by Sex, 1968

<table>
<thead>
<tr>
<th>State Universities:</th>
<th>Men</th>
<th>Women</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central University (Quito)</td>
<td>5,494</td>
<td>1,466</td>
<td>6,960</td>
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<tr>
<td>University of Cuenca</td>
<td>1,111</td>
<td>153</td>
<td>1,264</td>
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<tr>
<td>University of Loja</td>
<td>481</td>
<td>159</td>
<td>640</td>
</tr>
<tr>
<td>University of Guayaquil</td>
<td>3,245</td>
<td>1,325</td>
<td>4,570</td>
</tr>
<tr>
<td>Technical University of Portoviejo</td>
<td>373</td>
<td>40</td>
<td>413</td>
</tr>
<tr>
<td>Subtotal</td>
<td>10,704</td>
<td>3,143</td>
<td>13,847</td>
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<table>
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<tr>
<th>Private Universities:</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Catholic University of Quito</td>
<td>1,191</td>
<td>1,224</td>
<td>2,415</td>
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<tr>
<td>Catholic University of Guayaquil</td>
<td>525</td>
<td>203</td>
<td>728</td>
</tr>
<tr>
<td>Lay University Vicente Rocafuerte (Guayaquil)</td>
<td>666</td>
<td>111</td>
<td>777</td>
</tr>
<tr>
<td>Subtotal</td>
<td>2,382</td>
<td>1,538</td>
<td>3,920</td>
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<tr>
<th>Polytechnical Schools:</th>
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<tr>
<td>Polytechnical School of Quito</td>
<td>1,103</td>
<td>10</td>
<td>1,113</td>
</tr>
<tr>
<td>Polytechnical School of Guayaquil</td>
<td>429</td>
<td>3</td>
<td>432</td>
</tr>
<tr>
<td>Subtotal</td>
<td>1,532</td>
<td>13</td>
<td>1,545</td>
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<tr>
<th>Other State Institutions:</th>
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</tr>
</thead>
<tbody>
<tr>
<td>National School of Social Service</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>National School of Accounting and Management (Ambato)</td>
<td>105</td>
<td>30</td>
<td>135</td>
</tr>
<tr>
<td>Subtotal</td>
<td>105</td>
<td>30</td>
<td>135</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Private Institutions:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher Salesian Institute of Philosophy and Education (Quito)</td>
<td>53</td>
<td>0</td>
<td>53</td>
</tr>
<tr>
<td>College of America*</td>
<td>5</td>
<td>95</td>
<td>100</td>
</tr>
<tr>
<td>Subtotal</td>
<td>58</td>
<td>95</td>
<td>153</td>
</tr>
<tr>
<td>TOTAL</td>
<td>14,781</td>
<td>4,819</td>
<td>19,600</td>
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</tbody>
</table>

n.a.—not available.
*Higher Bilingual Secretary Section and Junior College.

Source: Adapted from Ecuador, Junta Nacional de Planificación, Desarrollo en el Ecuador, Quito, 1970, table 22.

The largest of the postsecondary institutions, the Central University in Quito, traces its origins to the San Luis Seminary that was founded in 1594. It is the heart of the country’s higher educational system, and in the late 1960s more than one-third of the entire postsecondary student body was enrolled in it. The university’s classes are large; its rate of student attrition is high; and its curriculum and teaching methods tend to be formalistic.
It has, however, on occasion been used as a laboratory for the development of new ideas in Ecuadorian higher education.

The basic element in the organizational structure of the universities is the self-contained facultad. It exercises considerable internal autonomy and is, in effect, a complete miniature institution brought together in the loose framework of the university. As a rule, a facultad will offer a comprehensive curriculum that includes general courses in such subjects as history and mathematics, an arrangement that has resulted in considerable course duplication within individual universities. The system provides a minimum of flexibility. Enrollment in a facultad or school presupposes adoption of a specific field of study, including a mandatory sequence of courses that allows little or no opportunity for collateral study. The general educational background provided by elective courses in North American institutions must be obtained in schooling at the secondary level. In addition, individual facultades do not ordinarily recognize the right to transfer credits from another facultad, even in the same university; a student shifting his field of specialization must begin again at the start, even repeating general courses in the humanities that may already have been completed.

In 1968 the total enrollments in fields of academic specialization ranged from a high of 2,240 in education to a low of thirteen in library science. Collectively, eight specialized engineering fields had an enrollment of 2,210. In all, some forty different fields of specialized undergraduate and graduate study were listed.

Programs of study vary widely in their time requirements. Course schedules are from twenty to thirty-five hours weekly, and the length of the program of study varies from three years for nurses and social service workers to seven years for physicians. A majority of the programs, however, last five years.

The postgraduate program is linked directly to the program of undergraduate study in the sense that in some facultades students receiving the licenciate (licenciado), the degree most commonly awarded for completion of undergraduate studies, may continue directly to graduate work. For example, in the facultades of philosophy, letters, and education, the licenciado is awarded after four years of study; and the doctoral degree, after six years. In civil engineering and architecture the respective undergraduate degrees are awarded after five years; and the doctoral degree, after one additional year of study. In the facultades of law the undergraduate degree of lawyer (abogado) requires four years of study; the doctorate of laws requires six years; and the doctorate of international law requires seven years.

Data available concerning the retention rate at the higher education level appeared somewhat contradictory in 1972. National
Planning Board figures for the five-year period ending in 1965 show an attrition rate of 44 percent during the first year, 29 percent during the second, 20 percent during the third, 22 percent during the fourth, and 20 percent during the fifth and final year for most courses of study. Some 21.6 percent of the original matriculants completed the fifth year. Calculations based on statistics generated by the Organization of American States, however, indicate a retention rate some 50 percent higher for attendance during the five years concluding in 1958.

A large proportion of the students who complete their course requirements do not receive diplomas. Official statistics for the year 1968 show that of some 3,000 who fulfilled their course-hour obligations only about 53 percent received undergraduate or graduate degrees and were accordingly listed as graduados. The remainder were listed as egresados; they did not sit for final examination or submit theses where required and accordingly did not graduate. Egresado, however, is of itself a professional title that carries with it considerable prestige.

Traditionally, students preferred to engage in the study of law and medicine and—to a lesser degree—in civil engineering. Many graduates in these fields did not practice their professions, but the degrees carried the greatest prestige, and the studies were considered to constitute appropriate backgrounds for business or for public life. During the 1950s and 1960s facultades and higher technical schools were established offering fields of study in specialties of increasing importance to the developing economy; enrollments in these entities increased; and by the late 1960s a shift in study preferences was perceptible.

Between 1962 and 1968 enrollments in the study of agronomy increased from 5 to more than 6 percent of the total, and enrollments in schools of education increased from 8 to nearly 12 percent. During the same period the proportion engaged in the study of law declined from 16 to 12 percent. In 1968 some 64 percent of the graduates of institutions of higher education received their degrees in the traditionally favored fields of law, medicine, and civil engineering. The proportion, however, had declined from an average of 71 percent during the years between 1947 and 1962.

The significance of the apparent shift toward more needed fields of professional specialization should be considered in the context of actual as well as theoretical need. The heavy emigration of doctors, engineers, and professional scientific and technical personnel during the 1960s indicated an insufficient and ineffective demand for them at home (see ch. 3). Salaries offered were much higher abroad, and the greater availability abroad of laboratories, technical libraries, and opportunity for working association with experts in their own fields of competence promised the emigrants
a better chance for professional development. In addition, much of the demand for their services in Ecuador was in rural localities where living conditions offered relatively few attractions. A case in point was represented by the medical profession. So large a proportion of the doctors was concentrated in the major urban centers that, early in 1972, the new government called attention to the possible necessity of drafting new graduates from the facultades of medicine for a year of service in the countryside (see ch. 7).

The Ecuadorian press early in 1972 offered a demonstration of the difficulty entailed in measuring the demand for scarce professional skills. One newspaper carried an editorial deploiring the fact that the country had only one veterinarian per 20,000 head of cattle. Another carried a statement from a group of veterinarians that they were unable to find employment.

University Autonomy and Students

Upon assuming extra-constitutional power in June 1970, President José María Velasco Ibarra closed the Central University and the universities of Guayaquil, Cuenca, and Loja where students had gone into the streets in noisy demonstrations against his government. The doors of these institutions were still shut at the end of the year when the new Law of Higher Education authorized them to reopen with the same professional staffs. Rectors, vice rectors, and certain other high administrative officers, however, were not permitted to resume their posts or to assume professorships. The universities reopened in January 1971.

Applying at once to the public and private universities and to the higher polytechnical schools, the new law reaffirmed the principle of autonomy for these institutions. Under its terms, however, the supreme governing body of the higher educational system, the National Council of Higher Education, was to be composed of a public member designated by the minister of education and four members representing the universities and schools. Under the preexisting 1966 legislation, a corresponding supreme governing body had been made up of the rector and one member of the professorial staff from each of the universities and schools, plus student representatives.

Despite the law's reaffirmation of the principle of autonomy, both professors and students saw the seating of two public members on the governing council and the exclusion of the student membership as an end to autonomy and a de facto incorporation of the universities and schools in the regular educational system under the Ministry of Public Education. Continuing protests by both professors and students culminated in a unanimous decision by the rectors to request that the 1970 law be revoked in favor of
a return to the 1966 legislation, and in mid-1972 the new government was reported studying possible modification of the law, on the basis of alternative texts prepared in the Central University and the University of Guayaquil.

University autonomy, a deeply cherished principle throughout Latin America, has been a point on which the politics of Ecuadorian higher education has often turned. On the one hand, autonomy has enabled the system to play effectively its traditional role in the forefront of the fight against autocracy and for progressive causes in government. On the other, it has with equal effectiveness enabled the facultades to resist change in their traditional curricula, teaching methods, and structure.

Close to half of the total student body is regularly employed full or part time, and many of these require more than the regular number of years to complete their courses of study. The Polytechnical School of Quito does not permit its students to work, but in other institutions the practice is so common that classes are customarily held in the early morning, at noon, and in the late afternoon hours in order to accommodate students and teachers holding jobs. The classrooms are left vacant during much of the day.

A majority of the students are urban dwellers who live at home. Dormitory accommodations are rare, although the government maintains several hundred attractive dormitory rooms for needy students whose homes are elsewhere. During the 1960s students at the state universities and schools came increasingly from middle class and, to some extent, lower class families. Families from the highest socioeconomic levels preferred to have their children educated at the stricter Catholic universities or at institutions abroad. The most frequently chosen institutions were those in the United States, where in 1970 more than 650 Ecuadorian students were enrolled.

Informal student associations tend to be established at the level of the facultad; students identify themselves more readily with it than with the university. Formal association takes place through the Federation of University Students of Ecuador (Federación de Estudiantes Universitarios del Ecuador—FEUE), which has branches in the several universities and polytechnical schools. Either informally or through the FEUE, students tend to react strongly to both academic and national political issues and to engage in demonstrations that are sometimes violent; in these actions, both political and academic administrations have customarily permitted them considerable latitude (see ch. 10). A 1972 request by the FEUE to participate in the often unruly Labor Day (May 1) parades was denied, however, with the curt statement that it was the task of students to study, not to demonstrate.
LITERACY AND ADULT EDUCATION

The literacy rate for persons over the age of fifteen was estimated by the Inter-American Development Bank at 69.7 percent in 1969. Organization of American States calculations based on census material showed literacy to have been 67.5 percent in 1962 and 55.7 percent in 1950. The 1962 data showed the rate for men as 72.1 percent and that for women as 63.1 percent. The rates for urban men and women were 90.2 percent and 87.7 percent, respectively; those for rural men and women were 61.6 percent and 49.3 percent, respectively. Overall, the rate was highest, at 79.8 percent, for the age group between fifteen and nineteen. There followed an unbroken downward progression to 51.1 percent at ages sixty-five and over.

A relatively low rate in the rural Sierra was a reflection less of the absence of schools than of the fact that a large proportion of the population consisted of Quechua-speaking Indians. Most of these people could communicate in Spanish to a limited extent, but Quechua was the language used in their homes, and attainment of literacy in a relatively unfamiliar tongue was a goal far beyond many, regardless of the availability of schools. During the 1960s the incidence of adult illiteracy in rural localities with heavy Indian concentrations was estimated at as high as 50 percent.

In 1962 the Department of Adult Education was established in the Ministry of Public Education, and a decree-law was issued making literacy training compulsory for all illiterates between the ages of fifteen and fifty. In 1968 the Department of Adult Education launched a program combining literacy training and basic education for adults. During the first year it attracted some 50,000 participants in small centers scattered about the country. The program is divided into three levels. The first provides basic literacy instruction; the second, a modified form of primary education; and the third, a civic program to integrate its students into the socioeconomic system of the country.

In addition to providing literacy training for conscripts, military teachers make their services available to the general public in a program coordinated with the Ministry of Public Education. Evening adult education courses are provided in a few academic and technical secondary schools for working youths who have dropped out of the regular system; the municipalities of Quito and Guayaquil offer practical training courses for adults; and modified basic-secondary courses, including vocational courses, are offered to persons between the ages of fifteen and fifty in several Costa localities. In 1972 the Ministry of Public Education was reported studying the possible general use of the public...
secondary facilities for adult education and literacy classes during the evening hours.

In order to provide simple reading material of interest to country people who have completed literacy training and to furnish a practice medium to enable them to avoid slipping back into functional illiteracy, the Ministry of Public Education in 1972 published a collection of articles about rural matters entitled Escuela Para Todos (School for Everyone). The first edition of the book, which was to be an annual, ran to 70,000 copies. Copies of the book were placed in the adult education centers for distribution at nominal cost for use by community and family groups.

THE TEACHING PROFESSION

The number of teaching positions at the primary and secondary levels increased from about 20,000 in 1960 to more than 35,000 in 1970. The shortage that existed in 1960 became more acute, as the 75-percent increase in the size of the teaching corps did not match the more than 80-percent increase in the number of students. At the primary teaching level women outnumbered men by a wide margin, but in secondary schools of all kinds there was a predominance of male teachers.

Teachers must be eighteen years of age, have a good reputation, be in good health, and should be graduates of normal schools. State primary personnel are appointed by provincial directors of education; municipal primary teachers are appointed by mayors or chairmen of municipal councils; and teachers at the secondary level are appointed directly by the Ministry of Public Education. Personnel in the private system must have the same qualifications as public school personnel.

In 1963 about 55 percent of all primary teachers had not completed secondary school, and several hundred others who had received a bachillerato had no preparation in education. According to a report of the Organization of American States, however, nearly 90 percent were titulado (qualified) teachers in 1968. The terms of qualification were not defined, and the qualitative improvement in so short a time seems remarkable. During the period, however, the graduating classes of the normal schools were becoming progressively larger, and teachers without secondary diplomas were enrolled in vacation programs to offset their academic deficiencies. This upgrading has continued; between 1967 and 1972 some 400 teachers in Costa schools, for example, participated in inservice qualification courses conducted by the Leónidas García Experimental Normal School.

According to studies in the early 1960s by the United Nations
Educational, Scientific and Cultural Organization, the normal school facilities were at that time already sufficient to produce an adequate number of teachers. During the 1960s only half the students completed the course, however, and less than half of these entered teaching. In addition, the number of teachers leaving the profession was consistently high.

Many of those who failed to take up teaching found more attractive positions elsewhere. Others reportedly could not find teaching posts, a seeming paradox explained by the fact that reluctance to accept rural assignments was so great that many apparently preferred unemployment to accepting an assignment in the countryside. Urban living conditions were much more attractive; most of the new graduates came from urban backgrounds; and there may have been some stigma attached to teaching in rural schools. Until 1959 personnel for these establishments had been prepared in separate normal schools offering abbreviated courses of study and had been eligible only for rural assignments. Between 1965 and 1968 the number of rural teachers declined by nearly 20 percent, and the rural student-teacher ratio rose from thirty-nine to one to forty-one to one.

Teaching personnel for the academic secondary and normal schools are prepared in four-year courses of the facultades of philosophy, letters, and educational science of the universities. No specific programs exist for secondary technical school teachers, who are expected to have educations the equivalent of the courses in which they instruct. In 1966, however, less than 10 percent of all teaching personnel at the secondary level were rated titulado, and in the technical program the proportion was only a little more than 5 percent.

Between 1960 and 1968 the ratio between the number of students and the total number of teachers increased from about eleven to one to fourteen to one. Because of the large number of part-time personnel, however, the ratios quoted did not reflect the actual class sizes.

Primary school teachers have enjoyed considerable prestige among both urban and rural lower classes. In rural areas, in particular, the teacher, as the best educated person in the community, has been a natural leader often called upon for advice on virtually all matters affecting either the community or its individual members. The teachers have tended to come from lower class origins, however, and their own second-level educations have been insufficient to give them the social acceptance generally accorded professionals.

Teachers at the secondary level have been held in much higher esteem and regarded as socially more closely akin to the university professor than to the primary school teaching personnel. The
highest position has been that occupied by the teacher in the academic program, where status has derived from a predominantly upper or middle class origin and from at least partial education in one of the professions rather than from the teaching position itself. Personnel in normal schools and technical schools have tended to occupy second and third place, respectively, because of correspondingly more modest social backgrounds and academic credentials.

The teaching staffs of the institutions of higher education increased in number from less than 1,100 in 1960 to nearly 2,000 in 1968. In 1968 about one-third of the total were attached to the Central University. More than two-thirds were in the state universities, and most of the remainder were in the private universities.

University professors are selected for four-year terms by the university councils—the highest internal administrative bodies—from lists submitted by the facultades concerned. A similar practice is followed by other postsecondary institutions. The 1970 Law of Higher Education prescribes appointment by merit on the basis of examinations, but there are no specific and uniform standards. Universities tend to give preference to their own graduates, and teaching assignments do not always correspond to academic background; a law graduate, for example, may occasionally be found teaching a course in humanities. In addition, some of the university teaching personnel do not themselves hold university degrees.

There are few foreign professors. Visitors are not given equal voice in the deciding of policy matters, and a need is generally felt to reserve the limited funds allocated to salaries for employment of applicants from the alumni body. The 1970 legislation states that foreign professors may be employed only in special cases.

Members of the professorial staff may be full time, half time, or part time. In practice, few occupy full-time positions. Complete data are not available, but in 1971 the Polytechnical School of Guayaquil was reported to have about one-fourth of its teachers working full time. In 1960 the Central University had fourteen full-time personnel out of a total of 328; the others held up to four outside occupations.

Teaching at the university level is lower paid than the other professions, and a university position is prized for social and political reasons rather than for the modest salary derived. For the most part, professors are professionals who devote a minority of their working time to instruction. Because most of their income is derived from other sources, the outside occupation takes precedence, and absenteeism is commonplace.
CHAPTER 7
LIVING CONDITIONS

Living conditions in Ecuador have been influenced by a variety of divisive elements. Regionalism that evolved as a consequence of poor communication routes has caused the societies of the Sierra and the Costa to develop in relative isolation from one another. Within these regions, individual population centers have also developed with their own distinctive patterns. A pronounced social stratification has been marked by a concentration of income distribution. Largely because the higher class and higher income people live in the cities and towns, urban and rural living conditions differ sharply. The rural Indian people of the Sierra have continued to live virtually outside the mainstream of national life under conditions very different from those experienced by other population elements. All these differences are less apparent in the Costa than in the more traditional and conservative society of the Sierra. Few Indian communities are found in the Costa, and the faster growth of the Costa population coupled with the greater social and physical population mobility in it have led to the development of a somewhat more open society.

Regional and subregional differences affect all the patterns of life, ranging from a variety of local holidays to the various forms of health and welfare institutions. In 1972 the government of President Guillermo Rodríguez Lara centralized in Quito a public health service that had previously been separately administered by provincial boards and other regional authorities. Most of the environmental sanitation program continued to be administered by municipalities, however, and many of the public welfare activities were still carried on through local private organizations. The social security program was expanding rapidly, but its coverage was largely limited to employed persons in the larger urban centers. In general, the system of social services in 1972 was one in which institutions that had evolved out of local need in isolated communities continued to exist as parts of national programs.

Local differences in food preferences are probably a reflection less of regionalism than of readier local availability of certain foods. The use of traditional clothing is limited to its display by Sierra Indians on holiday occasions, and there are few distinctive
regional characteristics of housing other than the use of readily available local materials. In general, the diet is marked by some deficiency both in caloric and protein content; clothing, by an increasing use of factory-made garments or clothes made at home from purchased textiles; and housing, by an acute national shortage that is at its worst in Quito and Guayaquil.

**DIET AND NUTRITION**

In 1972 the most recent data available as estimated by several authorities for the 1963–69 period listed the average daily per capita consumption as varying between 1,830 and 2,210 calories, forty-four and 57.2 grams of protein; and forty and 42.7 grams of fats and oils. These levels were generally below the 2,500 calories, sixty grams of protein, and forty-two grams of fats and oils suggested as a standard for Ecuador by the United States Department of Agriculture.

On the basis of retail availabilities reported by the United States Department of Agriculture, about three-fourths of the caloric value of food marketed during the late 1960s was in the form of carbohydrates—principally cereals, starches, and sugar. The balance was supplied in approximately equal proportions by meats, fish, and eggs; fats and oils; pulses; and other vegetables and fruits.

With the exception of cereals, starches, sugar, and leguminous vegetables, the diet was somewhat deficient. The deficiency was most pronounced among infants and young children; as reported in the late 1960s there was a seriously insufficient intake of calcium and vitamins A, B1, and B2. The quality of nutrition improved with age. An estimated 37 percent of children under the age of five suffered from malnutrition; the proportion declined to 26 percent among those in the first grade, decreased to 10 percent in the second grade, and declined still further in the older age groups.

There are marked regional differences in dietary habits that result in part from traditional regional preferences for certain foods, in part from readier regional availabilities, and in part from a wide swing from region to region in food prices. In 1969 the variations in wholesale prices for basic foods in urban markets ranged up to 180 percent for corn, 460 percent for onions, and 337 percent for coffee.

The heavy carbohydrate content in the diet in the Sierra region consists principally of corn and potatoes; in the Costa it comes largely from wheat and rice, although all four of these staples are consumed in large quantity in both regions. The most frequently eaten green vegetables, onions and cabbages, are probably
preferred less for taste than because they are easily grown. Sweets consumed are principally in the form of cakes of brown sugar.

The annual red meat consumption of twenty-five pounds per capita during 1970 may have been the lowest in South America. The reported average, however, may not have included the considerable amount of guinea pig meat eaten in the countryside. Over half the reported meat consumption is beef, eaten principally in the Costa. In the Sierra cattle are raised less for beef than for milk. Mutton and pork are eaten extensively in the northern parts of the highlands, and in the south goat meat is popular.

The relatively small consumption of fish is confined almost entirely to the Costa, but in Guayaquil seafood is sometimes in short supply in the markets. In the northern part of the Costa, however, nearly all the animal protein content in the diets of lower income people comes from seafood, and most of their meals consist of combinations of fish, rice, bananas, coconut, and kidney beans.

Beef is not aged and, as sold in the markets, it tends to be tough. The price tends to put it beyond the means of most of the population. Other kinds of red meat are less costly, and they are frequently bartered in rural communities. Most farmers keep a few chickens, but prices for them also are high—a good dressed broiler costs as much per pound as prime beef—and fowl and eggs are marketed rather than consumed in the rural home. The relatively low milk consumption represented about 6 percent of all caloric intake during the 1959–61 period. Sales of pasteurized milk—about half of the marketed production—declined by about one-third between 1970 and 1971 and were believed to have suffered a further decline during early 1972 because of a corresponding decline in the availability of raw milk. Pasteurized milk is available in most of the larger urban centers, but butter is seldom available outside Quito and Guayaquil.

For the most part, the country is self-sufficient in food, although about half of the wheat consumption was imported during the late 1960s. Most of the imported grain is converted into flour for use in the Costa; lower quality domestic wheat is grown and consumed in the Sierra. In general, on a per capita basis, however, food production has not kept pace with the population growth. On a statistical basis of 100 for the 1957–59 period, per capita food production declined to ninety-four in the 1964–66 period, and in 1966 it was necessary to import about 10 percent of all food requirements (see ch. 13).

Although there are pronounced regional variations in composition of menus, the diet in general tends to be bland except when aji, the sharp chili pepper or pepper sauce, is served. Salt is
frequently the only condiment, and in Indian communities of the Sierra even salt may be absent, although onion and herbs are often used to add zest to the diet.

Fried foods are important elements in the national diet. In the Costa various forms of fried rice are prepared with lard, onion, and herbs; more frequently encountered in the Sierra is llapingacho, a fried pancake of mashed potato and cheese that may be topped with an egg or half an avocado. Most meals usually consist of a single dish. The dish ranges in consistency from a stew thickened with flour to a soup. It is called—variously—a locro, colada, or sancocho. For protein, on poorer tables, beans or chickpeas serve as a substitute for meat; viscera, heads or feet of animals are also often used.

All socioeconomic classes in both urban and rural localities rise early for a light breakfast of coffee or herb tea and some kind of bread. In the countryside men take a light lunch in the fields and dine about sunset. The inclusion of a siesta break in the working day often enables the urban working man to eat his principal meal of the day at noon; his early supper usually consists of leftovers from the noontime meal. For prosperous families, both the midday and evening meals consist of several courses and do not differ markedly in composition. Dinner, even in Quito and Guayaquil, is served at 7:30 P.M. or 8:00 P.M., much earlier than in most Latin American countries.

Programs concerned with nutrition and food distribution were limited in scope but increasingly active during the late 1960s and early 1970s. Domestic and international public and private organizations maintain fairly extensive free milk and free lunch programs for preschool and primary school children. The National Institute of Nutrition, an entity of the Ministry of Social Welfare and Labor, engages in nutrition studies and surveys and conducts a program for iodized-salt distribution to combat goiter. The School of Diet and Nutrition, established in Riobamba under the Central University of Quito, is one of the few establishments of its kind in Latin America. The Nutrition Rehabilitation Center in Portoviejo has the mission of combating child malnutrition, and its adult education courses in rural educational centers include instruction on diet and nutrition.

DRESS

Customary forms of dress differ between urban and rural localities and by region, climate, socioeconomic status and, to some extent, by ethnic origin. Modern Western garb, however, is worn increasingly by almost all elements of the population.

The wardrobe of the predominantly urban upper and middle
classes varies only in adaption to the climate. Tropical-weight fabrics are standard in the Costa, and somewhat heavier materials are worn in the Sierra, where light coats are sometimes needed in the evening. European styles are preferred by both sexes, and Western fashions are increasingly seen. Dress is an important indicator of status, and in the large cities great emphasis is placed on quality. Muted colors predominate, and styles tend to be conservative; ladies of the Costa wear shorts and slacks only on the beaches. Persons of modest means will accept considerable sacrifice in order to dress in the manner that they feel their social position dictates.

Men of the urban working class wear trousers and shirts of wool or cotton, depending on the climate, and sometimes a suit or a suit jacket. The working-class man seldom has more than two changes of clothes. Female attire consists of a simple frock or skirt and blouse and a good dress for special occasions. The poorest people sometimes use their regular attire for sleeping.

In the smaller urban centers, the dress of working-class people differs little from that worn in the cities, although ponchos and shawls are customarily added in the Costa. Both in small towns and in the countryside mestizo and Negro people have adopted conventional Western dress to an extent greater than has the Indian population.

All children of cities and provincial towns are dressed from an early age in clothing styled very much like that of adults. Girls as well as small boys are outfitted in trousers, usually coveralls or overalls; dresses are worn by girls only for special occasions and after reaching school age. For school attendance, both sexes wear simple uniforms.

Tribal Indians of the Oriente region in the early 1970s could still be seen in loincloths of cotton or bark material, but Indian males of the rural Sierra have generally adopted Western dress for everyday wear. The more conservative women frequently continue to wear long skirts and woolen shawls, although a good Western dress for wear on a trip to Quito or the provincial capital is a highly prized possession.

Some form of headgear is worn regularly by indigenous folk of both sexes. The most common is a wide-brimmed hat of felt or straw, although Indians living at high elevations wear woolen caps with ear flaps. Rope sandals are the most common footwear, but the poorest go barefoot in all weather.

Traditional garb is seen most frequently in the southern part of the Sierra, where in some localities distinctive black costumes are often worn by both sexes. Elsewhere, traditional dress is seen rarely, except during fiestas and on market days. For these occasions, women may wear heavily embroidered blouses, split skirts
fastened by a colorful belt, and a gaily colored shawl secured by a long silver pin. Men generally confine their display of finery to a vividly colored poncho.

Readymade clothing is available, even in the smaller markets, but the well-to-do prefer custom-made garments. Working-class people in the more densely populated rural as well as urban localities wear purchased clothing or garments made at home from purchased textiles. In the more remote countryside, cloth for personal apparel is produced at home on hand looms.

**HOUSING**

In 1971 the housing shortage was estimated at 500,000 units by the Ecuadorian Housing Bank (Banco Ecuatoriano de la Vivienda—BEV). No actual count of the housing had been taken since the 1962 census, when some 74 percent of the 860,000 occupied houses counted were reported to be deficient. According to a 1966 BEV report to the National Congress, some 13 percent of all housing was "complete" or satisfactory, 58 percent was "incomplete" or deficient, and 29 percent was unacceptable.

The 1962 census had defined housing units (viviendas) as all occupied dwellings, fixed or movable, that had been converted or could be converted into permanent or temporary housing. A little less than half of all housing units were defined as casas (houses) or villas (houses with gardens). Casas and villas were built of concrete, stone, brick, frame, or other permanent materials. Nearly all the other housing was made of adobe, adobe brick, reed or cane, or wattle and daub. Cane or reed was most frequently used in the Costa. Most of these simpler dwellings had dirt floors or floors of cane or reed; this was the case in the rainy Costa, where the units were often constructed on stilts to avoid flooding. Thatch was the most used roofing material, although many units in the rural Sierra and most of the solid rows of two-story adobe houses lining the main streets of provincial towns had tile roofs. Metal roofs, popular in most of Latin America, were rarely encountered.

In 1962 the average size of the household was about five persons, both in urban and in rural localities. The census takers defined crowding of housing units as occurring when more than three persons occupied a single room, when more than five occupied two rooms, when more than eight occupied three rooms, and when ten or more occupied four or more rooms. Utility rooms, such as kitchens, corridors, and porches, were not included. On the basis of this definition, a little more than 40 percent of the units were crowded in both urban and rural localities. The average density of occupancy was 2.5 per room, three-fourths of all units had one
or two rooms, and fewer than one-tenth had more than four rooms.

In 1962 some 63 percent of the households were owner occupied, 23 percent were rented, and 14 percent were occupied under other forms of tenancy. Some 32 percent had electric light, including 78.5 percent in urban and 8.5 percent in rural localities. Residential electricity consumption increased by an average of 12 percent annually between 1964 and 1969, and in 1970 there were lighting connections in 38 percent of the houses.

Guayaquil, flat and well designed with wide boulevards and spacious parks, has been ravaged by fires, termite infestations, and earthquakes. The newer housing is of fire- and earthquake-resistant design, constructed under a strict code. Most of the modern apartment buildings are in this city, but a majority of the houses are of impermanent materials, a large proportion of them built by the flood of migrants from the countryside (see ch. 3). Many of the poorer houses are built in swampy localities on the outskirts of the city. An attempt to drain these areas was commenced in 1968, but it was shortly abandoned in favor of a landfill program. This landfill program was only partially completed in 1972, when the municipal government published a map showing a perimeter beyond which it stated that landfill and public services would not be provided. The announcement was at once protested by several thousand families already living outside the perimeter.

Unlike Guayaquil, Quito is a leisurely metropolis of winding streets that reflect its past. Colonial homes of volcanic stone are numerous in the inner part of the city, particularly in La Ronda—a section having narrow thoroughfares and whitewashed houses with doors and windows protected by massive grills. The newer buildings of the city are of modern design and are constructed of earthquake-resistant materials. A majority of the working-class family dwellings that line the streets are of simple adobe construction with tiled roofs. Quito also has squalid suburban slums. Some of the slum units are shacks made of scrap materials; in other instances, dilapidated houses with ten rooms may house as many families. Their occupants are working-class people, many of them new arrivals from the countryside, who are usually slum-dwellers—less because of poverty than because of the severity of the housing shortage.

Although suburban slums are less common in the provincial cities and towns, they can be found in some of the faster growing urban centers of the Costa. The housing in suburban slums, however, is less unsatisfactory than that of the Indian villages of the rural Sierra. The typical unit in this region consists of a single room and a dirt floor, mud walls, and a thatch roof. There are no windows, and the walls are coated with soot from cooking and
heating fires. The home serves as a storage place for produce, and during the rainy season domestic animals are sheltered inside.

The government played a limited but increasingly important role in housing construction during the 1960s and early 1970s. It was assisted by a credit of US$10.6 million from the Inter-American Development Bank. Scattered data available on construction during the 1960s and early 1970s indicate that the BEV played a somewhat less active role in the low-cost housing program than the Ecuadorian Social Security Institute (Instituto Ecuatoriano de Seguro Social—IESS), which has contributed to the BEV a large part of its original capital and which had participated in the construction of a considerable number of houses for its members. Public housing scheduled for installation during the 1970–73 period included 56 percent to be built by the IESS, 36 percent by the BEV and most of the remainder by savings and loan associations. In mid-1972 some 11,000 units were reported to be either under construction or planned by the IESS; and 4,000, by the BEV.

The tempo of public-housing construction appeared to be accelerating somewhat during the early 1970s, but the program was under sharp criticism by the press. The newspapers pointed out the illogic of the situation in which the social security program rather than the national housing agency was building most of the houses, scolded the BEV for poor management, and called attention to the fact that attractive concrete single and multi-family units being built in Quito and Guayaquil, both by the IESS and the BEV, were middle-class dwellings costing far more than needy families could afford.

HEALTH

Administration and Finance

The public health program as established in 1928 operated from headquarters in Guayaquil rather than Quito because of the severity of the health problems then existing in the port city and in the Costa in general. The program functioned nominally under what was then the Ministry of Social Welfare but was actually decentralized among a variety of agencies, the most important of which were social assistance boards (juntas de asistencia social) that operated autonomously in each province under their own budget allocations.

A separate Ministry of Public Health was created in 1967, but the provincial boards and other decentralized agencies continued to carry on the bulk of the public health work until early 1972. The new government then decreed the transfer of the National Directorate of Health from Guayaquil to Quito and the dissolution of the social assistance boards, whose functions were to come
directly under the ministry. The most important of the other entities to be terminated under the centralization of health functions was the Welfare Board of Guayaquil (Junta de Beneficiencia de Guayaquil), a state-financed but privately structured entity that had been responsible for most of the public health and welfare functions in Guayas Province.

Under the Ministry of Public Health the revised program was to be administered locally in four regions, with headquarters in Quito, Guayaquil, Cuenca, and Portoviejo. A medical program for participants in the social security program was to continue to operate independently, with its own staff of medical personnel, major hospitals in Quito and Guayaquil, and dispensaries in the larger provincial towns.

Health Hazards and Preventive Medicine

The National Planning Board stated that reporting on the causes of illness and death was deficient, particularly for the rural parts of the country. In the late 1960s, for example, less than half of the reported deaths were medically certified, and the causes were accordingly in some doubt.

During the 1960s the principal reported causes of death were the respiratory ailments that were particularly prevalent in the Sierra. They were closely followed by infectious and parasitic diseases and diseases of the digestive tract. Communicable diseases, except among young children, were less significant causes of mortality.

The reported causes of death differ sharply between urban and rural localities. In 1970 nearly three-fourths of the deaths resulting from cardiovascular diseases and nearly two-thirds of those resulting from cancers occurred in cities and towns. In contrast, in the countryside respiratory ailments, anemias, parasitic diseases, whooping cough, and measles caused three-fourths or more of the fatalities. The higher reported rate of urban mortality resulting from heart ailments and malignancies suggested a failure to diagnose and report many rural deaths resulting from these causes. The ailments reported to have resulted in relatively higher rates of death in rural localities were for the most part those that need not necessarily have been fatal and may have resulted from lack of medical care or ignorance of proper preventive or curative measures.

Mortality was remarkably high among infants and young children, particularly in the Sierra. Although infant mortality declined from about 100 per 1,000 live births in 1960 to eighty-six in 1968, it remained among the highest in Latin America. A high incidence of malnutrition among infants and young children led to a low level of resistance to the diseases of infancy and early
childhood. In general, mortality was high at all ages up to five years, but about one-third of all infant deaths occurred in the first month of life, at least in part because less than 20 percent of the births were medically attended. Most of the births took place without assistance or with the aid of untrained midwives.

The several national campaigns aimed at eradicating or controlling the most serious health hazards are based on tripartite conventions signed by the government of Ecuador with the United Nations Children's Fund (UNICEF) and the World Health Organization (WHO), and assistance has been received from several other foreign sources. The 1970 budget allocations for preventive inoculations provided for 1,270,000 against polio; 555,000 against smallpox; 95,000 against diphtheria, whooping cough, and typhoid (DPT); and smaller numbers against typhus and rabies. Ecuador manufactures its own supplies of DPT and rabies vaccines.

Among the country's most notable medical achievements has been eradication of the jungle yellow fever that was formerly a scourge in the Costa. A campaign inaugurated in 1946 directed at eradication of the mosquito vector of the disease was declared completed in 1967. Corresponding success had attended a campaign against smallpox that was in progress between 1958 and 1964. During that period some 85 percent of the total population received vaccinations, and between 1964 and 1969 no new cases were reported. In the early 1970s, however, a preventive vaccination program was being continued.

The most extensive and active of the campaigns in progress during the early 1970s was conducted by the Ecuadorian Anti-tuberculosis League (Liga Ecuatoriana Antituberculosa—LEA), an autonomous public agency founded in 1940 in Guayaquil. Previously decentralized with provincial units operating under loose direction of a Guayaquil national headquarters, it was among the entities scheduled for centralization under the Ministry of Public Health in 1972. The LEA maintains a network of sanitariums, several of which were closed during the late 1960s and early 1970s as the program moved toward consolidation and improvement of services coupled with increased emphasis on outpatient care.

Another important preventive campaign is led by the National Service for Eradication of Malaria (Servicio Nacional de Eradicación de Malaria—SNEM). Inaugurated in 1948 to combat the disease in the malarial portions of the country, in which well over half of the population resided, by 1969 it was in the consolidation stage in most of the originally malarial areas and in the attack stage in the remainder. This WHO terminology could be translated roughly as meaning that nowhere had the disease been eliminated, but that in most of the areas a campaign against it was
reducing incidence of the disease, and in all other originally malarial areas a campaign was in progress.

The campaign against polio consisted principally of inoculations of young children. The number of new cases reported was irregularly upward from 217 in 1965 to 503 cases in 1969, but the Pan American Health Organization (PAHO) reported that conditions for diagnosis, including virus typing, were satisfactory according to its standards. In 1969 more than 90 percent of the new cases reported were in children under the age of four.

About 85 percent of the 1,585 cases of leprosy on the active register during 1969 were ambulatory, and increased stress was being placed on prevention through surveillance of patients and contacts and on reduction of disability from the disease. From 1965 through 1969 some 1,600 cases of bubonic plague were reported, a majority occurring in the Sierra. Deratting of houses by fumigation was the principal preventive mechanism used. An antivenereal program was active, principally in Quito and Guayaquil where most of the clinics were located. Measures included serological examinations, treatment of active cases, prophylactic treatments, and investigation of contacts.

Medical Personnel and Facilities

Medical doctors were trained in seven-year courses of study at five of the universities, and three universities offered five-year courses in dentistry. Graduate nurses were trained in three-year courses, and nursing auxiliaries, in courses of six months at three universities. During the mid-1960s the proportions of physicians and graduate nurses in relation to the population as a whole registered a slight increase. There was a slight decline in the proportion of dentists and a moderate relative increase in the supply of nursing auxiliaries (see table 4).

A majority of the medical personnel were in the large cities; in 1970 the Inter-American Development Bank estimated that some 60 percent of the total were located in Quito and Guayaquil, where less than 25 percent of the population lived. In 1969 a newspaper estimated that medical care for the entire rural population of nearly 4 million was provided by some 3 percent of the total number of physicians.

The social and intellectual prestige attached to the practice of medicine attracts many students to the medical schools of the universities, but a large proportion of the graduated physicians during the 1960s emigrated to the United States and other countries, encouraged by higher salaries and more attractive working conditions (see ch. 7). This movement, coupled with the shortage of medical personnel in the countryside, gave rise to recommendations during the late 1960s and early 1970s that newly graduated
Table 4. Ecuador, Number of Physicians, Dentists, Graduate Nurses, and Nursing Auxiliaries, Selected Years, 1964-69

<table>
<thead>
<tr>
<th></th>
<th>1964</th>
<th>1967</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physicians:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number</td>
<td>1,620</td>
<td>1,991</td>
</tr>
<tr>
<td>Ratio per 1,000 population</td>
<td>3.5</td>
<td>3.6</td>
</tr>
<tr>
<td>Dentists:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number</td>
<td>529</td>
<td>573</td>
</tr>
<tr>
<td>Ratio per 1,000 population</td>
<td>1.2</td>
<td>1.0</td>
</tr>
<tr>
<td>Nurses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate Nurses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number</td>
<td>364</td>
<td>511</td>
</tr>
<tr>
<td>Ratio per 1,000 population</td>
<td>0.7</td>
<td>0.9</td>
</tr>
<tr>
<td>Nursing Auxiliaries:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number</td>
<td>1,849</td>
<td>2,429</td>
</tr>
<tr>
<td>Ratio per 1,000 population</td>
<td>3.6</td>
<td>5.0</td>
</tr>
</tbody>
</table>


Doctors be conscripted for a year of rural public health service in order that the country might recover at least a portion of its investment in their educations.

In 1968 about 7 percent of the country's dentists practiced in rural localities. In the more remote parts of the rural Sierra and Oriente regions, dental attention is largely confined to extractions performed by mobile public health units.

Nursing does not carry with it the social prestige accorded to medicine and dentistry. In 1972, however, the Ministry of Public Health was giving increased attention to nurse training and to service courses being offered in such fields as epidemiology, nutrition, and medical administration. Graduate nurses were outnumbered by physicians by a proportion of about four to one, and most were claimed by the larger urban hospitals. The more than 300 nursing auxiliaries expected to graduate in 1972 would be the largest number produced in a single year, and a new nursing category called *promotora de salud* (health promoter) was established. The first eighteen graduates from a four-month course were young women from rural localities who were to be assigned to medical subcenters in the rural areas in which they lived.

In 1968 there were some 177 medical units with inpatient facilities totaling 12,507 beds (see table 5). The 2.2 beds available per 1,000 of the population represented a slight decline from 2.4 per 1,000 recorded both for 1960 and 1964. In 1966 more than 60 percent of the hospital units and 90 percent of the beds were in pub-
lic units, including those of the social security program. Most of the units were small, and more than sixty with a total of about 800 beds were in health centers that did not have doctors attached to them on a full-time basis.

A large majority of the hospitals in operation during the late 1960s had been constructed in the nineteenth century, and few had been modernized or reequipped in twenty years. A project beginning in 1970 called for renovation of facilities for 3,000 beds, however, and in 1972 the Ministry of Public Health announced that twenty-four small rural hospitals were under construction in the Costa and Sierra regions with private financial and technical assistance. Under the Rural Medical Program, which had been initiated during the late 1960s, a total of some 300 of these units were to be built during the 1970s.

Table 5. Ecuador, Number of Hospitals and Beds, by Class of Hospital, 1964 and 1968

<table>
<thead>
<tr>
<th>Hospitals:</th>
<th>1964</th>
<th>1968</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>143</td>
<td>160</td>
</tr>
<tr>
<td>Other</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>161</strong></td>
<td><strong>177</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Beds:</th>
<th>1964</th>
<th>1968</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>8,368(^1)</td>
<td>9,454(^2)</td>
</tr>
<tr>
<td>Mental</td>
<td>1,072</td>
<td>1,446</td>
</tr>
<tr>
<td>Tuberculosis</td>
<td>1,507</td>
<td>1,349</td>
</tr>
<tr>
<td>Other</td>
<td>252</td>
<td>258</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>11,199</strong></td>
<td><strong>12,507</strong></td>
</tr>
</tbody>
</table>

\(^1\)Includes 590 maternity and 605 pediatric.
\(^2\)Includes 512 maternity and 671 pediatric.


In 1968 there were nearly 500 facilities in the country reported to offer some kind of medical service, outpatient or inpatient, and in 1972 the Ministry of Public Health placed in service medical and dental mobile units in the suburbs of Guayaquil and in Cuenca, Quevedo, and Babahoyo. At the same time, the air force and public health authorities were cooperating in the inauguration of an airborne mobile and dental emergency service in the Oriente region.

In general, the availability of medical facilities of some sort is
much more widely distributed than the availability of medical personnel. With the exception of the attention provided by a few medical missionaries, nearly all of the health service available in the countryside is provided by public health personnel whose pay scales do not compare with those for civil servants in other categories. In addition, most of the medical personnel of all kinds were city-bred people who felt some reluctance to take up a practice in the relatively primitive countryside.

Health Attitudes and Practices

Attitudes and practices regarding health and the treatment of illness vary considerably among socioeconomic groups and to a smaller extent by regions. Upper and middle class people are accustomed to seeking medical help when it is needed; when hospitalization is required, they patronize the small private clinics, which are expensive by local standards, rather than seeking assistance in the crowded public facilities.

The lower middle class and the working class rely to a much greater extent on home treatment. Proprietors of pharmacies, where a wide range of medicines can be obtained without prescription, serve as consultants and commonly give a variety of injections. In a survey of consumption expenditures by lower income groups in towns in most of the Sierra provinces, an expenditure of 5 percent or more of expendable income on pharmaceuticals contrasted with an absence of expenditures for medical care.

In rural areas there is also considerable reliance on home remedies that involve folk beliefs, particularly among the highland Indians, who have some vague concepts of the natural causes of diseases but whose attitudes and practices represent a world view in which much illness is attributed to supernatural causes. There are, however, often practical elements in the treatment prescribed. Ailments ascribed to supernatural causes are often real enough in substance, and patent medicines or herbal remedies with real curative values may be used to treat a disease believed to have been caused by witchcraft.

Sierra Indians usually will accept recourse to medical care only when the ailment is physically apparent, as in the case of broken bones. A general distrust of medical facilities on the part of lower income people is coupled with the prospect of long waits at crowded facilities in urban localities. Rural facilities are less crowded, but for many country people a visit to the nearest installation involves a long and difficult journey.

Environmental Sanitation

During the 1960s and early 1970s the country's water and sewerage systems underwent a very substantial expansion, but
service was virtually confined to urban localities, and the scattered statistics available differed sharply with respect to the extent of the services supplied. In mid-1972 the minister of public health was reported to have called attention to the contrast between the service supplying drinking water (agua potable) to 65 percent of the population and the sewerage service that reached only 5 percent. According to 1969 estimates by the Organization of American States, some 40 percent of the population lived in housing with installed or easy-access piped water (agua por tubería), and 22 percent had sewerage service. The National Development Board, however, had estimated that in 1968 less than 23 percent of the population had drinking water service and projected that 36 percent would be served by 1973. It had also estimated that sewerage systems served 21 percent of the population in 1968 and would serve 30 percent by 1973.

Traditionally, water and sewerage services were responsibilities of the municipal governments. Municipal funds were limited, however, and the rates chargeable under the law were hardly sufficient to cover the costs of operation and maintenance, much less to fund the cost of expanding service and amortizing debts already incurred.

In 1965 the Ecuadorian Institute of Sanitary Works (Instituto Ecuatoriano de Obras Sanitarias—IEOS) was established as an autonomous agency under the Ministry of Public Health to plan and supervise the execution of sanitation programs, but most of the actual construction and operation remained at the municipal level. In 1972 the municipalities of Quito and Guayaquil, as well as those of other major urban centers, maintained their own water and sewerage systems, but programs in smaller localities and in rural areas were carried on directly by the IEOS. As of May 1972 the Inter-American Development Bank had extended loans totaling US$28 million for water and sewerage development projects programmed to cost almost US$45 million.

In the late 1960s and early 1970s the bulk of the development program was centered in Quito and Guayaquil. In the capital city the water supply was of good quality, after passing through the purification installations, but leaking and corrosion of pipes led to occasional contamination, particularly when water pressure was low during the dry season. In Guayaquil the expansion of water service was intermittently unable to keep up with population growth, and in early 1972 the municipal government was forced to distribute drinking water by tank truck to some parts of the city; it was announced, however, that service to all areas would be available before the end of the year.

Water and sewerage services in the provincial cities were limited in extent, and the purity of the water varied considerably;
in Riobamba and Cuenca the purity was reported to be particularly high. In small towns and in the countryside, environmental sanitation work consisted principally of well digging, but in 1972 the IEOS was studying the feasibility of extending its limited rural sanitation program by using inexpensive plastic pipes to bring water by gravity from mountainside sources to areas of high population concentration in the basins of the Sierra.

Municipal authorities in the principal urban centers provide generally satisfactory garbage and trash collection, particularly in Quito where collection takes place six days a week; but sanitary services of all kinds are virtually lacking in the crowded suburban slum areas of Quito and Guayaquil. In provincial towns without regular collections, voluntary cleanup parties are sometimes organized by municipal authorities and civic organizations. The level of environmental sanitation is lowest in the Indian villages, although there is a regular government program for spraying and fumigation of houses and wearing apparel in an effort to rid them of disease-bearing rats and insects. The indigenous population has little knowledge of sanitary practices and some resistance to acceptance of them. In the early 1970s, however, the adult education courses offered in rural areas included some training in environmental sanitation.

**WELFARE**

The public welfare instrument is the Ecuadorian Social Security Institute (Instituto Ecuatoriano de Seguro Social—IESS), an entity of the Ministry of Social Welfare and Labor. Membership in the program increased from 177,000 in 1962 to 290,000 in 1969. The average annual rate of increase during this period, ranging from 5 to 10 percent of the total, was comfortably in excess of the rate of growth of the labor force. In 1969 the membership was made up of about 14 percent of the working population, including the civil service and most of the personnel in the larger urban industrial and commercial enterprises. In general, a high proportion of the members were white-collar workers. Maternity, medical, work-accident, and unemployment benefits and old-age and disability pensions were available only to working members. Since survivor benefits were available to widows and minor children, however, the program in 1969 provided coverage for about 14 percent of the total population.

The social security program originated in 1928 as a pension fund for state, municipal, and banking workers. A second fund was established in 1937 for private wage earners and salaried employees. Ecuador never proceeded as far as many Latin American countries in establishing multiple welfare plans, however, and
in 1940 the National Provident Institute was founded to provide coordination between the two existing plans.

In 1963 the two existing plans were merged, and in 1964 workmen's compensation insurance—previously the responsibility of employers—was incorporated in the consolidated plan. The same rules were applied to wage earners and salaried employees in the private and public employment sectors and to certain categories of the self-employed. The National Provident Institute remained in existence as administrator of the program, and the National Insurance Fund was made responsible for management of its funds. The Medical Department was made responsible for administration of the medical program.

The system was criticized by the labor unions for top-heavy administration and poor fund management, and in 1970 it was reorganized as the autonomous IESS. In January 1972 a new social security code was decreed, but later in the year the new government of President Rodríguez Lara suspended the new code and decreed that the IESS would operate as an entity of the Ministry of Social Welfare and Labor under the legislation that had been in effect before its establishment in 1970.

The ministry announced that no general overhaul of the IESS was intended and that the measures taken were to permit better control of funds. Its principal problem was one not of insufficient income but of insufficient readily available funds. The program's income during the 1960s had consistently been far higher than its expenditures; in 1969 an income of more than 1.8 million sucre (for value of sucre—see Glossary) compared with expenditure of about 970 million sucre, including 701 million sucre distributed in benefits, was reported. The social security program had provided a large part of the capital for the BEV and had engaged in an extensive public housing program on behalf of its membership, however. In 1972 the IESS held a substantial portfolio of government bonds, and it was the largest single creditor of the central government (see ch. 12). Payments of benefits to its members were reported in arrears, particularly to survivors, and there was a shortage of funds for its medical program.

In 1971 the contributions to the social security fund required of employers amounted to 9.5 percent of the worker's or employee's basic earnings between a minimum of 420 sucre and a maximum of 9,000 sucre per month. The worker's or employee's contribution was 8 percent between the same earning limits. The government was to submit the employer's contribution on behalf of public personnel.

In order to qualify for medical or maternity assistance or for burial benefits, a minimum of six monthly covered periods of employment was required. A minimum of sixty monthly periods was
required for disability or survivor pensions. Regular old-age pensions (about 75 percent of the highest regular earnings) were payable at the age of sixty-five after 360 monthly periods or at the age of sixty after 300 monthly periods. Personnel were eligible for reduced pensions after completion of fewer covered periods of employment. A maximum of 100 percent of earnings up to a total of 9,000 sucres monthly was payable after 480 months of covered service.

A major criticism of the program conducted by the IESS and its predecessor organizations has been that its growth in coverage had been vertical rather than horizontal. Coverage has been extended to a greater proportion of personnel in particular occupations, and they have been provided with a wider range of benefits. Little, however, has been done to extend coverage to other occupational fields where most of the low-income workers were employed. In particular, most artisans and farmworkers have not participated, although provision has been made for incorporation of artisans under the IESS program. Coverage of farmworkers was included in principle under the 1963 legislation establishing the National Insurance Fund, which was later to be absorbed by the IESS. Their actual incorporation has been limited to pilot projects in a few localities, however, and an editorial appearing in the Ecuadorian press early in 1972 urged that study be given to determining ways of bringing IESS coverage to the agricultural employment sector.

In addition to the program of the IESS, welfare activities of the Ministry of Social Welfare and Labor are concerned principally with child, maternal, and family assistance and care for the aged. Although it maintains some institutions, such as orphanages and child rehabilitation centers, most of its mission is accomplished through private religious and lay organizations whose work it coordinates and to which it contributes funds. A majority of the country's approximately 500 social workers are engaged in these activities.

The most extensive of the private welfare systems that operate with government financial support is the Ecuadorian Red Cross, which was founded in Guayaquil in 1910 and maintains a national headquarters in Quito and local organizations in each of the provinces. It provides health-related facilities, such as blood banks, ambulances, and a first-aid service. It also provides such services as disaster relief, child care, and supplementary food programs for children.

In addition to administering a large part of the public health program in Guayas Province, the Welfare Board of Guayaquil provides considerable welfare assistance, including institutional care for the aged and poor. Early in 1972, however, the organiza-
tion's public health functions were to be transferred to the Ministry of Public Health, and its survival was in doubt. Civic clubs, such as the Rotary, Kiwanis, and Lions, and groups of upper and middle class women often conduct drives to raise funds for welfare causes. The most prestigious of these women's groups is the National Children's Trust (Patronato Nacional del Niño), presided over by the wife of the president of the country. Nutritional and other programs for the poor are conducted or assisted by the Cooperative for American Relief Everywhere (CARE) and by Caritas, an international Catholic welfare organization.

The traditional patronal relationship in which the peasant looked toward the estate owner for welfare aid has gradually eroded with the passage of time and with the conversion of many estates into commercial operations directed impersonally by business concerns and government agencies. The Agricultural Reform Act of 1964, supplemented by later land reform legislation, distributed small farms to tenant farmers (see ch. 13). It inadvertently had the effect of depriving the new landholders of a personal relationship with the estate management and of precipitating the Sierra Indians into the new and unfamiliar impersonality of a cash economy.

This erosion of access to a traditional source of welfare assistance was partially offset by an increasing awareness of the authorities in Quito of the need to do more about the socioeconomic status of the rural indigenous population. During the early 1970s the extension of public health and education projects to rural localities included introduction of programs with welfare significance, such as instruction in health practices, distribution of supplementary foods, and training in vocations.

In addition, country people continued to help one another through the traditional system of minga, the practice in which people in farm villages participated in work parties to help a neighbor construct a home or the community helped to build a road or irrigation ditch of general benefit. Moreover, rural people far more than urban people continued to honor the traditional ties of blood in which assistance was lent to members of the extended family who were in need or distress.

PATTERNS OF LIVING AND LEISURE

Holidays and Business Hours

Sunday is a day of rest. Saturdays are customarily regarded as half-holidays, although most stores remain open. During the year about twelve civil holidays are observed in most localities. Because some holidays are legally recognized as such but seldom observed
and others are local in origin but general in observance, the number varies according to locality.

Among the most generally recognized fixed holidays are New Year's Day (January 1), Labor Day (May 1), Battle of Pichincha (May 24), National Independence (August 10), Columbus Day (October 12), All Souls' Day (November 2), and Christmas (December 25). Bolivar's Birthday (July 24) is legally recognized but rarely celebrated. Local holidays—widely observed elsewhere include Guayaquil Independence (October 9) and the Founding of Quito (December 6). Independence of Cuenca (November 3) is observed in some other localities.

Carnival is celebrated in most of the larger urban centers during the days immediately preceding Ash Wednesday, and work slows during Holy Week—particularly on Good Friday. A variety of saints' days, other religious or semireligious holidays, and certain secular days of observance are celebrated locally. The Day of the Innocents (December 28) is of particular importance in Quito and Guayaquil, and Las Mercedes (September 24) is an important occasion in various towns of the Sierra.

Religious holidays are more frequently observed in the tradition-oriented Sierra than in the more worldly Costa. They are occasions for parades and recreational events as well as for masses and pilgrimages. Local secular holidays are marked by parades, feasts, dances, and a variety of displays. In both, the tempo of business slows considerably when it does not altogether stop. In mid-1972 the new government had announced that the large number of holidays and near-holidays was prejudicial to economic development and that reduction of the number of these days was under study.

Stores and business houses open at 8:00 A.M. or 8:30 A.M. and close at 6:00 P.M. or 6:30 P.M. Businesses and many stores, however, close for a midday siesta period of two or 2½ hours. In provincial towns and in the countryside, hours are much more flexible. Farmers depart for work in the fields at dawn; town and village markets commence business at dawn or shortly thereafter and close when the supply of wares is exhausted.

Consumption Patterns

Patterns of consumption differ by region, between urban and rural populations, and by level of income to an extent that precludes generalization. According to a survey reported by the University of Guayaquil, wage and salary earners in the port city during 1967 spent about 50 percent of their disposable incomes on food, 23 percent on housing, 9 percent on clothing, and 16 percent on other items. The relative moderation in the outlay for clothing may have been a reflection of legislation requiring em-
ployers to furnish a free outfit of working garments annually to each participant in the social security program. A sharply different pattern was shown by surveys of low-income families in seven provinces of the Sierra reported by the Central University in 1966. These families devoted from 70 percent to more than 90 percent of their household budgets to food items.

Real incomes of urban wage and salary earners moved upward during the 1960s. On the statistical basis of 100 for the year 1965 in Quito and Guayaquil, income averages moved upward from eighty-five in 1960 to 111.4 in 1968. Real wages for manual workers moved upward throughout the period but white-collar salaries turned slightly downward in real terms after 1964.

The movement of consumer-item costs during the 1960s and early 1970s showed the greatest increase in foods. On the statistical basis of 100 for the year 1965, the general consumer price index for 1970 in Quito stood at 120; for food items it stood at slightly over 130. Between 1967 and 1972 in Guayaquil the index rose from 100 to 134 in all items and from 100 to 140 in foods.

In mid-1972 price controls were in effect on many consumption items. Broad controls over food prices, which had been introduced during World War II and maintained over a limited number of items during the postwar years, were extended substantially in March 1972, and strong penalties for violations were imposed. At the same time, controls over pharmaceuticals and some other consumer goods were introduced, and a freeze of urban rentals that had been set in 1970 was continued for a period of four years.

The limited data available concerning consumption patterns and the movement of wages and prices generally reflect conditions in Quito and Guayaquil. They are less valid indicators for the provincial cities and towns and still less valid for the rural localities. Farm people who live in areas close to urban market areas are to some extent affected by urban consumption patterns. These farmers tend to specialize in the production of one or of a few agricultural products. These are marketed, and the proceeds are used for the purchase of other foods, readymade clothing or textiles for garment making in the home, and various household items.

The consumption patterns of families living on subsistence farms in isolated areas are entirely different. The few purchased or bartered foods may consist of essentials, such as salt, sugar, and coffee. Accessories, such as hats, footwear, and wool for home weaving, may be the only clothing expenditures; and a few materials used in lighting, heating, and cleaning are frequently the only housing costs.

Rural people, subsistence farmers in the remote hinterlands, as well as relatively prosperous farmers living in more accessible
localities, probably devote a far larger part of their incomes to recreation than do urban people of corresponding income level. Largely self-sufficient in the production of food, clothing, and housing, they spend relatively large sums on recreational bus trips to the nearest town, on fiesta activities, and on religious observations that have considerable recreational value for them.

The proportion of income that is spent on luxuries does not necessarily vary with the amount of money earned. For the poorest rural family, the occasional piece of meat in the stewpot is a real luxury. For white-collar urban workers, relatively heavy expenditures for clothing consistent with their aspiration to middle-class status may be regarded as a necessity. It is among the members of this emerging middle class that the most conspicuous gap between the desired and the actual spending capacity occurs. They must often hold more than one job in order to support their family and indulge in the consumption that they regard as necessary. Tensions exist in this population sector, which is fairly well educated, dissatisfied, and prone to participate in political movements seeking radical social change.

Only a small proportion of the population has an income sufficient to permit much accumulation of wealth, and the concept of saving is not very highly valued. Among rural people, saved money is devoted to the purchase of land or of the domestic animals that are the most common store of wealth. When a bad harvest causes a farmer to fall into debt, one or more of his animals are sold.

For the working-class urban population, some saving is accomplished through participation in the cooperative movement. It was estimated in mid-1972 that about 60,000 families belonged to savings and loan associations and credit and housing cooperatives. In the face of an acute housing shortage, urban working people are anxious to save in order to purchase a home, but the housing constructed in the early 1970s was beyond the reach of most urban dwellers. The BEV in 1972 estimated that 65 percent of the country's population had incomes of no more than 4,000 sucres annually. These people could in theory put aside 85 sucres monthly toward a house purchase, but in practice half of these could save no more than 50 sucres, and one-fourth could save nothing.

Recreation

For most of the population the necessity of working long hours limits the amount of time and energy that can be devoted to recreation. Little information is available concerning the number of hours actually worked, but in 1968 the average workweek was reported at fifty hours in manufacturing and fifty-two hours in the mining and petroleum industries. Middle-class wages tend to be
low, and many office and professional workers must hold a second job in order to support their families. In the countryside, during peak seasons of employment, hard manual labor commences at dawn and continues until nightfall. As a consequence, in both town and country for much of the population Sunday is the only day for recreation as well as the only day of rest.

Sports are enormously popular. Most of the games are played on Sunday afternoons, and much or most of the population gathers at events in city stadiums or in village squares to watch or participate in some contest. The athletic program is highly organized. Under the National Sports Federation, there are subordinate federations in each province and nearly 100 sports leagues at the canton level. These organizations, privately structured with government support, set rules and standards and fix schedules for regional, national, and international contests.

As in most Latin American countries, soccer is the national sport. Professional teams engage in international competition, amateur teams representing the provincial towns play regular schedules, and informal games are Sunday afternoon features in farm villages. Basketball is probably second in popularity and is played extensively by both men and women. The feature of the basketball year is a schedule of games among teams representing the various provinces.

Volleyball is also popular in country as well as in town, and bowling, pool and billiards, and table tennis have many adherents. An Ecuadorian girl was the 1972 table tennis champion of South America. For the well-to-do there are golf courses and tennis courts in the urban centers. The town of Bahía de Caráquez, although having a population of about 10,000, has its own tennis club, and the name of Ecuadorian Davis Cup and professional star Pancho González is renowned throughout the tennis world. Boating, in sail and motor craft, as well as some of the world's best game fishing are available off the Santa Elena Peninsula, adjacent to Guayaquil. The snow-covered slopes of the Sierra are too abrupt and too deeply scored by crevasses to permit skiing, but the steep sides of Cotopaxi and Pichincha are regularly challenged by mountain climbers from Quito.

Glove ball (pelota de guante) is a game unique to Ecuador. Played by teams wearing gloves attached to disk-shaped wooden paddles to propel a heavy ball of hard rubber, the game attracts large Sunday afternoon crowds to the Majía stadium in Quito. Horseracing is available at tracks in Quito and Guayaquil, and some Quito streets are periodically cleared for stock car racing. The more violent of the spectator sports also attract large crowds. The twice-yearly bullfight schedules feature internationally known performers on their Latin American tours, and cockfights are well
attended at village pits as well as in a modern arena in Guayaquil. Both professional and amateur boxing contests are regularly scheduled in cities and towns.

Tickets to the country's only regular lottery, a welfare undertaking sponsored by the municipality of Guayaquil, are sold throughout the country. There is parimutuel betting at the racetracks, bingo events are often scheduled in most urban localities, and there are gambling casinos in Quito hotels and at the beach resorts near Guayaquil.

Nightclubs are few, even in the major cities, but social clubs are highly important recreational outlets for those who can afford membership in them. Sporting clubs sponsor soccer teams and maintain gymnasiums and other athletic facilities. Recreational clubs of all kinds are most numerous in Guayaquil and are also scattered along the coastline of the nearby Santa Elena Peninsula. International voluntary clubs, such as the Kiwanis, Rotary, and Lions, serve important recreational as well as civic purposes, and regionalism is reflected in the countless clubs formed by former residents of other towns or provinces who have moved to Quito or Guayaquil.

Newspapers have a unique recreational value. Literate Ecuadorians feel a personal relationship with their newspapers that is reflected in the countless letters to the editor on personal or public issues. In addition, great satisfaction is derived from the publication of a photograph. A girl's fifteenth birthday—the traditional date marking the entry into young womanhood—is often commemorated by a published photograph; graduation from high school or college is similarly recognized; and a published photograph is an appropriate memorial of the anniversary of a family member's death.

Pictures of beauty queens and their courts are the most frequent to appear. The amount of pleasure derived by people of all social levels in preparing for, participating in, and publicizing beauty contests in Ecuador is remarkable. Queens representing provinces, towns, clubs, schools, business concerns, and fairs are chosen with such frequency that the pages of newspapers regularly feature the pictures of pretty girls newly elected to represent some group.

Community gatherings in both urban and rural localities are enjoyed in full measure by all social classes and income groups. Generally referred to as fiestas, they include both national and regional holiday celebrations. In the major urban centers, fiestas such as the carnival days that immediately precede the Lenten season are celebrated by private parties for the well-to-do, street dancing for people of lower income, and concerts and parades for all.
In towns and villages the fiesta is usually a local religious holiday that has become an occasion for general merriment without entirely losing its religious significance. Under the direction of a steward (prioste) and a hierarchy of appointed functionaries, there are banquets, athletic contests, band concerts, and dances in addition to religious services and pilgrimages. The extent to which the music and dancing often incorporate both the modern and traditional is suggested by the name of a popular dance—the foxtrot incáico (Inca foxtrot).

In rural towns and villages, particularly in the Sierra, a large part of the fiesta costs were formerly borne by the steward, but the status value of the appointment was so great that the prospect of obtaining this appointment was of itself a major incentive for the acquisition of wealth. These celebrations have declined somewhat in importance, and communities have sometimes found it necessary to resort to threats in order to make stewards assume their roles. In the late 1960s and early 1970s, however, these occasional festivities remained the most important recreational outlet for the rural population, and country people continued to travel great distances in order to participate in them.

Other occasions for festivity that call for community participation are weddings and baptisms. In the rural Sierra the funeral of a baby may also be an occasion for feasting; if the child has been baptized, it is believed that its early death will be followed by an immediate ascent into heaven. In addition, communal festivity follows the mingas—the working parties assembled for such occasions as the building of a house. The head of the family on whose behalf the house is constructed is expected to furnish food and alcoholic drink after the work has been done. If the minga is performed on an important civic basis, such as the building of a road, food and drink may be provided by community leaders.

Weekly markets also have considerable recreational significance. Regularly held in most of the provincial towns, they are best known in the Sierra market centers of Ambato, Otavalo, Latacunga, and Riobamba. Indians from the hinterlands come not only to sell their produce but also to meet with other country folk, to enjoy a change of scenery, to display their best clothes, and perhaps to splurge on the purchase of a piece of roasted guinea pig. Although sobriety is valued highly in the countryside and there is little drinking during the week, a market day or a fiesta often ends with an excessive consumption of alcohol that represents a momentary escape from the harsh realities of workaday country life.
CHAPTER 8

CULTURAL LIFE AND MASS COMMUNICATION

The regional distinctiveness in cultural output that has been apparent since pre-Columbian times and the cultural dualism that resulted from the Spanish conquest have continued to be among the most salient features of the country's artistic and intellectual expression. Although the most highly developed of the pre-Columbian cultures were found in the coastal area, Quito, in the Sierra, was the unchallenged center of Hispanic cultural expression from the conquest until well into the twentieth century.

The virtual monopoly of the church over artistic and intellectual expression in the colonial period was reflected in the religious content of literary work and is still evident in the grandeur of the cathedrals and monasteries and the wealth of paintings and sculptural works that adorn them. Philosophical currents of the Enlightenment, opposing monarchism and advocating political and economic liberalization, gave impetus to the independence movement but otherwise had little influence upon the country's political organization or social structure. In the late nineteenth century the literary component of the initial challenges by Guayaquil to the supremacy of Quito took the form of political essays denouncing clericalism and authoritarianism.

By the 1920s Guayaquil, now a cultural center in its own right, had seen the emergence of a new literature of social protest, focusing upon the plight of the rootless montuvios (coastal peasants, generally mestizo) in a hostile social environment. When social protest developed in the Sierra in the 1930s, its style and content were those of the continent-wide movement known as indigenismo, resurrecting the pre-Columbian culture and denouncing the exploitation of the Indians. Its most prominent literary vehicle was the novel, although the general orientation made itself felt in poetry and in the short story as well. Indigenismo also gave rise to a new surge of activity in painting, as Ecuadorian artists adapted the bold colors and simple lines of the Mexican muralists to the depiction of their own indigenous population.

By the 1970s regional variations in cultural expression had been blurred somewhat by the fading of indigenismo and the
widespread adoption of new stylistic trends emanating from Europe and the United States. In painting, for example, abstract expressionism was on the upswing, and architecture both in the Sierra and in the Costa had turned toward the modern international mode. Social protest remained the common thread in literature, but a more subtle psychological approach had begun to replace the harshness of social realism in prose, and poetry, strongly influenced by the Chilean Marxist Pablo Neruda, was replacing prose as the most popular genre.

As a result of the very limited audience for cultural activities, the performing arts, which require large-scale popular support, have fared less well than such projects as writing or painting that may be pursued individually at less expense to the producer. Nevertheless, concerts and plays have been promoted by private patrons and, more importantly, by the government-sponsored House of Culture (Casa de Cultura). Composers of serious music have accommodated the prevailing mood of nationalism by incorporating into their basically European forms elements of indigenous music and legend.

Folkloric music has marked regional variations and reflects the melancholy mood of the Indians of the Sierra as well as the sensuous rhythms of African origin on the coast. It remains the cultural expression of the majority and has found increasing acceptance since the early 1960s within the social circles of the middle and upper class Hispanic minority. Folklore has also attracted the attention of academia as an important source of information on ethnic history. Such studies, along with research on linguistics and ethnomusicology, have assumed increasing importance, but the concentration of scholarly pursuits has always been on the humanities, particularly history and literary criticism. The natural sciences had not attracted much attention in the past, but they were being strongly promoted by the military government that assumed power in February 1972.

Freedom of expression, guaranteed by all constitutions since 1830, has played an important role in the cultural and political life of the people, who for many years have been served by a press that is relatively free from government interference. The press, which early in the country's history had helped to trigger political changes, since the late eighteenth century has provided a channel for literary expression in a variety of fields. During the 1950s and 1960s there were instances of government action against newspapers and radio stations, but in 1972 there was no clear evidence of prior censorship or of suppression of mass media.

Although newspapers and periodicals exercise a significant
influence on literate and politically conscious Ecuadorians, their impact on the masses has been limited, owing principally to the lack of an adequate transport system and to illiteracy. As a result of the burgeoning use of transistor radio sets among the people, the most effective channels of information in 1972 were radio stations broadcasting to the most remote sections of the country.

THE PRE-COLUMBIAN AND COLONIAL PERIODS

As archaeological investigation has been limited, knowledge of cultural development before the Spanish conquest is somewhat fragmentary. It appears that, throughout the period, heterogeneity and regionalism were characteristic. Knowledge of the indigenous cultures is limited to the crafts, most notably ceramics, stonework, and metallurgy, which reached a relatively high level of development among some groups.

The most advanced stage of development was reached in the Costa, principally in the provinces of Manabí and Esmeraldas. The only culture to build extensively with stone, the Manabí tradition also included simple statues, plaques, and U-shaped seats resting on pedestals representing crouching animal or human figures. In Esmeraldas, stone was used to produce sculptured heads somewhat reminiscent of Mayan and Egyptian styles. Metallurgy, working with gold as the principal material, was also a characteristic activity.

Little inspiration or change was brought by the Inca conquerors, as their own society was notable more for its political than its aesthetic achievement. Elements of the Inca educational system were introduced, however, in the form of the ancautas (court scholars), who taught the sons of the nobility and preserved through memory the history of the empire. Music was another means of remembering the past, through songs of heroes, events, and gods.

The arrival of the Spaniards in 1534 brought a sharp break with the cultural past. With little modification, Hispanic traditions quickly and firmly replaced native ones. Only those elements of local culture that could be easily incorporated or utilized were allowed to continue. The Roman Catholic Church vigorously supported by the crown, was the chief acculturating agent.

The greatest activity and achievement took place in the plastic arts. The need to establish settlements gave great impetus to building and, consequently, to architecture, which in turn generated activity in the other forms of plastic expression. As the administrative capital, Quito became the center for artistic endeavor and production, and the growth of a firm artistic tradition
made Quito one of the principal art centers in the Spanish colonies. This tradition reached its greatest heights in the seventeenth century through the coincidence of excellence and productivity in all the arts. Works of art came to constitute an important export.

Church architecture, in general, was based on the Spanish baroque, Italian Renaissance, Byzantine, and mudéjar (Moorish-Spanish) styles. The supportive arts—painting, sculpture, and handicrafts—did not emerge until late in the sixteenth century after the architectural movement was well underway; however, the foundations were laid early. Soon after their arrival the Franciscans established a school in which native talents were channeled into European painting, sculpture, drawing, metalworking, and wood carving. In time Spanish artists began to arrive, establishing workshops that were centers of instruction as well as centers for the production of paintings, sculpture, and tapestries destined to beautify churches and convents in the area.

In contrast with the arts, intellectual life developed slowly and did not involve or directly affect much of the population; speculative and natural philosophy and theology, the principal areas of intellectual activity, were far beyond the grasp of the majority. Art, as a means of glorification of religion and spiritual uplift of the people, however, was readily comprehensible by them. Crown policy involved the subordination of culture to religious and political needs; basically, it strove to maintain the traditional authority vested in church and state. The establishment of the Spanish Inquisition reflected this policy. As a result, academic education was considered necessary and desirable for only a small minority, made up principally of churchmen.

Although scholasticism was dying out in the rest of Europe in the sixteenth century, it continued to be championed in Spain and, consequently, in the colonies. Established doctrines on religion were considered eternal truths, subject to further investigation but not to challenge or change. An unchanging, God-centered universe was the cosmological view. Gaspar de Villarroel, active in the seventeenth century, is representative of these views and probably the best known writer of his time. An Augustinian priest, Villarroel, was at various times a professor of theology, a bishop in both Spain and the colonies, and a royal chaplain. In his numerous writings most of the pertinent topics of the day were covered. One of the most interesting was the relationship between church and state, which in the colonies was intimate but not always harmonious.

The decidedly Spanish orientation of cultural life began to undergo some modification in the eighteenth century as the range
of influences in the colony broadened. France, which had assumed a position of cultural leadership on the European continent, was the chief source. Contacts were both direct, through the infiltration of books and foreign visitors, and indirect, channeled through Spain itself, which had come under French influence after the establishment of the Bourbon monarchy in the beginning of the eighteenth century. A tendency toward secularization was manifested in a shift of emphasis in interests and concerns and in the emergence of an intelligentsia outside the clergy.

Those dissatisfied with scholasticism turned to the philosophical systems devised by late Renaissance thinkers and their heirs, the group known as the Encyclopedists. Although that group was not homogeneous, it did hold in common the belief in the authority of reason in thought and conduct and in nature as a source of knowledge. The independence of science and philosophy from religion in the view of these thinkers came to have a parallel in political thought. The concept of the divine right of kings was disavowed, as was the traditional role of the church in the affairs of the state. In their stead the liberal thinkers subscribed to the sovereignty of the people, secular law, and secular states.

Of the supporters of the Enlightenment, Francisco Javier Eugenio de Santa Cruz y Espejo, was the most enthusiastic and renowned. A physician who wrote critical and didactic pieces on medicine, theology, law, and letters, he is best known for his attacks on the colonial regime in Ecuador, contained in a series of satirical dialogues entitled El Nuevo Luciano o despertador de los ingenios (The New Lucian or Awakener of Minds) and in articles for the country's first literary review, which he founded.

Although most of those who wrote in this era of change adopted a didactic approach to reflect contemporary events and interests, there were also those who sought creative expression. Born in the latter part of the eighteenth century, José Joaquín Olmedo became the poetic voice of the independence movement, achieving fame not only in Ecuador but also throughout the continent. Intense admiration for Simón Bolívar, the northern independence leader, whom he met while participating in the local revolutionary government of Guayaquil, inspired Olmedo's major work, La Victoria de Junín, canto a Bolívar (Victory at Junín, Song to Bolívar).

NATIONAL CULTURAL DEVELOPMENT

During the first epoch of the republic, from 1830 until roughly the end of the century, cultural activity reflected the contrasting currents of political turbulence and social traditionalism that
dominated national life. Throughout the period letters functioned as the most prominent form of expression and, within the general discipline, political writings—circulated in newspapers—were foremost. In a succession of newspapers, for example, Gabriel García Moreno fought the authoritarian rule of the country's first president, General Juan José Flores.

The greatest writer in the genre and, indeed, one of the greatest nineteenth-century literary figures in Latin America was Juan Montalvo. He was the archenemy of García Moreno who, once in power as president, had proved no less authoritarian than Flores. Born in 1832, Montalvo did not begin his writing career until 1866 after several years of diplomatic service in Europe. Hoping to prevent the return of the Conservative García Moreno to a second presidential term, Montalvo published El Cosmopolita, which was hailed as the voice of the Liberal opposition. The electoral victory of García Moreno forced Montalvo to seek refuge on the Colombian-Ecuadorian border, where he continued to turn out fiery pamphlets. When García met death in 1875 at the hands of an assassin, Montalvo is said to have exclaimed, "My pen killed him!"

Returning to Ecuador, Montalvo edited a new periodical, El Regenerador, designed to offer guidance during the period of political reconstruction. The emergence of a new authoritarian ruler, General Ignacio de Veintimilla, brought an end to El Regenerador. In combat once again, Montalvo wrote Las Catalinarias, sharp, brutal episodes illustrating his thesis against Veintimilla, and had them published in Panama under the sponsorship of a fellow exile and champion of the Liberal cause, Eloy Alfaro. Although he was elected to congress after the overthrow of Veintimilla, Montalvo chose to go to Europe to pursue his literary activities. There he produced many works, including his major one, Los Siete Tratados (The Seven Treatises), a collection of moral essays on political events. The influence of romantic and utopian socialism may be found in his works, but he is considered to have been basically a skeptical idealist.

In the shadow of journalistic polemics, other types of literature began to appear, somewhat cautiously; in the second half of the nineteenth century. As in the past, European movements, only slightly transformed locally, provided the models. Subject matter and aesthetics were largely within the current of romanticism—which had already prevailed for a generation on the continent. The sentimentality and love of beauty, nature, and the distant past that had come to characterize the Romantic movement in Europe suited the taste and inclinations of the conservative local society.
Most numerous in literary activities were the practitioners of the old genre of verse. They turned variously to local scenery, national history, and the mysteries of religion and human existence for inspiration, producing poems of careful construction and sonorous vocabulary. The newspapers (which, after a few years, often contained literary supplements) gave rise to a new form—the short, artistically conceived article on local customs and scenery. Known as costumbrismo, this type of writing emphasized sentiment, morality, the picturesque, and the light, often humorous, touch.

Equally reflective of the spirit of the era and more significant for future development was the novel, which had taken shape as a literary form during the Romantic movement. The local initiator was Juan León Mera, who wrote during the 1860s and 1870s.

Mera’s novel, Cumandá, dealt with the Indians around the time of independence. The choice of a native setting and an Indian girl as protagonist was somewhat revolutionary for the period, but the style, presentation, and underlying philosophy were strictly contemporary. A conservative, both politically and socially, Mera reflected his strong sympathies for the church, the landowning class, and the existing political system throughout his narrative. Cumandá was well received at home and in other parts of Latin America.

Among the other cultural activities, only painting attracted many practitioners and aroused private interest among the elite. Throughout most of the country the Salas family served as a nucleus for the arts. Antonio Salas, trained under the apprentice system late in the colonial period, did much to continue the old method of art education through the establishment of his own workshop. In his paintings Salas exhibited the style and subjects that were to remain fairly uniform during the century. Composition, color, and drawing were technically competent, although somewhat dry and uninspired. To the religious themes of the past were added portraits and scenes of the independence battles. These were most often commissioned by the government, which was interested in decorating official monuments with tributes to past glories.

Official attention to cultural activity was not limited to the commissioning of art works. General Flores had attempted to promote music through the establishment of a musical society under the direction of a government-contracted English musician. Other presidents also displayed interest. Well educated and well traveled, García Moreno sought to make the capital more cosmopolitan through the creation of a music conservatory and an art school under the direction of foreign teachers and the
establishment of a polytechnic institute with the assistance of scientists from abroad. The public buildings constructed during the García Moreno period were also designed by foreigners hired by the president himself. Such stimuli were, without exception, short lived, however, and had no great effect on the general provincial atmosphere. In the 1870s and 1880s visitors from abroad noted the placid tempo of existence in Quito, where the only forms of entertainment were social gatherings and religious processions. Observers in Guayaquil during the same period were impressed by the City's commerce but distressed by the absence of institutions of higher learning, museums, book collections, and general cultural activity.

The generations of the 1890s and the early twentieth century were bred in an atmosphere of change and uncertainty. Because of the rise of the Liberal Party and of Guayaquil as a principal political and economic force in national life, the old, conservative era seemed to be eroding. Greater contact with the world outside the national orders introduced stimulating and somewhat disquieting currents. Until the late 1920s the predominant direction in cultural activity remained undefined. Among individuals and groups it was variously a period of irreverence for tradition, introspection and disillusionment, optimistic eagerness, and experimentation.

Most representative of the scholars of the period was Federico González Suárez, who did most of his writing while occupying high positions in the church hierarchy. He wished to write a general history of America, containing chapters on the history of the church and of Ecuador. Only four volumes—those covering the pre-Columbian and colonial eras in Ecuador—were written, however. Based on careful scholarship in the archives of Spain and in local colonial manuscripts and a high level of objectivity, the volumes provoked considerable public controversy. The criticism in the last volume of the colonial ecclesiastics displeased many clergymen and conservatives.

Among young creative talents, scorn for old styles and approaches acted as a common denominator. In the search for more satisfactory forms of expression, however, there was no such unanimity.

The modernists, influenced by the Nicaraguan poet Rubén Darío, sought beauty without sentimentality; elegance and purity of form; exotic, often pagan images and symbols; and the unusual. They generally believed in the value of art for its own sake and saw themselves as lone individuals of superior taste and refinement engulfed by a world of mediocrity and materialism.
that could not understand them. In Ecuador, as elsewhere, poetry was the favored form of modernist expression.

Gonzalo Zaldumbide brought modernism to prose. As were many of his contemporaries in other Latin American countries, he was greatly influenced by the novel *Ariel*, in which the Uruguayan José Enrique Rodó admonished a generation haunted by the suspicion of inferiority before the exuberant technological prowess of the Anglo-Saxon world to recognize the worth and creative force of Latin American ideals and moral spirit. In an early essay, “De Ariel,” written at the beginning of the twentieth century, Zaldumbide gave forceful expression to this philosophy of optimism. In his novel *Egloga trágica* (Tragic Ecologue) he described in poetic prose the provincial Ecuador of his day, but he wrote principally on the great literary figures of Ecuador and Spanish America.

Less striking at the time, another current—realism—was also developing. Built on the foundation of the *costumbrista* sketches that continued to appear in newspapers, Luis A. Martínez' novel *A la Costa* (To the Coast), which appeared in 1903, was the initiator. Martínez had a genuine desire to present what he saw as the local reality of his day in a simple straightforward manner. The protagonist of *A la Costa*, which begins in the Sierra during the revolutionary period, is a farmer who participates on the Conservative side. Consequently, he abandons the Sierra for the Costa, which seems to offer the hope of a better existence. Although at first he finds the new environment full of marvels, he eventually realizes that life is not easy there either.

Innovation also took place in painting, still the only medium of notable activity within the arts. The National School of Fine Arts, founded in 1904 and still functioning in 1972, was the nucleus. A new generation of artists abandoned academic styles and imitation of the old masters for impressionism. Coloring was lightened, and form and composition lost some of their former importance. Instead of working exclusively in the studio young artists began to paint outdoors, and landscape painting became extremely popular.

The use of local landscapes as subject matter, combined with the influence of literary supplements and magazines, prompted artists to turn to a broad spectrum of national subjects. Camilo Egas and Eduardo Kingman, who decorated the Ecuadorian pavilion at the 1939 New York World's Fair, depicted the Indian and his Andean environment. A new technique—caricature—lent itself well to depictions of local elements and was particularly exploited by the artists who contributed to *Caricatura*, a review that appeared from 1918 to 1924.
CONTEMPORARY TRENDS

Within the artistic and intellectual community, preoccupation with the plight of the country’s underprivileged masses has been the central theme in the contemporary period. The nationalist movement was launched around 1930 by a generation that felt the collision of a continuing idealism, renovated by social consciousness and leftist political philosophies, and the discouraging social, economic, and political developments of the 1920s (see ch. 2). In the two decades that followed, the movement gathered force as the inclinations and attitudes of artists, writers, and intellectuals intensified. Little distraction was generated by new foreign currents, and absorption with local themes, derived mainly from the rural environment, was virtually complete. Productivity was great, activity was widespread, and Quito and Guayaquil served as the principal centers.

Among the many individuals and groups an unprecedented spirit of fraternity prevailed. Similarly, there was a rare homogeneity in direction and stylistic approach. Considered shocking at first, the movement eventually won general acceptance but, on acceptance, its vitality, creative momentum, and unity were weakened. The most intensive activity has been in literature. Writers of fiction, who have been the most emphatic and persistent proponents of the nationalist theme, have popularized the novel and short story and have won critical acclaim both at home and abroad.

Literature

Several socially conscious young writers offered poignant portrayals of national realities by presenting segments of the local environment and population in a documentary fashion. The lower class, as seen through a series of characters drawn as prototypes, was the principal focus. The atmosphere in which the characters operated was invariably negative; the incidents of their lives followed in quick, grim succession.

Within this framework the attention of the writers was divided about equally between the contrasting coastal and Andean environments. On the coast the revolution was inaugurated with Los que se van (Those Who Go Away), a collection of short stories written by Enrique Gil Gilbert, Demetrio Aguilera Malta, and Joaquín Gallegos Lara and published in 1930. Through these stories, the authors described the coastal peasants, their lives, and the sensuous physical environment. The presentation and exposition reflected the writers’ desire for greater realism, their haste, and their inexperience. Rough, choppy, but vigorous, the language incorporated the colloquialisms and profanity typical of
the peasant. Incidents involving sex were liberally interjected for
the first time in local literature.

Others wrote variously on the city and the country; on the
montuvio, the Negro, and the mulatto; on the contemporary
scene; and on the recent past of change and political revolution.
Alfredo Pareja Díez-Canescó, for example, himself imprisoned
many times on political charges, described in unsparing detail the
suppression of the 1922 workers' movement in Balsodera, pub-
lished in 1936.

Among the writers of the Sierra there was greater uniformity
for, almost without exception, they were adherents of indigen-
ismo. Appearing at roughly the same time in all the Latin
American countries with sizable Indian populations, indigenismo
was another facet of the nationalist tendency. In a somewhat
romantic fashion the Indian was championed as the wellspring of
local identity, and elements of his culture were seen as the only
true national (regional or local) manifestations. There was a
general, though rather abstract, desire to restore to the Indian
the dignity of his pre-Columbian past.

Appearing shortly after Los que se van, Jorge Icaza's Hua-
sipungo, one of the earliest and most celebrated indigenista
novels in Ecuador and throughout the hemisphere, became a
generic prototype. Essentially, it was the story of the landless
Indian peasant, working a small piece of land on a large Andean
estate in the traditional form of land tenancy (huasipungo), and
presented a series of unrelieved misfortunes and tragedies visited
on the Indians by the principal figures of Hispanic authority. The
landlord, priest, and political lieutenant were depicted as evil,
unscrupulous figures, motivated by greed, lust, and the desire for
power. The Indian characters, though distinguished by name,
were indistinguishable as individuals, all sharing a stoic resigna-
ton and a deep-rooted love of the land, the family, and the
miserable hut that served as a dwelling.

Huasipungo, which has been translated into seventeen lan-
guages and by the early 1970s was in its twentieth edition in
Spanish, was a source of consternation to the Ecuadorian oligar-
chy. Icaza went on to write a number of novels in the same vein,
dealing with the problems of the Indian or the lower class
mestizo (cholo), and several plays, but none achieved the fame of
Huasipungo.

Humberto Salvador and Alfonso Cuesta y Cuesta have been
among the most prominent novelists of the region after Icaza.
Unlike most of his contemporaries, Salvador has written exten-
sively on the middle class, using a psychological approach. The
unspoken monologue, rather than the narrative, has been his
chief instrument of exposition. In Salvador's themes most critics have identified the dual influence of Freudianism and Marxism. Cuesta y Cuesta, who writes in the social realist vein, is particularly noted for his sensitive studies of children in such works as *Llegada de todos los trenes del mundo* (All the Trains in the World Have Arrived), published in 1932.

Prose has been the predominant vehicle of literary expression, but some poets, using techniques and styles learned from foreign mentors to voice local themes, have been influenced by the same intellectual and physical environment that touched the prose writers. By nature more subjective than prose, poetry has tended to express a more subtle, less materially rooted literary nationalism. Both Jorge Carrera Andrade and Gonzalo Escudero, who led the movement toward nationalism in poetry, abandoned the escapism and obsession with artistic purity of modernism in search of a more personal and, consequently, national form of expression. Carrera Andrade, one of the country's most prolific writers, developed a poetry filled with images drawn from the land and primitive culture. In Escudero's works the power of the Andean environment was revealed in cosmic quality and epic magnitude.

The literary scene continues to be dominated by those figures who initiated the nationalist trend and have remained active, though many have lost the militancy of earlier days. Most of the younger novelists and short story writers were reportedly producing softened or modified versions of already proved formulas, although the more varied, universalist trends, which have generally taken over in the rest of the continent, have won some adherents. Little activity was apparent in the area of instructive or persuasive prose. The number of poets, however is said to be increasing.

In reaction to what was viewed as a general decadence and withering of revolutionary commitment within literary circles, there emerged in the 1960s a movement known as Tzantzico. The young poets, playwrights, and short story writers in this group had been well received in the universities and in working-class neighborhoods, and their works were beginning to appear in translation and in Latin American anthologies, but their attempts to arouse political consciousness among the urban poor had alarmed the government and resulted in a negative reception by most national institutions.

The common denominator of the generation of poets who were in their twenties and early thirties in 1972 was social comment. Strongly influenced by Chilean Nobel Prize winner Pablo Neruda, they attempt to make poetry a vehicle for popular protest, and
they utterly rejected the verbal games of pure or concrete poetry that have gained popularity elsewhere in the hemisphere.

Although many of the country's outstanding writers have experimented with drama at one time or another, few have built their reputations in that genre. The only widely known contemporary playwright is Francisco Tobar García, whose recurrent theme is the superficiality of Ecuador's aristocratic society. Critics have suggested that his plays are meant to be read rather than performed, as in performance they tend to be wordy.

The nationalistic mood that has so strongly influenced creative writing in the twentieth century has made itself felt in academic endeavors as well and has given rise to a number of works on various aspects of national life. Sociological writing was inaugurated by Pío Jaramillo Alvarado, who began his career earlier in the century but has contributed most in recent years. His most famous work, regarded as a classic of its kind, *El Indio ecuatoriano* (The Ecuadorian Indian), was followed by numerous books and articles dealing with national origins and development, culture, and politics. A contemporary, Isaac Barrera, wrote extensively on literary history and criticism, areas that previously received only fragmentary coverage. Oscar Efrén Reyes' *Breve historia general del Ecuador* (A Brief General History of Ecuador), which has gone through several editions since its original publication in 1938, is still the best compact history available.

Some of Barrera's conclusions have been challenged by contemporary critics and historians. Unfinished works by Gonzalo Zaldumbide, published posthumously in 1967, revealed his ideas on Espejo (see ch. 2). Zaldumbide felt that the significance of Espejo lay in his role as liberator and social reformer and that the literary quality of his work had been exaggerated. Similar conclusions were reached by Philip Louis Astuto in his *Eugenio Espejo (1747–1795), reformador ecuatoriano de la Ilustración* (Eugenio Espejo (1747–1795), Ecuadorian Reformer of the Enlightenment), published in 1969. Astuto's work, the product of fifteen years of research, combines history, biography, and literary criticism.

A six-volume critical history of the Ecuadorian theater was published in 1968 by Ricardo Descali. One of the most interesting items found in it is a Quechua play, *Diun-Diun*, which the author believes to be pre-Hispanic. More general literary histories include Jesus Vaquero Dávila's *Síntesis histórica de la cultura intelectual y artística del Ecuador* (Historical Synthesis of the Intellectual and Artistic Culture of Ecuador), published in 1946, and Agustín Cueva's *La Literatura ecuatoriana* (Ecuadorian Literature), published in 1968.
The influence of the indigenist movement and, more recently, the fascination with folklore among the upper and middle classes throughout the hemisphere have given impetus to research in some of the social sciences. Since the mid-1960s numerous works on the ethnohistory, social organization, languages, customs, and music of the Indians have been published. Aguilar T. Pérez, for example, in a study published in 1969, traces the occupations and social organization of the Puruha, who now live in Chimborazo Province, and attempts to establish their relationship to ethnic groups found in other parts of the country.

Although the humanities have always dominated academic pursuits, interest in the natural sciences has not been totally lacking. The director of the Bibliographic Documentation Center of the House of Culture announced in May 1972 that the center had collected 1,200 scientific works by Ecuadorian authors. In addition, the center announced plans to initiate a quarterly review of newly acquired scientific works in order to facilitate research.

The Graphic Arts

Painting, the primary artistic medium, has expressed visually the same general themes and subjects found in fictional literature. For the most part the nationalist painters have looked to the Indian-dominated rural Andes for subject matter. Initially, they adopted a style, inspired largely by the Mexican muralists, that was the local pictorial expression of the continental movement of indigenismo. The early works of Oswaldo Guayasamin, the most influential and best known internationally of the nationalist painters, are representative.

Landscape, the focus for the impressionists, receded to the background as the human figure again became all-important. Simplified and somewhat stylized along primitive lines, human forms were depicted in the attitudes and poses of everyday life. In the statuesque monumentality and dignity of his subjects the artist registered his admiration; in the suffering of their countenances and the meanness of their condition he registered his protest. The pastels of the impressionistic palette gave way to the strong, rich color of the Andean surroundings. In composition an almost design-like quality was achieved through simplification of the pictorial elements and attention to the overall superficial pattern of their placement.

Guayasamin continues to be one of the most controversial painters in the hemisphere. The eldest of ten children born to an Indian father and a mestizo mother in a Quito slum, he began his career at about the age of ten, peddling sketches on the street. At
the age of twenty-three he won Ecuador's coveted "Mariano Aguilera" award and, at thirty-six, the Hispanic-American Biennial Award of 1955 in Barcelona. In 1972 his paintings were on display in New York's Museum of Modern Art. Tel Aviv's Museum of Israel, Madrid's Museum of Contemporary Art, and other museums and private collections.

After a visit to the United States in 1942 at the invitation of the Department of State, Guayasamin spent three months in Mexico studying under José Clemente Orozco. Although Orozco had undoubtedly the most profound influence on his works, he acknowledges also the influence of El Greco, Goya, Picasso, and Rouault. Many admirers have viewed him as a link between the view of suffering in Spanish colonial art and modern expressionism. Disparagers have charged that he used a style imitative of Picasso to revive indigenismo. Both admirers and disparagers concede that his work conveys a savage intensity of feeling.

Guayasamin visited the United States some ten times between 1942 and 1956, but subsequent attempts to visit the country were prevented by the denial of a visa. He insists that he is a painter, not a politician, but he acknowledges that his are works of protest that identify him unmistakably with the poor and with the underdeveloped nations. His work may be categorized in two major periods. The first period, that of Latin American nationalism, is represented by a series of 103 pieces known collectively as "El Camino del Llanto" (The Path of Tears). It is drawn from sketches of Indians, mestizos, and Negroes of South America. The second period is seen in a series of about 250 compositions known as "The Age of Wrath." It represents the universal tragedies of hunger, misery, and strife. In 1972 he was beginning a final series on "Vietnamese resistance to American imperialism."

The most important exception to the adoption of indigenismo, or the indigenista attitude, was Manuel Rendón. More cosmopolitan in his painting than his compatriots, he was the abstractionist among indigenista realists. The early works were built around graceful, linear human figures. Rendón then moved toward a multidimensional form of expression, incorporating the superimposition of figures, large areas of warm color, and organic shapes. Luminous color has been retained in the later paintings, but component areas have been reduced in size, and the angle has replaced the curve.

Among the notable painters of the most recent generation, a preference for abstraction has been apparent. A feeling of unity among these painters, engendered by the desire to channel painting into new, more universal directions, has led to a number of group shows. In style they have demonstrated variety and indi-
viduality. Generally in a formative, experimental period, some have adopted a controlled, geometric approach; others, a dramatic subjectivism of intense emotion; and still others have not yet associated with an identifiable tendency.

A similar, more internationally oriented trend has developed in architecture. Until recently activity in the field was limited, and the nationalist movement had little effect. Increased construction, which began in the late 1940s, provided the initial stimulus. The need to construct a number of large buildings in Quito, prompted by the city's selection as the site of the second Inter-American Conference of the Organization of American States, and the boom in residential construction in both Guayaquil and Quito gave further impetus. Most of the work has been done by a dozen, locally trained young architects. In style, designs featuring an emphasis on the horizontal, the vertical, or the contrast between the two have been predominant. Concrete, stuccoed brick, and glass have been the most common materials used; wood and stone have been used for decorative detail. The science building of the Central University in Quito with its simple curving lines, is considered one of the best examples of the modern international trend.

Monumental sculpture in the nineteenth and twentieth centuries has been dominated by European revival styles. The neoclassical style is exemplified by the monument to Simón Bolívar and José de San Martín in Guayaquil. The massive globe-shaped Monument of Ecuador in Guachala is of more modern inspiration. In some instances abstract sculpture has been incorporated into modern architectural design, but the medium has not recovered the popularity it enjoyed during the colonial period.

The Performing Arts

The performing arts have not prospered in Ecuador, as the mass support that would be required to sustain such activities has not been forthcoming. Dramatic presentations are generally the work of small amateur groups. The Hilari Institute of Guayaquil provides incentive to local playwrights by sponsoring annual drama contests. Winning works are published and performed at the expense of the institute.

The national symphony orchestra, sponsored by Quito's national conservatory of music, and the ballet company of Guayaquil have relatively small but loyal groups of patrons. Outdoor band concerts are popular throughout the country.

Contemporary Ecuadorian composers have incorporated folk melodies into symphonies, ballets, and suites. Domenico Brescia's "Ecuadorian Symphony," Segundo Luis Moreno's "Ecuadorian
Suite,” and Luis Salgado’s symphonic suite “Atahualpa” are exemplary of this trend. Pedro Traversari is noted for his musical melodramas based on Indian legends.

Folk Expression

Music and Dance

Much of the country’s folklore has its roots in the ritual music of the pre-Colombian Indians. Native instruments still common in the Sierra include the quena, a flute of clay or bamboo, and the rondador, a panpipe made from a series of bamboo reeds. Indians from various parts of the country have fashioned instruments out of seashells, bulls’ horns, toucan beaks, and seed-filled gourds, and drums have been made by covering hollow logs with animal hides. The Spanish introduced the guitar, the violin, and the harp.

The music of the Sierra Indians, based on a five-tone scale, has a melancholy quality. The yaravi is of this category; the tonada, a hispanicized variation of the same tune, uses the livelier seven-tone scale. The fusion of many elements of Indian and Spanish music have produced what is known as mestizo or creole music. The category includes the cachullapi, the alza, the albazo, and the zamba, syncopated melodies using various scales.

The national song and dance, el sanjuanito, derives its name from Ecuador’s patron saint, but it is usually sung in the minor key typical of the Sierra Indians. Mood and rhythm vary somewhat with the region; there is even an americanized version known as the foxtrot incáico. Several of the country’s holidays feature dances, such as the guarande and danzante, in which the participants wear symbolic masks personifying primitive gods.

Dances popular elsewhere in the hemisphere have been adopted with local variations. The pasillo, played in a major key in Colombia, is given a minor key in Ecuador. The gato, of uncertain origin but popular all along the Pacific coast, expresses a happier mood. The chilena was inspired by the Chilean cueca, and the pasacalle evolved from the Spanish pasodoble. African influence is notable in the music of the coastal lowlands, where the samba and the marimba are popular.

Handicrafts

As the country has undergone little industrial development, many household items are still produced by hand. Earthenware pots and baskets, for example, are often produced in the home, although most villages have at least one craftsman who specializes in making them.

The principal handicrafts have traditionally been panama hats
and woven materials, such as tapestries and rugs. The Indians of Otavalo have generally been considered the best textile craftsmen. The art of wood carving that flourished during the colonial period has been kept alive by the skilled artisans of Quito, Cuenca, and San Antonio de Ibarra.

The Artistic and Intellectual Community and the Society

Among the middle and upper classes a high value has traditionally been placed on literature, the arts, and intellectual pursuits. Interest and activity in these spheres have marked the individual as cultivated, refined, and educated and have served as a class determinant. In addition, these areas have been a vehicle for the expression of the versatility considered desirable and, to some extent, necessary in an individual of a certain status. Among writers, for example, the cultivation of several forms simultaneously, such as the novel, the short story, or the newspaper article, has been characteristic.

Involvement in several unrelated fields has been equally common, and the gentleman-scholar or the poet having separate business interests has been a persistent phenomenon. Even among those more professional in orientation, who come increasingly from the middle class, full-time dedication is not the rule. As members of the articulate minority most feel compelled to assume responsibility also in such areas as education, government, and politics; and many writers, intellectuals, and artists have been attracted to political groups on the Left. In addition, multiple activity is usually an economic necessity, for few of the more serious literary practitioners have independent means and artistic, intellectual, and literary endeavors usually do not provide an adequate income. Many who take up creative careers early in life later abandon them for more lucrative careers or retain them only as a secondary interest.

The influence of the artistic and intellectual community has not been commensurate with its prestige. The concentrated and enduring protest and exposition of national social and economic ills ardently put forth by most artists and intellectuals, for example, have had little tangible effect. The audience or market for the product of artistic and intellectual activity is often confined to the individual's friends, family, and colleagues.

Active interest in and support of cultural affairs, even among the elite, have been limited by poorly developed formal channels of communication and exposure. Such stimulants as museums and libraries are few in number. Public programs are apt to be poorly attended and, if staged for profit, seldom financially successful. For the artist regular avenues of sale and exposition are restrict-
ed to a few galleries and the patronage of wealthy sponsors. The situation of the writer is similar. Publication and distribution are most frequently undertaken at his own initiative and expense. Although editions are small, demand does not usually exhaust supply.

Attempts to bridge these gaps have been made both by the artists and intellectuals themselves and by the government at various levels. Literary reviews and journals, usually short-lived, have often been financed and edited by writers and intellectuals. Similarly, galleries and shows have come into being through the efforts of artists, usually acting in concert.

An outstanding patron as well as practitioner of the arts in the early 1970s was Luce de Perón. Designer, sculptress, and poetess, and former wife of the famous painter Guayasamin, she owned the country's largest art gallery. In addition to hundreds of examples of pre-Columbian, colonial, and modern art on permanent display, the gallery offers six exhibits annually of the works of Ecuadorian painters and a variety of programs, including concerts and plays.

The most important government-sponsored institution is the House of Culture (Casa de la Cultura), an entity dedicated to the support, administration, and stimulus of cultural life. The organization was established in the early 1940s, in great part through the efforts of the artistic and intellectual community led by the essayist Benjamín Carrión. Most of the executive and staff positions have been filled by active artists, writers, and scholars, a practice which has enabled many to concentrate more exclusively on cultural interests.

The formal functions of the House of Culture and its provincial branches, of which there were fifteen in 1972, touch on most fields of creative or intellectual activity. The organization has supplemented local facilities through the publication of approximately fifty books each year, selected by disciplinary boards from among the numerous manuscripts submitted. Distribution is accomplished through outlets maintained by the organization and through private bookstores on contract. The authors receive a percentage of the sale. In the plastic arts it sponsors group shows and annual salons in which substantial monetary prizes are awarded. In addition, scholarships for training and subsidies for travel abroad are awarded.

Attempts are also being made to stimulate the performing arts through classes in theater and ballet, the formation of a mixed chorus, and the sponsorship of recitals. Administration of the National Library and Museum of Fine Arts, supervision and approval of public commissions in the arts, and protection of the
national artistic patrimony are also functions of the organization. Although the accomplishments of the House of Culture have been notable, in recent years the tempo of activity has slackened, primarily as a result of inadequate funds.

The military government that assumed power in February 1972 had begun the process of restructuring and reorganizing the House of Culture. Through Executive Decree No. 384, the leadership hoped to centralize its administration, integrate its activities, and guide its development in accordance with the government's plan for national transformation. Both elective and appointive positions were to be vacated, and the Ministry of Public Education was charged with the supervision of the reorganization process. Acting under the provisions of the Law of Obligatory Civil Service, whereby private citizens may be drafted for a year of government service, the minister of education was to appoint a commission to draw up a new budget and rule upon personnel qualifications. Gonzalo Abad Grijalva was appointed acting director of the institution.

The government also aids indirectly in the development of cultural life through its financial support of the universities, in which most of the facilities for formal training are located. On a limited scale these institutions also sponsor student programs. At the local level the larger municipalities have at times organized competitions in arts or literature, sometimes with monetary as well as honorary awards. Such competitions, however, are not usually permanent features.

International organizations have also been helpful on occasion. The Inter-American Development Bank hosted an exhibit of the works of Guayasamín and fourteen other lesser known Ecuadorian painters in its Andres Bello Auditorium in Washington in 1970. Part of the proceeds of the sale was to be donated to the Ecuadorian Development Foundation for the establishment of craft and designing schools; a matching, low-interest loan was offered by the Pan American Development Foundation.

MASS COMMUNICATION

Freedom of Expression

The influence of the press on political developments may be traced back to the late eighteenth century, when Francisco Javier Eugenio de Santa Cruz y Espejo published Primicias de la Cultura de Quito, a periodical that provided an impetus to the movement for independence from Spain. During the early decades of the republic most periodicals took the form of short-lived diatribes against the government currently in power. Perhaps the
most famous of these was Juan Montalvo's *El Cosmopolita*, in which Montalvo mounted his attacks on García Moreno (see National Cultural Development, this ch.).

Every constitution since the early days of the republic has contained a clause guaranteeing freedom of expression, and overt control of the press by the government has been limited. From time to time, however, governments have exerted pressure on news media, citing the phrase "contrary to the national interest" to justify penalizing those who expressed dissenting points of view. In 1953, under the presidency of José María Velasco Ibarra, *El Comercio*, a Quito daily, its affiliate *Ultimas Noticias*, and its radio station were closed down for forty-four days for refusing to publish a government announcement that severe newspaper criticism would not be tolerated. There was no apparent press censorship between 1956 and 1960, but it was resumed when Velasco Ibarra returned to the presidency (see ch. 2; ch. 10).

Under the military government that assumed power in 1963 the civil and military chief of Esmeraldas Province closed the anticommunist newspaper *El Clarín* for a few days and jailed its editor because of a critical article it had printed. When *El Clarín* resumed publication, it carried an official communiqué requiring all radio stations, news publications, and other information media in the province to submit all programs or articles scheduled to be published or broadcast to the civil and military chief for approval. On July 10, 1965, the military government closed *El Tiempo* of Quito on the grounds that it had persistently maligned the government and fostered a climate favoring subversion and the disruption of public order. After newspapers of all political persuasions had protested this action, along with the Inter-American Press Society (Sociedad Interamericana de Prensa—SIP), the government lifted the ban on July 19.

In 1969, under the Velasco Ibarra government, the editor of a leading magazine, *Vistazo*, was summoned for hours of questioning about articles that were displeasing to the government, but no other action was taken against the publication. In 1970 the Velasco Ibarra government closed the communist weekly magazine *Mañana*. Approximately two years later in March 1972, shortly after the assumption of power by President Rodríguez, *Mañana* resumed publication.

Section 10 of Article 141 of the Constitution of 1945, revived by the government of Guillermo Rodríguez Lara in 1972, guarantees freedom of opinion regardless of the means of expression and states that journalism will be regulated by law, taking into account the consideration that the primary objective of journalism is defense of the national interests and that it constitutes a
social service deserving of the respect and support of the state. In mid-1972 there was evidence that editors and broadcasters recognized the type of comment that might be offensive to the government, but the press served as a forum for remarkably free expression of ideas.

Newspapers, Periodicals, and Books

The first newspaper in which editorial concerns transcended current political problems was the daily El Telégrafo (Guayaquil), founded in 1884 and still an influential publication in 1972. Since the founding of El Comercio (Quito) in 1906, daily newspapers have been established in a number of other cities and towns, but the dailies of Quito and Guayaquil share most of the total circulation in the country.

In 1972 eighteen daily newspapers having an estimated circulation of 290,000 were published. The four largest dailies, two in Quito and two in Guayaquil, reached the great majority of the country's readers. All the leading dailies were independent; none was the organ of a political party; and all carried substantial coverage of domestic and international news and views. Quito and Guayaquil newspapers, reflecting the traditions of regionalism, are committed to their respective local interests, but on most issues they present a variety of opinion. The format and manner of presentation used by the major newspapers are similar to those employed by North American dailies.

El Universo (Guayaquil), founded in 1921 and published by the Pérez family, has a daily circulation of 90,000 and a reputation for publishing forward-looking editorials dealing to a considerable extent with problems of Guayaquil and the Costa. It carries full reports of government and international views and extensive commercial and economic news, along with extensive commercial and sports coverage. Its international news services are United Press International (UPI) and Agence France Presse (AFP), and its comic strips are, for the most part, of North American origin. El Comercio, Quito's leading daily, has a circulation of 70,000 and is published by the Mantilla family. El Comercio subscribes to the wire services of UPI and AFP and features news from all parts of the Sierra. Its comics are translations of North American strips. El Comercio's evening affiliate, Ultimas Noticias, a tabloid, has a circulation of about 30,000.

El Telégrafo, founded by the Castillo family, has a circulation of about 30,000. Its editorials reflect the point of view of those on the coast, and its international news is obtained through the Associated Press. Along with substantial coverage of national
and international news there is broad coverage of commercial, social, and local news. *La Razón* (Guayaquil), an afternoon tabloid, has a circulation of about 25,000; and *El Tiempo* (Quito), an estimated circulation of 10,000. Circulation of dailies in a number of small cities runs from 2,000 to 8,000.

In 1972 eleven popular magazines were being published. The largest and most influential was *Vistazo*, of general interest appeal, which had a circulation of 40,000 per month. The publishers of *Vistazo* put out other magazines—*Estadio*, *Hogar*, and *Médico*. There were two church magazines and a number of weeklies and others published every other week. The total circulation was estimated at 50,000 for weeklies; 27,000 for those published every other week; and 140,000 for periodicals published once a month. Quito is the publishing center for literary and scholarly journals.

Foreign magazines in the Spanish language, particularly illustrated publications, are popular. The Latin American edition of *Time* is sold in stores, as are other magazines from the United States, France, Spain, and Germany.

The number of books published in Ecuador averages less than 100 per year. The most important publisher is the government subsidized House of Culture in Quito, which prints scholarly works, historical studies, fiction, and poetry.

There are a number of importers and exporters of books in Quito and Guayaquil. A substantial number of imported books originate in the United States, but book imports are not extensive.

**Radio, Television, and Motion Pictures**

In 1972 the country had approximately 250 originating radio stations; of these, 200 transmitted on mediumwave, approximately ninety on shortwave, and about fifteen on frequency modulation (FM) frequencies. Five major networks included a total of over 10 stations. The larger stations produced daily news programs. Most stations in the networks depended on off-the-air pickup, but the use of microwave transmission was expanding. The number of radio receivers was estimated at 4 million, more than half of which could receive shortwave. As a result of the widespread use of transistor sets, radio broadcasts reached people in the most isolated regions of the country and constituted the most important means of mass communication in Ecuador.

Expansion of broadcasting during the 1960s came about largely as a result of the importation of relatively inexpensive receiving sets from Japan, along with an increase in local production. Many of the receiving sets are battery operated, and large
numbers of people listen to receivers in village squares or in cafes. During the 1960s there were so many transmitters in Quito and Guayaquil that serious interference difficulties developed. The government consequently required that all radio transmitters be moved outside the city limits and closed down a number of stations for noncompliance with this regulation. In 1972 radio broadcasting required authorization by the Directorate of Telecommunications (Dirección de Telecommunicaciones del Ecuador).

The government operated one transmitter, owned by the National Broadcasting Station of Ecuador (Radiodifusora Nacional del Ecuador), that broadcast from Quito on mediumwave and shortwave. Broadcasting on 10,000 watts, its call letters were HCXY1 and HCXZ1. Programs included official announcements and newscasts.

The noncommercial station Voice of the Andes (La Voz de Los Andes), call letters HCJB was owned and operated by the World Radio Missionary Fellowship, a group supported chiefly by various Evangelical Protestant sects in the United States and elsewhere. Its programs were carried from its station in Quito to transmitters in suburban Pifo by microwave. Three of these transmitters were 100,000 watt; two were 50,000 watt; and four were 30,000 watt. The Voice of the Andes, operating both domestic and international services, beamed shortwave broadcasts to Europe, Australia, New Zealand, the South Pacific, Japan, South America, North America, the Caribbean, and Southeast Asia in thirteen different languages.

In 1972 the five radio networks were made up of a number of loosely affiliated, individually owned and operated stations. The largest network was Cadena Nacional Equatoriana, with twenty-nine stations. Its key station, Emisora Gran Colombia de Quito (10,000 watts; call letters HCMJ1), owned by Eduardo Cevallos, featured news and sports. Cadena Amarillo, Azul y Roja operated key stations in Quito and Guayaquil, and its broadcasts were received by twenty-seven stations in other parts of the country.

The network known as Circuito HCMQ operated its key station, Radió Atahualpa, in Quito (10,000 watts; call letters HCMQ1), and its programs were picked up by seventeen members of the network. Cadena Radio Equatoriana, known as CRE, (5,000 watts), transmitted from its key station in Guayaquil (call letters HCAJZ). The fifth major network was Cadena Católica, a church network with twelve stations and a key station, Radio Xavier (10,000 watts; call letters HCSJ1), in Quito.

Radio stations that had power ranging from 200 to 500 watts
broadcast from cities and towns other than Quito and Guayaquil and their suburbs. Most of the programs included news, music, and entertainment. The church-supported stations featured evangelical programs and church news, as well as general news and religious-oriented music.

There were more than 1 million Ecuadorian viewers of television in 1972. One channel (TV 10) in Guayaquil covered most of the country through a relay system. In 1972 there were ten stations—three in Quito, three in Guayaquil, three in Cuenca, and one in Ambato. The programs featured entertainment, and a large proportion of the shows originated in the United States. All television stations were privately owned.

In mid-1972 work was being completed on a satellite communications ground station in the Valle de los Chillos near Quito. This station was designed to operate with the Intelsat series of relay satellites and to enable Ecuadorians to join a worldwide network.

Motion pictures provide an important recreational outlet for the people. In 1972 there were 220 motion picture theaters having a seating capacity of about 150,000. Seven major film importer-distributor organizations and six major theater chains were operating in the country.

A large proportion of the films exhibited were of North American origin, often shown with Spanish subtitles. Other films were imported from Mexico, Argentina, and Europe. There was no domestic film industry.

**Foreign Government Activities**

Ecuador engages in cultural exchanges with other Latin American countries and with European nations. Great Britain, France, Spain, Italy, West Germany, Brazil, and Mexico maintain cultural representatives or binational centers in Ecuador. A number of scholarships are offered by European countries and by Japan.

The United States Information Service (USIS), in addition to a principal office in Quito, maintains binational centers in Quito, Guayaquil, and Cuenca. It provides material to radio and television stations and to the press and circulates exhibits on cultural and scientific themes. In 1971 and 1972 the United States exchange program provided fifty-four grants for United States lecturers and students to visit Ecuador and for Ecuadorian teachers, students, and others to visit the United States. Under private auspices an estimated 400 Ecuadorian secondary students visited the United States, and forty University of New Mexico students studied at the Center of Andean Studies in Quito.

In 1972 the Soviet Union maintained a cultural institute in Ecuador. Radio Havana and broadcasts from Moscow and Peking
can be clearly heard in Quito, but there is no indication as to how many Ecuadorians listen. The Latin Press (Prensa Latina), the Cuban news agency, established an office in Ecuador in 1971. In May 1972 two resident correspondents of the agency were arrested on suspicion of being involved in terrorist activities and were expelled from the country. The secretary general of public administration said there was proof that the newsmen had been meddling in Ecuador's internal politics, that they possessed subversive materials, and that they had connections with persons promoting subversion. The news agency, however, continued to operate in Ecuador.
SECTION II. POLITICAL

CHAPTER 9

GOVERNMENTAL SYSTEM

The military leaders who deposed the duly elected president in February 1972 and assumed control of the government ruled by decree. The revolutionary government reorganized the entire judicial system, relieved the civilian governors of the provinces, replacing them with military officers, and did not reconvene the legislature that had been dissolved in 1970 by President Velasco Ibarra. Brigadier General Guillermo Rodríguez Lara assumed the office of president of the republic. One of his first decrees stated that the Constitution of 1945 was in effect as long as it did not oppose the goals of the revolutionary government (see ch. 10).

Since independence, changes of government have often been accompanied by periods of turbulence, and during such times a convention has usually been called in the hope of creating a constitution that would ensure smoothly functioning government (see ch. 2). No fewer than eighteen constitutions were written between 1812 and 1967. Since the Quito State Charter (1812) and the Gran Colombia Constitution (1821) were framed before Ecuador gained full independence, only the sixteen charters since 1830 are usually regarded as “Ecuadorian” constitutions. On two occasions a government has discarded a constitution and returned to one of an earlier date. President José María Velasco Ibarra in 1970 ruled inoperative the Constitution of 1967 and returned to that of 1946, and the junta that deposed him in 1972 bypassed both the constitutions of 1967 and 1946 when it reactivated the Constitution of 1945.

All the constitutions promulgated since 1830 have provided for a centralized unitary state under a presidential—rather than parliamentary—system having separate executive, legislative, and judicial branches. Eighteenth-century French and United States concepts of sovereignty residing in the people were sources of material for early constitution drafters. Declarations concerning the rights and privileges of citizens in early constitutions were influenced by the United States Constitution and by French
declarations regarding the rights of man, and in most cases there has been a detailed enumeration of rights or guarantees.

More often than not Ecuadorian constitutions have provided for a legislature composed of a senate and a chamber of deputies. In addition to providing coordination between the branches of government, a council of state has often served to legitimize what has amounted to rule by decree on the part of the president. In mid-1972 the government had not inaugurated a new congress, and although the Council of Government performed certain legislative functions, it did not really serve as a congress.

One reason for the frequency of constitutional changes appears to have been a general view that once a constitution has been violated, it can no longer be respected. Politically conscious Ecuadorians do not hold to the notion that their constitutions are immutable declarations of principle and procedure. Nevertheless, frequent revision of constitutions has resulted in little change in form or even wording, with the exception of issues relating to the role of the Roman Catholic clergy.

Frequently in the past, presidents have been removed by means of a coup. Between 1895 and 1944 most of the thirty changes in office of the chief executive were accompanied by violence or a threat of violence. There were fourteen presidents during the 1930s alone. Under such circumstances the principal energies of the president were directed toward staying in power by obtaining sufficient support through favors and promises while attempting to thwart any plots by potential rivals. Despite instances of personal rule, popular participation in government has steadily expanded, and between 1933 and 1956 the number of registered voters increased significantly. This upsurge in participation on the part of the people in governmental affairs was accompanied by the beginning, in 1948, of an unprecedented twelve-year period of relatively stable constitutional rule (see ch. 10).

The court system has been highly centralized; local courts were subordinate to provincial and superior courts, which, in turn, were under the Supreme Court of Justice. In 1972 the system was reorganized. The Supreme Court of Justice was given five chambers instead of four and was directed to appoint all the superior court judges. The superior courts were given the responsibility of reorganizing the lower courts.

Administratively, the country was divided into provinces, cantons or municipalities, and parishes. Each province had a governor; each canton, a political chief (jefe politico); and each parish, a political lieutenant (teniente politico). These officials were appointed by the president of the republic and represented the central government. Each province, canton, and parish had a
council, the members of which were elected locally by direct popular vote. Article 102 of the Constitution of 1945 states: “The municipalities are autonomous in the exercise of their functions, in accordance with what is set forth in the constitution and the laws. The law will determine their duties.” This semiautonomous status of the municipalities has been a major factor contributing to the orderly continuation of local governments, which have usually functioned whether or not government on a national or provincial level existed. Except for the Constitution of 1843, in effect for only two years, this principle of autonomy has been recognized in all constitutions, including the most recent one of 1967.

Although the Constitution of 1945 provides for national, provincial, and local elections under the supervision of the Superior Electoral Tribunal, the revolutionary government declared in 1972 that these provisions were inoperative. The 1970–73 Development Plan for Ecuador recognized deficiencies in the administrative system and made recommendations for the modernization of the civil service. These included eligibility for selection on qualifications alone, regardless of the applicant’s political ideology, religious beliefs, or social class.

CONSTITUTIONAL FRAMEWORK

Constitutional history—from the 1812 Quito State Charter, framed before independence, to the Constitution of 1945—has been marked by the recurrence of one basic issue: the relationship between civilian and clerical authority. This question has provided one of the bases for the lasting dispute between Conservative and Liberal forces, the former representing primarily the interests of the Sierra and the latter representing those of the Costa. The religious issue was smoothed over by the Constitution of 1945; Article 141 stated that the nation did not recognize any official religion and that the citizens could practice any religion they wished.

The Quito State Charter of 1812 called for a popular and representative state established through indirect elections by its citizens. Although it was not stated purposely in the document, it was clearly understood that the term popular meant only wealthy and influential persons. In succeeding constitutions this was made explicit by clearly defined property requirements for citizenship.

The five constitutions framed between 1830 (when Ecuador seceded from Gran Colombia) and 1852 had many provisions in common. All imposed property or professional requirements for citizenship—distinguished from nationality, which was acquired
by birth or derivation from parents. Voting was made indirect, through electors, in both congressional and presidential elections. The presidential term was set for four years except in the Constitution of 1843, which provided for an eight-year term. A bicameral congress, composed of the Senate and the Chamber of Deputies, has been the rule. Only the Quito State Charter and the constitutions of 1830, 1852, and 1945 provided for a unicameral legislature. Of these, only that of 1830 remained in effect for more than one year.

Nearly all of the constitutions prohibited the immediate reelection of the president, but this provision was often violated in spirit if not in the letter. Generals Juan José Flores, Eloy Alfaro, and Gabriel García Moreno managed to rule behind the scenes between their terms of office, but there has been a strong sentiment against long-term monopoly of the presidency. García Moreno was assassinated before his inauguration for a third term. General Flores survived an assassination attempt but was overthrown by force of arms. General Alfaro was killed by a mob on the streets of Quito after he failed to win a third term. No other president except José María Velasco Ibarra has seriously attempted to assume office more than twice, and Velasco Ibarra managed to complete only one of his five terms (see ch. 2).

Velasco Ibarra was president in 1945, when a constitution that had been in preparation for some time superseded that of 1929. The new document provided for a unicameral legislature, and the president believed that its articles unduly limited the powers of the executive. At his instigation another constitution was promulgated in 1946. This charter restored the bicameral legislature and greatly increased the authority of the executive.

When Velasco Ibarra was elected president for the fifth time in 1968, the Constitution of 1967 was in effect. This document provided for a bicameral legislature but also contained provisions displeasing to the president, who assumed extra-constitutional powers on June 22, 1970, and announced that he was ruling by decree. In his first address to the nation he stated that the Constitution of 1967 had destroyed executive power, amputated the Senate's power, divested the police of all power, and dismembered the administrative organization. He declared this constitution abolished forever and decreed that the Constitution of 1946, framed under his direction, was again in effect (see ch. 10).

President Velasco Ibarra appointed the Judiciary Commission to consider amendments to the 1946 Constitution, to be offered to a plebiscite, and these were presented to him in April 1971. Among the thirteen amendments was one that reduced the number of deputies from each province. It allowed one deputy for
every 100,000 inhabitants, whereas the Constitution of 1967 had called for one deputy for every 75,000 inhabitants, and that of 1946 had allowed one for every 50,000. The commission did not recommend any change in Article 82 of the Constitution of 1946 regarding eligibility for the office of president. This article stated: "In order to be President of the Republic, one must be Ecuadorian by birth, in the enjoyment of the rights of citizenship, and have reached the age of thirty-five." It had been widely anticipated that this article would be amended in order to bar the presidential candidacy in the elections scheduled for 1972 of a prominent politician who was born of foreign parents. The plebiscite did not take place (see ch. 10).

After Velasco Ibarra was deposed in February 1972, the military, not wishing to continue supporting a constitution prepared under the guidance of the deposed president, issued a decree declaring the Constitution of 1945 to be in effect as long as its provisions did not conflict with the overall objectives of the revolutionary government.

THE CONSTITUTION OF 1945

In 1944 President Velasco Ibarra announced that a constituent assembly would be elected, not to revise the Constitution of 1929 but to write a new constitution. The assembly was dominated by the leftist Ecuadorian Democratic Alliance, which had been successful in the elections. The document, promulgated in 1945, imposed a number of checks on the executive, rendered the cabinet partially responsible to the congress, established a court of constitutional guarantees, and radically curtailed the president's veto power. The president signed the new constitution, although he stated that he did so "only against his personal convictions and to save the country from evil times."

The Constitution of 1945 contains fifteen sections with a total of 166 articles and some transitory provisions. The first five sections describe the government and define nationality, citizenship, and suffrage, and the legislative function. The fifth section describes the legislative function—to be exercised by the National Congress, a unicameral body of deputies elected by popular suffrage. Provinces with a population of 150,000 were entitled to three deputies, and those with a greater population could elect an additional deputy for every 75,000 persons in excess of 150,000. The thinly populated eastern provinces could elect two deputies, and the Galápagos Islands, one.

The constitution also provided for the election of an additional twenty-five members, called "functional deputies," to represent
educational institutions, industry, agriculture, commerce, labor, farmers, Indian organizations, and the armed forces. Deputies, elected for two years, had to be native-born Ecuadorians at least twenty-five years old and enjoying full citizenship rights. They must have been born in the province from which they were elected or have resided there for at least six years before the election. The president, cabinet ministers, comptroller general, attorney general, and superintendent of banks could not become deputies.

The deputies received immunity during their congressional mandate. They could not be arrested, except in flagrante delicto, nor held responsible for opinions expressed while congress was in session. The congress was to meet annually on the tenth day of August in the capital; the sessions lasted ninety days and could be extended for thirty more by majority resolution. In cases of emergency the president was authorized to convene extraordinary sessions.

The principal duties of the congress were to interpret the constitution; amend it if necessary in accordance with the provisions specified in Article 34; pass laws and resolutions; approve or disapprove public treaties and international conventions; establish duties and taxes; prescribe the country's annual budget; establish or abolish provinces and other subdivisions and determine their boundaries; confirm to the country the legal election of the president; grant or deny extraordinary powers to the president; declare war and make peace, after hearing the report of the president of the republic; permit or refuse the transit of foreign troops through the national territory; and exercise the other powers stipulated in the constitution and laws.

According to the sixth section of the Constitution of 1945, the president was to be elected by direct popular vote for a four-year term. He had to be a native-born Ecuadorian, in full enjoyment of civil rights, and at least thirty years old. If for any reason the president had to be replaced, he was to be succeeded in order of succession by the president of congress and the minister of government. The president was responsible for compliance with the articles of the constitution, laws, decrees, and international conventions; sanctioning and promulgating congressional laws and decrees; directing public administration; presenting to the congress on its opening day a message about the state of the nation; disposing the armed forces in the defense of the nation or when necessary in the public service; formulating the annual budget; commissioning or removing officers of the armed forces according to law; declaring war with the approval of the congress; and pardoning or commuting penal sentences when he saw fit.
The president was to be assisted by a cabinet whose numbers and functions were determined by law and whose members could be appointed or removed by the president at will. The only qualifications were that cabinet ministers had to be native-born Ecuadorians, in full enjoyment of civil rights, and at least thirty years old. The ministers could be called upon at any time by the congress to report on the status of their ministries.

The constitution provided that the judicial system was to be headed by the Supreme Court of Justice, followed by superior courts and other tribunals established by the constitution. In order to be a member of the Supreme Court of Justice an individual had to be a native-born Ecuadorian, have at least ten years of legal training with established competence, and be over forty years of age. Qualifications for judges of superior courts were the same, except that the minimum required legal practice was eight years and the minimum age, thirty-five.

Other sections were concerned with the armed forces, the national budget, the attorney general, and the comptroller general. Sections thirteen and fourteen contained twenty articles in a bill of rights describing personal and family rights, educational and cultural rights, freedom of work, and social security. The last section described the method of amending the constitution. This could not be done until four years after it had been promulgated, and the amendments had to be discussed by the congress in ordinary session. If approved, the amendments were to be sent to the president; if he approved them, they were published at least thirty days before the next election of deputies for congress. If the succeeding congress approved the amendments, the president could not object and must publish them in the official journal.

THE CENTRAL GOVERNMENT

The Executive

In 1972 President Rodríguez Lara was serving with no definitely prescribed term of office. The principal organs designed to assist the president were the Council of Government; headed by military officers, which exercised a quasi-legislative function; a cabinet of ten ministers; the National Planning Board; and the National Security Council.

The National Planning Board, established in 1954 as the Ecuadorian National Board of Planning and Economic Coordination, was continued after the coup of 1972. This economic planning agency advised the president on trade and financial policy and submitted to him programs for improvement in agriculture, fishing, manufacturing, transportation, communications, infrastructure, and public administration.
The missions of the National Security Council were to plan the strategy necessary to achieve national objectives and to assist the president in directing foreign, interior, military, and economic policies in conformance with the overall plan for the national security of the state. According to a decree issued in June 1972, the members were the president (who was de facto president of the council), the minister of national defense (who was vice president), the other cabinet ministers, the commanders of the three branches of the armed forces, and the presidents of the National Planning Board, the Monetary Board, and the Institute for Foreign Commerce and Integration. The National Security Council also had executive authority over the National Institute of Higher Studies, a newly created institution that was to begin functioning in May 1972. Its purpose was to assist the president in various political and economic sectors.

The executive branch supervised a number of autonomous agencies concerned with social and economic operations on national, provincial, and lower levels. By 1970 these numbered about 1,400. Theoretically subordinate to the executive branch, these agencies were not responsive to control by the cabinet or by the legislature. Former president Velasco Ibarra had reduced their number by 700 between 1970 and 1972, and one of the goals of the military government was to further reduce the number, placing the remainder under the supervision of an appropriate ministry.

The president was responsible for the maintenance of internal order and external security of the republic and the promulgation of laws and decrees. He directed diplomatic negotiations, appointed ambassadors, and appointed or removed cabinet ministers, provincial governors, and other public employees.

The Council of Government

In 1972 responsibility for legislation had been assigned to the Council of Government. This body had come into being when the military government assumed power, and its membership consisted of the commanders of the three branches of the armed forces. These officers were subsequently replaced by more junior officers. The council was in effect a permanent legislative commission, and its principal function was to prepare projects and laws and give impetus to national planning in accordance with the desires of the revolutionary government. It was also required to carry out legal duties, including the investigation of cases of suspected illicit enrichment.

The principal members of the council in 1972 were the president, an air force colonel, an army colonel, and a navy command-
er. They had a staff consisting of a secretary general, an adjutant, a chief of public relations, and a chief of the Department of Legislation. The Department of Legislation had four committees, each staffed with two specially qualified civilian technicians. The committees dealt with social, economic, general, and financial legislation. The committee handling financial legislation was headed by an officer of the armed forces on active duty and included two sections—analysis and evaluation and supervision and control.

The Cabinet

In May 1972 the president's cabinet consisted of ten ministers heading the ministries of government, national defense, foreign affairs, public health, public education, production, finance, social welfare and labor, natural resources and tourism, and public works and telecommunications. All the ministries except those of foreign affairs, production, and finance were headed by senior active-duty or retired officers of the armed forces; four were from the army, one was from the navy, and two were from the air force. The government minister, an army general, was considered to be the prime minister. Except for the Ministry of National Defense, all the deputy ministers were civilians. The foreign affairs ministry was headed by an experienced member of the career foreign service, and the finance and production ministries were led by nationally noted economists.

According to a decree published in February 1972, any citizen who attempted to shirk his appointment to an obligatory public service post was to be punished by the corresponding cabinet minister with the loss of his citizenship rights for one year, during which time he would not be allowed to leave the country. The government also announced that the armed forces officers serving in cabinet and other posts in the administration would not receive extra emoluments but would receive only their military pay because of an austerity program.

The Judicial System

The Law Code

For almost three centuries public law, the basis for governing Spanish America, stemmed from royal decrees. Civil law derived from the "Seven Divisions" (Siete Partidas) and other laws then in force in Spain. The "Seven Divisions" had been in force since the middle of the fourteenth century and were based largely on Roman law.

For almost forty years after independence the lives of the people were regulated by Spanish law, but in 1861 Ecuador
adopted, with very few changes, the Civil Code of Chile. Compiled by the Venezuelan jurist Andrés Bello, the Civil Code of Chile included as its sources the Napoleonic code, Roman law, the Louisiana code, the Austrian and Prussian codes, and the "Seven Divisions."

The Ecuadorian code consists of a preliminary section dealing with law in general—its definition, promulgation, and interpretation—and four books. Book I, "Persons," deals with domicile, family relations, civil status, and related subjects. The title of Book II is "Property, Its Dominion, Possession, Use, and Enjoyment." Book III deals with succession on death, gifts between the living, and wills and testaments; Book IV covers obligations and contracts.

In 1872 Ecuador adopted the Penal Code of Belgium, which was based on the Penal Code of France of 1810. The Ecuadorian penal code was modified during succeeding years, notably in 1906. The code in effect in 1972, adopted in 1938, reflected developments in penology and related matters and made provision for the reeducation and rehabilitation of offenders (see ch. 15).

The Court System

Justice was administered by courts established by the constitution and the laws. The principal law was the Organic Law of the Judicial Power, amended in 1968. The court system consisted of the Supreme Court of Justice, which sat in the capital; superior courts in the capitals of fifteen provinces; a series of provincial and cantonal courts; and parish judges. The entire system was supervised by the Ministry of Government, which had the authority to appoint and remove personnel.

In 1972 the Supreme Court of Justice comprised a president, five chambers of three judges each, and a public prosecutor. Each of the five chambers handled both civil and criminal cases in order to equalize the workload.

In order to become a supreme court judge an individual had to be a native-born Ecuadorian citizen who had completed at least ten years' legal work in a competent manner and who was over forty years old. Members of the clergy; lawyers whose commissions had been suspended; those persons who had served a prison sentence; and persons who were deaf, dumb, or blind were prohibited from obtaining a judgeship.

According to Decree Law 138, promulgated by the revolutionary government on March 23, 1972, the president of the court was to be elected from among its membership by majority vote. He was to serve a one-year term and could not be reelected for four years. At the end of his term he would become a judge in the
chamber from which the new president was elected. Each of the seventeen members of the court had the right to vote in its decisions.

The Supreme Court of Justice had first-instance jurisdiction over all penal cases if they pertained to the president, the vice president, members of the National Congress (not in session in 1972), cabinet ministers, judges of the supreme court, the attorney general, the comptroller general, and the superintendent of banks. It had the same jurisdiction over cases involving Ecuadorian diplomatic and consular personnel for infractions of official duties, cases involving piracy, cases against superior court judges, and cases against members of the armed forces for crimes committed in peacetime. It also heard cases involving contracts signed by the president of the republic or his agents.

The Supreme Court of Justice supervised the Superior courts and lower courts and prepared regulations to ensure that the employees of the judiciary functioned properly. It examined the statistics of the cases submitted annually by the superior courts and presented to the congress (when in session) a memorandum showing the suggestions it had made toward the improvement of the judicial function. It heard and resolved questions raised by the superior courts and suspended or removed lawyers who had violated legal statutes. It published semiannually the Legal Gazette and also published the court's diary. It also removed, according to law, criminal judges, provincial judges, attorneys, and cantonal judges for misconduct while in office or for incapacitation.

The number of chambers in the fifteen superior courts depended upon the population of the province and its capital city. Each had at least one chamber of three judges and an attorney; those of Quito and Guayaquil had three. Superior courts had first-instance jurisdiction in criminal cases involving provincial governors, mayors, members of electoral tribunals, customs officials, provincial judges, and police officials. They heard appeals from lower courts in both criminal and civil cases. They resolved questions raised by lower court judges and supervised the activities of lower court judges, attorneys, and notaries public to ensure that they carried out their duties properly.

Members of superior courts were required to visit penitentiaries and jails to hear the complaints of inmates, correct any abuses caused by prison personnel, and secure the release of any person arrested or detained in an illegal manner. The courts were authorized to fine attorneys if they delayed in processing their cases. The superior courts had to deliver to the Supreme Court of Justice, in early January of each year, a survey of the adminis-
tration of justice throughout the entire territory under their jurisdiction and submit suggestions for the improvement in the administration of justice. They also appointed provincial and cantonal judges and attorneys. In the provinces of Napo, Pastaza, Morona-Santiago, and Zamora-Chinchipe there were provincial courts (one in each) under the superior courts of Quito, Ambato, Cuenca, and Loja, respectively.

The judges of the Supreme Court of Justice and the superior courts were required, in early January of each year, to elect one of their members as president of the court. This was done by secret ballot and by an absolute majority, and the names of those elected had to be submitted to the president of the republic and the minister of government.

Provincial courts had first-instance jurisdiction in civil cases where the amount involved exceeded 8,000 sucres (for value of sucre—see Glossary). These courts had to resolve cases brought before them and had to submit to their superior courts a list of cases completed and the results of their decisions. They had to consult the superior courts on the interpretation of the law and were required to have representatives visit the jails in the provinces when so ordered by superior authority. To be a provincial judge a person had to be a lawyer exercising the rights of citizenship and to have shown competence in the legal profession for three years.

Cantonal courts had jurisdiction in civil cases where the amount involved exceeded 200 sucres but not 8,000 sucres, and they had the authority to fine parish judges for negligence of duty. They had to remit monthly to their superior court a list of cases resolved, and they supervised the functioning of the parish judges. These had jurisdiction in civil cases when the amount involved did not exceed 200 sucres. In each parish the political lieutenant was responsible for the administration of justice. He had to resolve the cases brought before him and submit monthly to the cantonal court a list of those cases.

Decree Law 138 reorganized the judicial system. New members were appointed to the Supreme Court of Justice, and that court was given the responsibility of selecting the members of the superior courts. The decree forbade nepotism and directed the Supreme Court of Justice to submit to the president of the republic, within six months, recommendations for the improvement of the Organic Law of the Judicial Power; the civil, penal, and labor codes; regulations for the control of statistics and personnel within the judicial system; and recommendations for greater efficiency in the administration of justice.

The Tribunal of Constitutional Guarantees was provided for in
the constitutions of 1945 and 1967 but not in the Constitution of 1946. It consisted of nine members: three elected from the National Congress, the president of the Supreme Court of Justice, a representative of the president of the republic, the attorney general, a representative of labor, and two citizens elected by the National Congress. Its duties were to see to the observance of the constitution and the laws, especially regarding constitutional guarantees, and to report periodically to the congress regarding the performance of its functions.

PROVINCIAL AND LOCAL GOVERNMENT

For administrative purposes the country was divided into nineteen provinces and the Galápagos Islands. The provinces were subdivided into 103 cantons or municipalities, which contained 746 parishes. These divisions and the administrative structures governing them, generally, have not been affected by political change at the national level, although powers of officials and the relationships among institutions have sometimes changed. In each province there was a governor; in each canton, a political chief; and in each parish, a political subchief—all of whom were appointed by the president. Each province had a provincial council with headquarters in the capital and jurisdiction throughout the province. The duties of the council included ensuring that public services were properly maintained; accomplishing necessary public works; coordinating the activities of the municipalities within the province; and informing the central government of budget expenditures.

Each canton constituted a municipality whose government was entrusted to a council, the members being elected by direct popular vote. The mayor, also elected by popular vote, presided over the council, which was responsible for plans for the improvement of welfare within the canton. The parishes were primarily rural areas governed by a parish council, whose members were elected by direct popular vote. The council was responsible for improving parochial public services, executing public works throughout the parish, investing parochial revenues according to law, and carrying out any other duties required by law.

The civilian provincial governors were relieved of their positions after the coup of February 1972, and the military government decreed that all provinces (including the Galápagos Islands) would be governed politically, administratively, and militarily by specially appointed governors, who would exercise their authority in accordance with pertinent legislation. Military officers, either on active duty or retired, and civilians with special
qualifications would be designated for those positions. By mid-1972 all of these positions were filled by officers of the three branches of the armed forces, ranging in rank from major to brigadier general.

Before the coup the authority of the governors was limited to representation of the executive branch, and the governors did not participate extensively in purely provincial affairs. With the advent of the military regime their powers were broadened, since they exercised supervision over all activities of the provincial and municipal governments. The governors were also empowered to issue edicts having the force of law within their respective provinces.

THE ELECTORAL SYSTEM

Although the military government had indicated there would be no presidential election in 1972, the Constitution of 1945, then in effect, provided for national, provincial, and local elections under the supervision of the Superior Electoral Tribunal. This body comprised seven members: one judge from the Supreme Court of Justice, designated by that court; one member from the Tribunal of Constitutional Guarantees, elected by that organization; two citizens elected by the National Congress; and three individuals nominated by political parties representing rightist, centrist, and leftist factions.

The members of the Superior Electoral Tribunal had to be native-born Ecuadorians, enjoying full civil rights, and at least twenty-five years of age. They were obliged to serve a two-year term without pay, and each had an alternate elected at the same time to serve if any of the principals had to be relieved. While serving on the tribunal, a member could not campaign for the Chamber of Deputies. The functions of the Superior Electoral Tribunal were to establish and watch over the different electoral laws and give necessary instructions for their fulfillment, check the election returns, prescribe any orders necessary to ensure the freedom of suffrage, and perform other functions demanded by the constitution.

Auxiliary electoral organizations were established in the provinces, cantons, and parishes under the supervision of the Superior Electoral Tribunal. Municipal polling places were sometimes located in the open, and each voter had his hand stamped in indelible ink to prevent repeated voting. Votes were counted and forwarded to the provincial organization, after which they were sent to the Superior Electoral Tribunal for recounting.

In the 1948 presidential election (under the Constitution of
1946) the registered electorate represented about 16 percent of the population, and the voting electorate constituted about 60 percent of those registered. Under the constitution prevailing in 1968, voting was both a right and a duty and was compulsory for all citizens regarded as literate who had reached the age of eighteen. In 1968 about 80 percent of the registered voters cast their ballots. Women had voted since 1929, but the 1968 election was the first time they were obliged to vote. Members of the armed forces and the national police on active duty and those who had been deprived of political rights were not authorized to vote.

THE CIVIL SERVICE

The most recently published figures (1969) on the country’s national and local civil services indicate that in 1965 there were over 65,000 employees, representing 4.2 percent of the economically active population. The greatest number of civil servants were employed by the autonomous agencies (38.7 percent), followed by universities, colleges, and schools (30.5); government ministries (20.2); national police (7.7); and electoral, legislative, and judicial institutions (2.9 percent).

Of the total number of civil service employees, 40,133 were accredited under the Law of Career Administration; the remainder were temporary employees. An increase in the number of civil servants, which appeared to exceed the real needs of the administration, was caused partly by the pressure brought to bear by the college graduates with degrees in social sciences and modern humanities, who had difficulty in finding employment in the private sector.

It had been customary for a new president to reward his politically significant supporters with government posts. The patronage system encompassed all positions of authority within the executive branch and extended downward, even to unpaid but often profitable positions on the local level. Changes in government have seen the replacement of even minor clerks by members of the victorious party. It has always been considered an honor to serve the country, and many persons continue to seek important government jobs more for influence and possibly prestige than for salary.

The minister of government stated on March 8, 1972, that, in accordance with the recent civil service law, a citizen could be selected for civil service if he met the qualifications, without distinction as to his political ideology, religious beliefs, or social class.
CHAPTER 10

POLITICAL DYNAMICS, VALUES, AND ATTITUDES

In mid-1972 most of the parties and interest groups that had been active in the political system were exhibiting confusion or caution in their reactions to the military leaders who had assumed control of the government on February 15. Only minor parties of the far Right and far Left had expressed full support. Most groups appeared to be withholding judgment while searching for clues as to whether the new government would substantially alter the socioeconomic status quo.

Perceptions of leftward or rightward ideological shifts are particularly difficult in the Ecuadorian context, as the fulcrum generally falls somewhere between the defenders of the paternalistic estate system and the advocates of incipient capitalism. This is owing in part to the fact that Guayaquil, the locus of the liberal challenge to the staunch conservatism of Quito and the Sierra, is also the political base of the country's wealthy merchant class. This group provides much of the leadership and most of the financial resources for the Radical Liberal Party (Partido Liberal Radical), which has often aligned itself with Marxist or populist parties in a center-Left coalition against a coalition of the Conservative Party and the Social Christian Movement (Movimiento Social Cristiano—MSC), representing landowning and clerical interests.

The Left in this regional sense had consistently outvoted the Right for several decades, but the political power resides on the Right; when the stakes of competition threaten to shift from a reshuffling of wealth and status among those who already have them to a redistribution between haves and have-nots, the merchant class of Guayaquil throws its weight to the Right. The pattern has been somewhat obscured by the organizational fragmentation on the Left, but the distance between the electorate and the actual wielders of power is indicated by the fact that José María Velasco Ibarra, the country's most resilient political figure, has always campaigned from the Left and ruled from the Right.

The pillars of nineteenth-century society—the large landown-
ers, the Roman Catholic Church, and the military—continue to wield considerable power, but the various factions of the military, as of the church, have been united only in the defense of their own institutional interest. On policy questions relating, for example, to the distribution of wealth and opportunity, neither institution could be considered monolithic; certain elements of each have championed the interests of the lower classes. The remainder of the power structure is composed predominantly of commercial, industrial, financial, and professional interests, although organized labor and students have won, largely through the ability to disrupt, the right to be taken into account.

Participants in the political process, however, constitute only a small minority of the total population. The unassimilated Indians and illiterate mestizos who make up the bulk of the population are believed to be scarcely cognizant of the political process at the national level and to relate to the process at the local level as subjects rather than as effective participants.

The military coup d'état in 1972 was neither unprecedented nor unanticipated. Velasco Ibarra, ousted on three previous occasions by the military, had been elected in 1968 by a narrow margin for his fifth term, but since mid-1970 he had been ruling dictatorially at the sufferance of the military. His apparent determination to hold free elections in June 1972, even though Asaad Bucaram, a center-Left populist backed by the Guayaquil-based Concentration of Popular Forces (Concentración de Fuerzas Populares—CFP), was expected to win handily, was generally believed to have provided the major motive for the coup.

The circumstances of the coup, the informal coalition of interest groups that backed it, and the reputation for conservatism of the new president, General Guillermo Rodríguez Lara, caused many to doubt that the rhetorical and symbolic “revolutionism” of the new government would be reflected in action. In a speech on May 5, 1972, calling for unity within the armed forces, President Rodríguez Lara reassured the representatives of vested interests that the government would not move hastily in implementing the proposed reforms. Some observers believed that implementation of innovative policies would be stalled in any case by factionalism within the military hierarchy. The one matter on which there appeared to be general consensus within the officer corps was that civilian politicians were incapable of governing.

**POLITICAL VALUES AND ATTITUDES**

The political history of Ecuador has often been referred to as a tale of two cities. The marked regionalism between the Sierra
and the Costa and the cities that provide the focal point of the competition is, however, but one manifestation of the nation's general lack of political integration. Cross-cutting the dominant regional cleavage are the broader rural-urban cleavage and a rigid three-tiered class system, reinforced by great ethnic and cultural disparities (see ch. 5).

The verbal and graphic symbols of nationalism so prolifically employed by both traditional political leaders and Marxist or populist contenders for power have little meaning for the unassimilated Indians who constitute about half of the population. This is particularly apparent in the vicinity of Tucumán, where the demarcation of the Ecuadorian-Colombian border has remained virtually irrelevant to the large Indian community (antedating the Spanish conquest) that it bisected.

Although systematic research data is lacking, observers have generally reported that most of the Indians and many of the mestizos as well are political parochials; that is, although they may be aware of the locus of power in their own communities, they have little consciousness of a national political system. Whatever their level of political awareness, a large proportion of the Indians have been illiterate and voteless.

Participation in the political system has been limited in practice to the upper and middle classes (see ch. 5); and overtly competitive political activity is concentrated in and largely confined to urban areas, mainly Guayaquil and Quito. Only 16 percent of the total population voted in the 1968 presidential election. This figure represented about 33 percent of the adult population and 66 percent of the estimated electorate.

Although certain issues pitting Ecuador against other nations, such as the territory lost to Peru under the Rio Protocol of 1942 or the claim to a 200-mile territorial sea, unite the politically active minority, there is little real consensus among parties or representatives of functional or regional interests as to what the nation should aspire to in terms of domestic development. Verbal accords on the need for agrarian reform, the integration of the Indian into the national community, equalization of wealth and opportunity, and other topics have meant little in practice.

The real stakes of political contests, whether electoral or extraconstitutional, have generally been the division of spoils among institutions and economic interest groups dominated by the upper class. The bitter rivalry between the elites of Quito and Guayaquil has served to mute class consciousness among the middle and lower classes, and the fragmentation of the Left has allowed the most conservative groups to continue to wield power far out of proportion to the votes they influence.
The pervasiveness of complaints about governmental neglect and corruption, especially in Guayaquil, has led many observers to conclude that the prevailing attitude among the politically articulate citizenry is alienation from the institutions of government and from the political process in general. Loyalty to certain individuals has generally been stronger than allegiance to parties or institutions and has been reflected in personalist movements, dependent for structure and continuity on the fortunes of their leaders.

To the extent that concepts of national destiny are entertained, they are intertwined with strong irredentist sentiments. It is believed that neighboring countries, particularly Peru, hold territory that is rightfully Ecuador’s. National pride focuses on the exploits of conquistadores based in Quito, such as the discovery of the Amazon by Francisco de Orellana. Antonio José de Sucre, victor in the Battle of Pichincha (1822), which assured Ecuador’s independence from Spain, is a national hero.

Many Ecuadorians regard Gabriel García Moreno, the nineteenth century Conservative leader, as one of their greatest compatriots, whereas others hold the noted Liberal reformist, Eloy Alfaro, in high esteem. Since independence, however, the country has been subject to such political turmoil that no leader has been accorded the high esteem of all sectors of the population.

DEVELOPMENTS SINCE 1965

Provisional Governments

In December 1965 the military junta, under strong criticism from virtually all politically active civilian groups, sought to appease the opposition by reshuffling cabinet posts and promising to hold general elections the following June. A renewal of intense political agitation in March 1966, however, including student demonstrations and a strike by merchants, finally brought an end to government by junta after thirty-three months. Under pressure from the high command of the armed forces, the junta resigned on March 29.

The military high command requested political party leaders aligned in the National Patriotic Front to designate a provisional president. Their selection to head a caretaker government was Clemente Yerovi Indaburu, a businessman and plantation owner who had served as economics minister in the cabinet of Galo Plaza Lasso.

The presidential election that had been scheduled for July 1966 was canceled, but a constituent assembly was elected in mid-
October of that year. The assembly, which was to draft a new constitution and electoral code as well as elect a provisional president, was evenly split between the forces of the Right and those of the center-Left. Thus a small ad hoc centrist group led by Otto Arosemena Gómez held the balance. Arosemena Gómez, a Guayaquil lawyer and businessman and former Radical Liberal, broke the stalemate by pledging to appoint a largely Conservative cabinet in exchange for Conservative support for his candidacy for provisional president. He was elected by a margin of five votes of the seventy-five cast.

The country’s eighteenth constitution went into effect on May 25, 1967. The new electoral code, enacted in December, was to govern presidential elections scheduled in 1968; it discouraged the proliferation of minor parties and made voting compulsory for women.

Three of the five contenders for the presidency in 1968 were former presidents. Camilo Ponce Enríquez was supported by the Popular Alliance (Alianza Popular—AP) coalition, composed of the Conservative Party and the Social Christian Movement (Movimiento Social Cristiano—MSC). The Democratic Leftist Front (Frentede Izquierda Democrática—FID), embracing the Radical Liberal and Socialist parties and the Concentration of Popular Forces, backed Andrés F. Córdova Nieto. The irrepressible José María Velasco Ibarra, recently returned from exile in Argentina, was backed by his own personalist vehicle, the Velasquista Popular Front Movement (Movimiento Popular Velasquista—MFP). The quasi-fascist Ecuadorian Nationalist Revolutionary Action fielded Jorge Crespo Toral, lawyer and standard-bearer of the party since 1959, and the Communist Party (which for the 1968 elections dubbed itself the Popular Democratic Union) nominated Elias Gallegos, a Quito physician. The Christian Democratic Party refused to support any ticket.

As had generally been the case, personalities outweighed substantive issues in the campaign. The most inflammatory issue was the credibility of the electoral process itself. President Arosemena Gómez had pledged his government to strict neutrality in the forthcoming election, but it was revealed in early 1968 that he had signed a secret pact with center-Right elements, including Ponce, in 1966 to assure his own election. Arosemena Gómez publicly acknowledged that pact but denied a second one of which he was accused by Velasco Ibarra.

All of the candidates except Ponce attacked Arosemena Gómez for his failure to implement agrarian reform, and all of Velasco Ibarra’s rivals denounced as disastrous his four previous attempts to govern the country. Velasco Ibarra countered that all of them
had at one time or another been Velasquistas, and he pledged defense of the country’s claim to a 200-mile-maritime jurisdiction and fundamental social and economic reforms.

On June 2 the seventy-five-year-old Velasco Ibarra was elected to his fifth term in the presidency. Whereas his vote in 1960 had been more than double that of all the other candidates, the margin of victory in this case was narrow. Córdova and Ponce ran a close second and third, respectively, with Crespo and Gallegos trailing far behind. The president’s problems were compounded by the fact that his own running mate was defeated by Jorge Zavala Baquerizo, vice-presidential candidate of the Democratic Leftist Front, and he faced a hostile majority in Congress.

The Fifth Term of Velasco Ibarra

In the interim between his election and the September 1 inauguration, Velasco Ibarra negotiated simultaneously with representatives of the center-Left and conservative coalitions. A pact with the Liberals and other elements of the center-Left provided him initially with a tenuous working majority in Congress, although he sought cooperation from all groups. His original cabinet included one Conservative, one Liberal, two Socialists, and seven Velasquistas.

President Velasco Ibarra began his fifth term with comparatively cautious moves. Whereas he had begun his preceding term with a wholesale dismissal of senior military officers—forty-eight in a single sweep—on this occasion he relieved only a few of their commands, without dismissing them from the armed forces. The most significant of the initial dismissals was that of General José Ayllon Tamayo, who represented the armed forces in the Senate. His assertions of a new guerrilla threat had been unconvincing even to many of his military colleagues. Other precautionary moves by the new president, including generous salary increases for the officers and the establishment of a system of rotation of commands, preceded the replacement, in January 1969, of the chief of the general staff and the commanders in chief of the three service branches.

Maneuvering among civilian political factions and interest groups, however, proved more difficult. Having inherited economic problems of such magnitude as to not only forestall reform programs but cripple the ongoing business of government as well, Velasco Ibarra soon fell back into his traditional pattern of moving from crisis to crisis. His tentative attempts to curtail the powers of some 600 autonomous agencies that annually devoured about 60 percent of the government’s revenues were vigorously
opposed by the interest groups that had controlled them. Even if Congress had been willing to appropriate money for the agrarian reform program, its prospects would have been dim as long as the directorate of the Institute for Agrarian Reform and Colonization was dominated by economic pressure groups, including the landowners.

Intimations by the government that export industries might have to be nationalized caused unrest in business circles, and attempts to prune the bureaucracy threatened to alienate much-needed Liberal support. The proposal of new taxes led inevitably to a coalescence of opposition groups. Increases in income tax were opposed even by the strongest labor confederation, as the unions claimed that tax avoidance by the wealthy merely shifted the tax burden to the wage earners.

By mid-1969 incidents of protest and disruption were widespread. Along with strikes by urban labor and sporadic land invasion by peasants, young army officers staged demonstrations when roadbuilding tasks they considered their own were contracted out to private firms. Students of Guayaquil occupied university buildings demanding examination-free matriculation procedures, and residents of the province of Cañar rioted over the transference of a part of their province to the adjoining one of Guayas.

The most ominous of the crises, however, was the budget deficit, which by early 1970 had reached record-breaking proportions. Increased preproduction royalties obtained from foreign oil concessionaires provided only stopgap relief. Emergency economic measures decreed by Velasco Ibarra in May in the face of congressional inaction were vehemently condemned by the Guayaquil Chamber of Commerce and other representatives of private enterprise and were declared unconstitutional by the Supreme Court. The strengthening of the Conservatives through municipal and parliamentary elections in June 1970 made prospects for relieving the financial crisis through taxation even more remote.

After a week of rioting in several cities by students Velasco Ibarra, on June 22, assumed dictatorial powers. He announced suspension of the 1967 Constitution, which he called "absurd," abolished Congress and the Supreme Court, and sent in tanks to close down the university campuses. Arrests ranged across the political spectrum from labor and student leadership to the president of the Guayaquil Chamber of Commerce, and Velasco Ibarra was left almost wholly dependent upon the backing of the military.

Thus freed of civilian restraints, President Velasco Ibarra
proceeded to devalue the sucre and decree a number of tax measures. He also suppressed many of the autonomous governmental entities and brought the agrarian reform agency under the control of the central government. By early 1971 considerable progress had been made toward balancing the budget, but it was being overshadowed by inflation and unemployment.

Velasco Ibarra's strategy for retaining military support rested primarily in the maneuvers of his nephew, Jorge Acosta Velasco, who had been appointed defense minister. Acosta employed well-timed promotions and similar tactics to help his uncle's friends and to hinder his enemies. In early 1971 General Luis Jácome Chavez, head of the war academy, demanded the resignation of Acosta and Army Commander Julio Sacoto Montero, whose alleged administrative irregularities and political radicalism had caused concern among the more conservative senior officers. For this action Jácome Chavez was removed as head of the war academy, but he countered on March 31 by attempting to rally forces around himself and to stage a coup. The rebellion was put down in a single day, but among the repercussions of the incident were the consolidation of opposition to Acosta and Sacoto. Velasco Ibarra was forced to replace them a week later.

Although maintaining the option of jailing his critics, President Velasco Ibarra in January 1971 reopened the universities and began to talk of a return to constitutional rule. He issued seemingly ambivalent statements about holding completely free elections on schedule in 1972 and on handing over the reins of power to the person or institution competent to receive them. Whatever his intentions, there were indications that he might not be able to follow through on them. That the armed forces held the upper hand on some matters had been revealed when the president was forced to dismiss his nephew from the post of defense minister. Also the apparent opposition to his regime by virtually all articulate civilian groups caused Velasco Ibarra to cancel the plebiscite on return to the 1946 Constitution that had been scheduled for June 1971.

Preparations for the 1972 elections proceeded nevertheless. Asaad Bucaram, governor of Guayas Province, former mayor of Guayaquil, and leader of the Concentration of Popular Forces, was allowed to return to the country in January 1972 after a fifteen-month period in exile. The son of Lebanese immigrants, Bucaram was generally considered by supporters and opponents alike the country's most popular political figure. Conservatives, both military and civilian, were alarmed by his record as a social reformer and his left-of-Center populist appeal and had persistently attempted to disqualify him from the presidential race on
the grounds that he was actually born in Lebanon rather than, as he claimed, in Ecuador. Although Velasco Ibarra continued to denounce him, the government appeared reconciled to the inevitability of his candidacy and of his status as a native-born Ecuadorian.

While President Velasco Ibarra called for a coalescing of Right and Center behind a candidate strong enough to defeat Bucaram, presidential aspirants proliferated. Even though it was rumored that Velasco Ibarra suspected that only Social Christian Movement leader and former President Ponce could defeat Bucaram, his own Velasquista Party nominated Minister of the Interior Jaime Nebot Velasco. The Conservative Party, which had been aligned in the last several elections with the Social Christian Movement, put up its own candidate, Carlos Arizaga Vega. Former President Carlos Julio Arosemena Monroy was the candidate of the ad hoc center-left Unitary Front (Frente Único) coalition, and Jaime del Castillo, former mayor of Quito, was running as an independent.

The most explosive issue of the campaign promised to be that of which individuals, interest groups, institutions, and social classes would benefit most from the anticipated oil bonanza. Concessions in the northeast that had been worked since 1964 by numerous foreign oil companies, spearheaded by a consortium formed by Texaco and Gulf, and that had paid off in oil strikes in 1967 were expected to start contributing the equivalent of US$200 million in export earnings with the completion of a pipeline to the Pacific later in the year (see ch. 13). The government’s contention that oil was not an admissible subject for political discussion was widely viewed as confirmation of the allegation that 50 percent of the royalties payable by the Texaco-Gulf consortium over the next fifteen years had been assigned through an unpublished presidential decree to the armed forces.

**Return to Military Rule**

On February 15, 1972, just as President Velasco Ibarra was preparing to address the nation from a Guayaquil television station, the octogenarian was seized and bundled onto a military plane headed for Panama. The contents of the undelivered speech remained a mystery. In the days following the coup, Velasco Ibarra announced that the military had taken over because they considered Bucaram’s candidacy a threat to the country, and the new military strong man, Guillermo Rodríguez Lara, announced that Velasco Ibarra had been toppled because he wanted to block Bucaram’s candidacy. Most observers believed
that Velasco Ibarra had refused to bow to military pressure to cancel the elections.

The coup d'état, carried out by a junta of the leaders of the three services, involved no violence and, initially, few arrests. Among the junta's first actions were the cancellation of elections, the closing of schools, the declaration of a curfew and a state of siege, the replacement of all civilian provincial governors by military officers, and the announced reinstatement of the 1945 Constitution (see ch. 9).

Bucaram was finally tracked down and arrested on February 26 but was released the same day after he promised not to attend a soccer game in Guayaquil the next day. The military apparently feared that his appearance at the game would trigger a demonstration of public support for him.

The leader of the coup, Army Commander in Chief General Rodríguez Lara, immediately assumed the office of president. His opening remarks as head of state explained that his government was neither leftist nor rightist, but nationalist. He said that he anticipated little change in foreign policy, and he reassured the private enterprise sector that nationalization was not contemplated, although he stopped short of foreclosing options relating to "the interests of the country." He described the government as "revolutionary" and pledged a "transformation of the basic structures of the country," but his closest political contacts had been with the traditional parties and wealthy Guayaquil merchants, and he had been instrumental in the previous two years in suppressing younger officers of Peruvian-style reformist orientation. Aside from the fact that the new defense minister, retired General Víctor Aulestia Mier, was considered highly conservative, the new cabinet, composed of eight military and two civilian ministers, provided few clues as to the ideological coloration of the new government.

The navy and air force commanders, who had outranked Rodríguez Lara, resigned from the junta within two weeks of the coup. A new Council of Government (Consejo de Gobierno) was established, comprising officers of lesser rank, which was to have legislative functions (see ch. 9). To ensure the cooperation of civilians with essential skills, the military government decreed a "public service law," under which executives from private firms could be drafted for a year of government service.

The first two political parties to express support for the military government were the Communist Party and the quasi-fascist Ecuadorian Nationalist Revolutionary Action (Acción Revolucionaria Nacionalista Ecuatoriana—ARNE). Initial reaction from most civilian sectors was reserved or ambivalent.
Statements issued by leaders of the Conservative, Radical Liberal, and Christian Democratic parties amounted to a withholding of judgment. The Socialist Party initially denounced the new regime as being just as bad as the one it replaced, but later equivocated. Many partisans of Bucaram went into hiding. Velasco Ibarra, from exile, described the coup as the work of "a few colonels, who have read translated works of Mao Tse-tung and Lenin without understanding them." Most of his followers who escaped arrest, however, remained silent. Meanwhile, Government Minister Gotardo Valdivieso Tobar and other spokesman of the military let it be known that they were not seeking the collaboration of the parties, as their law of obligatory public service would provide them with all the civilian help they needed.

One of the most persistent themes of the new government has been its commitment to the moral regeneration of the country, particularly morality in public administration. It was announced four days after the coup that the lists of government officials who had served under Velasco Ibarra had been completed and that they would be studied carefully to determine whether those officials had engaged in embezzlement, excessive spending, or illegal use of state funds. The first three months of the campaign for the establishment of public morality witnessed the arrests of scores of officials who served under the deposed president, along with numerous elected officials at the municipal level and supporters of Bucaram. On April 29 the armed forces announced that all of the "irregularities" they had uncovered in the import business in Guayaquil were in firms owned by Lebanese or persons of Lebanese descent. By the end of April, 580 members of the customs police had been dismissed.

The minister of defense informed newsmen in Quito on May 15, 1972, that there was "no internal problem or conflict whatsoever within the national armed forces." He assured them that there was absolute peace in the republic and that any group that conspired to subvert order would be immediately dissolved, and the participants would lose all political rights.

POLITICAL FORCES AND INTEREST GROUPS

The Armed Forces

Throughout the history of the republic the military establishment has alternated between a role of direct or indirect control over the executive functions in general and a more limited role of exercising a veto over policies considered to fall within the area of its corporate interests. The armed forces have been traditionally charged with guaranteeing constitutional order, a function
that they have interpreted with great latitude. Textbooks used in the country's military schools have taught that the last step in a military career is the presidency. Unlike the police, the armed forces have been considered to owe their primary loyalty to the nation and not necessarily to the particular government that happens to be in power. The security of the nation has generally been viewed by the military hierarchy as deriving in the first instance from the maintenance of a strong and well-endowed military establishment.

Most of the military presidents, who have constituted about one-third of all chief executives, were in power during the half-century of Radical Liberal Party rule ending in 1944. Whereas the Conservative Party from its beginning leaned on the church, the Radical Liberal Party was in its turn more closely allied with the armed forces. Consequently, the military establishment contrasts with those in the majority of Latin American countries in that it early became more closely identified with the merchant class than with the landholding aristocracy. After the decline of the traditional parties and the rise of ad hoc political coalitions, however, the military acquired greater autonomy as an institutional political force.

Constitutions since 1945 have legitimized the role of the military in policymaking by allotting to the officer corps a "functional" seat in the Senate (see ch. 9). Interventions from that time until 1963 arose most often over issues considered basic by the military leadership. In 1962, for example, they pressured President Carlos Julio Arosemena Monroy to sever relations with Cuba and other socialist countries. When they ousted him the following year, in the first outright military takeover since 1938, it was only after more than a year of encouragement by various political factions and economic interest groups, all of which were concerned over the chaotic drift in national affairs and Arosemena's personal conduct.

After assuming power, however, the military government became increasingly confident of its ability to rule better than civilians. This enhanced institutional self-image received only a temporary setback when the military junta was forced to relinquish power to the civilian elites in 1966. The increasing self-confidence of the officer corps, coupled with their declining confidence in civilian leaders, has been attributed in part to a new emphasis in military training on technical and managerial skills and to extensive foreign training in general. General Rodríguez Lara, for example, had spent much of his career in advanced schools, including the United States Command and General Staff College, the School of the Americas in the Canal Zone, the
Both the propensity for plotting against civilian governments and the difficulties encountered by the military establishment in its attempts to govern on its own have been, in part, a consequence of factionalism within the armed forces. Civilian contenders for political power have not hesitated to seek the support of dissident elements of the military in order to topple an administration or to forestall an electoral outcome unfavorable to them. At the same time factions within the military have aligned themselves with civilian groups in order to strengthen their own positions vis-à-vis other military factions.

When widespread civilian discontent boded ill for the continuation of government by junta in 1966, important elements of the armed forces joined the civilian opposition and contributed to the fall of the junta. Factionalism again became pronounced under the rule of Velasco Ibarra, particularly after he assumed dictatorial powers, with military support, in June 1970. The “kidnapping” of General César Rohon Sandoval, commander of the air force, in December 1970, was apparently interpreted by authorities as having been staged by disgruntled military officers in an attempt to exacerbate the discomfiture and dissension within the armed forces and to provoke a coup. When Rohon eventually emerged unharmed, he was relieved of his command.

Velasco Ibarra’s attempts to prevent a consolidation of military opposition to his regime through control of promotions and assignments enjoyed only fleeting success. The military establishment, however, had always found it easier to agree on which political figures and policies they opposed than on which they favored.

**The Roman Catholic Church**

For more than a century after independence, the role of the church in the society was itself the most inflammatory and divisive issue in political life. Although most of the church’s land was confiscated by the government of Eloy Alfaro at the beginning of the twentieth century, the church in the Sierra has by no means lost its preeminent position in social and economic life. The parish priest is seen often as the ultimate temporal, as well as spiritual, authority in the more remote villages and small towns of the Sierra. In such areas the people do not draw clear lines of demarcation between what is religious and what is secular, nor between influence and authority (see ch. 5). The contrast with the Costa in this regard is pronounced.

The Costa is the base of the Radical Liberal Party, whose
major platform has historically been anticlericalism. Although the party's founder, Eloy Alfaro, claimed that he was working toward the separation of church and state, he attempted to make the church subservient to the state. During his term in office tithes were legally forbidden, the church was prohibited from owning income-producing property, and priests were allowed to have no income other than that paid by the state. Moreover, the government demanded the right to present candidates for the office of bishop, and foreign clergy were not allowed to enter the country (see ch. 5).

Many of these restrictions were in reaction to the exceedingly important role played by the clergy during the second term of Gabriel García Moreno, which began in 1869. The enforcement of such strict anticlerical policies, however, caused counterreaction on the part not only of the clergy but also of many devout laymen who rose to the defense of the church and its prerogatives. The church-state conflict ceased to be a major political issue on the national level by about 1945. Before the dissolution of Congress in 1970, the interests of the church were represented by a "functional" senator for private (that is, Catholic) universities.

Leaders of the Radical Liberal Party occasionally attack the church with the claim that priests force people to vote for the Conservative Party. As late as 1960 the archbishop of Cuenca threatened to excommunicate any citizen of his diocese who voted for Galo Plaza Lasso. Most observers believe, however, that such instances of overt interference in party politics by the clergy have become uncommon. Before the 1968 presidential elections the church hierarchy, for the first time, issued a statement to the effect that electoral competition was the business of the political parties and that the church would not interfere.

The church hierarchy as a whole has been influenced in recent years by reform-oriented papal encyclicals and has taken a stand on some of the major issues. During May 1963 a pastoral letter was read from the pulpit of all the churches urging the faithful to help bring about land reform and a more just system of taxation. It also reminded landowners and businessmen of their obligations to laborers and encouraged a recognition of the human dignity of workers. The church has also used its influence in more direct ways. In several provinces the major urban and rural development programs have been initiated and directed by local bishops. Between early 1968 and the end of 1971 the church transferred to peasant families 0.5 million acres of land, more than twice the amount that had been distributed by the government since the initiation of the agrarian reform program in 1964.
The contemporary church in Ecuador does not, however, speak with one voice in matters of political significance. The cleavage between Sierra and Costa remains pronounced, and something on the order of a generation gap has developed as well. The Ecuadorian Episcopal Conference took a strong stand in early 1972 in favor of development, but it was apparent that the term meant different things to different members of the clergy. Whereas the archbishop of Quito stressed patriotism, the archbishop of Guayaquil urged family planning. Seminary students have upheld positions that openly defied the official spokesmen of the church, and some of the younger, lower ranked members of the clergy, known as the Reflection Group, have denounced United States "imperialism," rejected the capitalist system, and called for the socialization of property.

The Oligarchy and Associational Interest Groups

Members of the wealthiest families seldom participate personally in politics. They may serve in diplomatic posts in Europe or in the United States or as foreign ministers. Nevertheless, political affairs often appear to be managed in ways that are advantageous to the "oligarchy," a term that when popularly used includes the old Quito upper class, whose fortunes were originally amassed through ownership of land, and the even wealthier commercial groups in Guayaquil (see ch. 5).

Traditionally, the upper class has been considered to enjoy an essentially above-the-law status, regardless of the particular faction in office at the moment. This status, however, has been seen by members of the class to be endangered on several occasions in recent years, as by the presidential candidacy of Bucaram in early 1972. The church, the armed forces, and nearly all political parties have declared themselves in favor of basic structural reforms, especially in land tenure and taxation. Many individuals who enjoy wealth and high social status accept in principle the need for such changes without, however, being willing to put into practice measures that would adversely affect their fortunes.

Guayaquil's commercial and financial elite is the wealthiest in the country, but it lacks the claims to aristocracy of the Quito upper class. Its members espouse liberal principles such as the expansion of political participation, but in most cases they seem even less disposed toward reforms than do their counterparts in Quito. The coastal elite participates in the political process by financing the campaigns of various parties and factions. It is also well organized, principally through the Guayaquil Chamber of Commerce, and is capable of raising the banner of regional autonomy whenever its interests are threatened.
The provincial landowners form the most conservative of all significant political groups. Their strength is much greater in the Sierra than on the Costa, and they are especially powerful in provincial and municipal affairs in the south. The associations of provincial landowners of Cañar and Azuay provinces condemned the relatively modest agrarian reform law put into effect in July 1964 and announced their determination to prevent its application in their respective areas.

Until the dissolution of Congress in 1970, hacendado (landowner) associations were strongly represented in that body, both through the regional senators and deputies representing the southern highland provinces and through the functional senators elected by the associations themselves. Since there are few prominent persons in the Sierra whose origin is not from among the major landholding families, there is broad sympathy and support for the hacendado viewpoint among those who monopolize most instruments of power.

Since small individual contributions to political parties are rare and since each of the parties has a small following, parties have to depend to a considerable extent on the largesse of wealthy individuals or economic interest groups. It is customery for most donors to expect large returns on their investment, and most of them assume the role of patrón (see Glossary) toward the dependent party leaders, who are expected to assume a properly subservient attitude. Corruption is widely assumed to be an institutionalized attribute of partisan activities, and party platforms enjoy little credibility. Consequently, many politicians point out that they are members of no political party. Since 1944 neither of the traditional parties has held the presidency.

Although the exertion of influence by the upper class continues to be largely informal and to proceed through the traditional channels of colleague relationships and familial ties, there has been a proliferation since the mid-twentieth century of associational interest groups bringing collective pressures to bear. Chambers of commerce, industry, and agriculture have become increasingly important, even in provincial capitals where informal connections were previously considered sufficient. Under the Constitution of 1967, agricultural, commercial, and industrial associations elected one senator each from the Sierra and one from the Costa. These representatives of employer groups held six of the fifteen “functional” seats in the Senate, as opposed, for example, to four for labor.

Though associations representing upper class interests are less given to public proclamation than other pressure groups, it appears that they welcomed the coup in 1972 and that they have
not been perturbed by the pronouncements of the new government.

**Organized Labor**

Regularly functioning labor unions, most of which are located in Guayaquil and Quito, represent only a minority of the workers in all sectors of employment and have traditionally been weakened by rivalry and governmental repression. Their influence has nevertheless been disproportionate to their numbers as a result of their concentration in urban areas and of the political impact of strikes and demonstrations on governments that have failed to enjoy strong support.

The Confederation of Ecuadorian Workers (Confederación de Trabajadores Ecuatorianos—CTE), founded by Socialist- and Communist-led unions in 1944, is the largest and most powerful and politically the most active confederation of unions. It is affiliated with the Mexican-based Confederation of Latin American Workers and with the World Federation of Trade Unions. The CTE played a major role both in maintaining Velasco Ibarra in the presidency in 1960 and in overthrowing him the following year. It was one of President Arosemena Monroy’s principal supporters until his break with Cuba in 1962. The labor movement generally—and the CTE in particular—was weakened by the military junta that assumed power in 1963. It was not until the position of the junta was already seriously undermined in 1966 that the labor sector of Guayaquil was able to unite to hasten its demise.

The incipient rural counterpart of the CTE is the Ecuadorian Indian Federation (Federación Ecuatoriana de Indios—FEI). Although it was organized on a nationwide basis, with its headquarters in Quito, its political influence has been felt only in certain rural communities. Its functions resembled those of late-nineteenth-century mutual aid societies more than modern labor unions. Its leaders attempted to intercede on behalf of individuals who had grievances against their landowners or the government’s agrarian reform agency and to influence the outcome of elections in community cooperatives. Its fortunes rose and fell with those of the CTE and the Communist Party, and a number of its leaders had been imprisoned at one time or another.

The CTE has received competition in recent years from the Ecuadorian Confederation of Christian Labor Unions (Confederación Ecuatoriana de Obreros Católicos—CEDOC). CEDOC was founded in 1938, but it was not until the 1960s that it began
to expand rapidly in size and political activism. Although it has links with some elements of the church, it shuns the more conservative pro-Catholic political parties. It is affiliated with the Latin American Confederation of Christian Unions. Its base is in the Sierra, and it has made a serious attempt to gain adherents among the peasants.

At the time of the dissolution of the Congress in 1970, CEDOC held two of the four "functional" Senate seats allocated to labor. The other two were held by independents. The organization's most colorful leader was Isabel Robalino, a fifty-one-year-old lawyer who had been defending the labor movement since her days as a student at Quito's Central University. She represented laborers of the Sierra in the Senate and in 1964 founded an institute to offer technical and financial assistance to agricultural laborers. The church had given the institute 250,000 acres for redistribution among peasant families.

The third largest confederation, the Ecuadorian Confederation of Free Trade Union Organizations (Confederación Ecuatoriana de Organizaciones Sindicales Libres—CEOSL), was founded in 1962 as an attempt to unify the non-Marxist unions. It is affiliated with the Inter-American Regional Labor Organization (Organización Regional Interamericana de Trabajadores—ORIT), which operates a school to train its leaders. The National Association for Artisans' Defense claimed a membership of some 270,000 craftsmen in 1972 but had been relatively inactive and apolitical.

Having developed a great antipathy to Velasco Ibarra, most sectors of organized labor reacted favorably to the coup in 1972. The CTE, following the lead of the Communist Party, hastened to indicate its approval. CEDOC expressed concern that the government's action plan, released in March, contained no reference to the role of popular representative organizations but remarked that the fact that the armed forces now claimed that they wanted to work for the people represented a hopeful perspective. The United Workers' Front (Frente Unido de Trabajadores—FUT), a coalition of the major unions and confederations of Guayas Province, established in June 1971, issued a statement in April 1972 to the effect that they would support the positive measures of the new government but would express their opinions on negative measures. They approved, for example, the rent law but insisted that oil resources must be developed for the benefit of Ecuadorians, not foreign businessmen. That the military government hoped to cultivate the favor of labor was suggested by the fact that military parades accompanied the marches of the workers on May Day 1972.
Students

In the early 1970s the Federation of University Students of Ecuador (Federación de Estudiantes Universitarios del Ecuador—FEUE) represented some 40,000 students at five public and two Catholic universities, one non-Catholic private university, and the polytechnic schools. It is important as a political pressure group for two related reasons. With the exception of the most recent coup, it has played a role in every nonconstitutional change of government since 1944, and it has been dominated by leftists, primarily Communists or fidelistas (supporters of Fidel Castro), for most of the past ten years. The reasons for political extremism among students are numerous. More literate than the bulk of the population, they are more concerned with improvements in the society. In view of the country's past, they see little hope of change through normal constitutional means and tend to be attracted by radical solutions.

Under the traditional Ecuadorian educational system, students had a strong voice in administrative matters within the state universities, and most professors had to receive student approval to maintain their positions. Moreover, many of the nation's outstanding Marxists have tended to gravitate toward the faculties of law and economics at all of the national universities, making the university system a perpetual source of the counterelite challenge to the grip of the traditional elite on the mechanisms of political control.

Many students whose parents can afford it are sent abroad or to private universities, principally the Catholic University of Quito. At the state institutions education is free for some of those who cannot afford to pay. Since students at public institutions of higher education believe that if the society remains in its traditional mold avenues of opportunity will continue to be reserved for the sons of the wealthy, they feel that they have little to lose and much to gain by social upheaval. Few are affiliated with any party, but most, whether or not they are active in the FEUE, advocate a leftist nationalism with Marxist overtones.

The Federation of High School Students (Federación de Estudiantes Secundarios del Ecuador—FESE) has also been involved in political affairs. Although in both cases active participation was limited, membership was automatic, and voting in organizational elections was required. Both organizations played a significant role in the downfall in 1966 of the military junta, which had abolished university autonomy and student-faculty government. Those prerogatives were restored after the fall of the junta.
Whether in response to agitation or in anticipation of it, most political crises result in a temporary closure of the schools and sometimes, as in 1970, in outright military occupation of university campuses. The universities of Quito, Guayaquil, Cuenca, and Loja were closed from June 1970 to January 1971, and when they reopened it was under a new law barring all former rectors, vice rectors, and deacons from resuming their positions and placing some restrictions on the status of autonomy (see ch. 6).

Student groups, like most of the political parties, reacted to the seizure of power by the military in 1972 with caution and ambivalence. The FEUE, for example, expressed approval of the military occupation of Balao, site of petroleum storage facilities at the port of Esmeraldas, but called for revision of the foreign oil contracts. The fact that schools were reopened within a few days after the coup in February indicated that the new rulers did not anticipate serious opposition from the students.

PARTIES AND COALITIONS

The Traditional Parties

The Conservative Party (Partido Conservador) was organized in 1855 by Gabriel García Moreno, who imparted to it an ideological base that has remained virtually unchanged. It has promoted close cooperation between church and state, including state aid to educational and religious orders, and strongly centralized government. It stresses order and tradition and the sanctity of private property. Its regional stronghold is the Sierra, particularly Quito and Cuenca. It has long been regarded as the spokesman of the large landowners and the church, although it has counted on the support of Catholic workers and peasants in areas under its control.

The Conservative Party had a near monopoly of political power until it was eclipsed by the Radical Liberal Party, which seized power as the outcome of a civil war in 1895. It steadily lost ground thereafter until 1956, when it supported the successful presidential candidacy of Camilo Ponce Enríquez. The fragmented liberal sector, which altogether polled 70 percent of the votes in that election, charged fraud.

As a consequence of manipulation of electoral laws (it was estimated, for example, that the requirement, before the 1966 assembly election, of a new identification card had disenfranchised some 140,000 prospective voters) and of the fragmentation of the center-Left, the party consistently made a strong showing in municipal and congressional elections in the 1960s.
The major party between 1895 and 1944 was the Radical Liberal Party. There have been innumerable splits within its ranks since its consolidation in 1895 by Eloy Alfaro, but most of them resulted in short-lived splinter groups, usually representing small factions crystallized around a dominant figure. In 1952 a major split occurred in which each faction nominated its own presidential candidate. After both candidates were badly defeated, the two groups reunited. Since its founding the party has been strongest in the Costa, but since 1960 it has also won a significant following in Quito. Elsewhere in the Sierra the party has made no more inroads than the Conservatives have on the Costa, and the two traditional parties continue to be strongly representative of regional interests (see ch. 2).

To compensate for the Conservatives' alliance with the Sierra clergy and landowners, the Liberals have aligned themselves with the armed forces and commercial interests. Trade and banking interests continue to finance the party, but the armed forces, discredited by their association with the party, have tended to be more nearly autonomous since 1942. It has been suggested that Ecuador was at a disadvantage in its border war with Peru in 1941, partly because much of the army had been kept in the major cities to maintain political stability there and was thus impeded from fighting at the border. The massive public indignation that followed the defeat was directed largely at the Radical Liberal Party and its leader, Carlos Arroyo del Río, who was president at the time.

Since the overthrow of Arroyo del Río by a broadly based revolt in 1944, the party has not won a presidential election nor a majority in Congress. It has, however, been regaining strength gradually, and the coalitions of which it was a part in 1956 and in 1968 lost the presidential election by only a narrow margin. In early 1972 the party had split again, one faction supporting Bucaram and the other former President Arosemena Monroy.

After the mid-1940s, when anticlericalism ceased to be a significant issue, the party's principles and platforms differed little from those of the Conservative Party. Its avowed principles since the 1920s have included: religious tolerance; the broadening of educational opportunities; the spiritual rehabilitation of the Indian; technological improvements in agriculture; and the elimination of large, inefficient estates through agrarian reform. The party has also condemned rule by caudillos, militarism, imperialism, plutocracy, and violence contrary to human dignity. As has the Conservative Party, it has claimed adherence to the principles of social justice set forth in such papal encyclicals as Quadragesimo Anno of Pope Pius XI and Mater et Magistra of...
Pope John XXIII but has nevertheless continued to stress the private, rather than the social, function of property.

Twentieth-Century Parties

The Ecuadorian Socialist Party (Partido Socialista Ecuatoriano—PSE) consists of a small group of intellectuals that has been influential only through coalitions either with groups on the left, including the Communists, or, more often, with the Radical Liberal Party. Although most of the PSE’s members espouse Marxist doctrine, the party is dependent on wealthy groups and individuals for support. It is significant more for its historical role in giving birth to both the Moscow-oriented Ecuadorian Communist Party (Partido Comunista Ecuatoriano—PCE) and the pro-Cuban Socialist Revolutionary Party (Partido Socialista Revolucionaria—PSR) and for its part in formulating social welfare legislation than for its current strength or influence. It is one of the few parties that is neither regionally based nor personalist in character.

Inspired originally by the Russian revolution, it was founded in 1925 as a section of the Communist International. By 1928 the founding group of writers, lawyers, and professors had become divided over the issue of allegiance to the Soviet Union. After the resulting split the larger faction continued to call itself the PSE, and the minority group (loyal to Moscow) became the PCE. Within the PSE remained two distinct groups of Marxists—one opposed to alliance with Soviet-style Communists because it considered them too radical and the other opposed because it felt that the Soviet model had little relevance to Ecuadorian conditions.

In the mid-1950s the two factions became increasingly estranged until 1962, when the more radical group splintered off to form the PSR. The remainder of the PSE is largely a group of moderates, some of whom call themselves Socialists or Marxists. The PSR, by contrast, has become the strongest advocate of revolution in the country.

The PSR boycotted the 1968 elections; the PSE joined the Radical Liberals in a coalition; and the PCE (renamed the Popular Democratic Union in order to avoid possible challenges to its legitimacy) nominated its own candidate. The PCE has generally concentrated on enhancing its position within organized labor, student organizations, and the educational bureaucracy. It has little voter appeal and appears to believe that scattered victories at the polls would not give it any significant measure of power. It is split between a minority that looks to the People’s Republic of China for guidance and a majority that
appears to be strongly influenced by Moscow. Both the PCE and the PSR were outlawed during the rule of the junta from 1963 to 1966, and their strength within the educational structure was seriously reduced by arrests of leaders and by other security measures of the government (see ch. 15).

The Christian Democratic Party (Partido Demócrata Cristiano—PDC), founded in 1964, is affiliated with the International Christian Democratic Association. Its center-Left platform has attracted a small but growing following among workers, students, and young professionals. It nominated candidates for congressional offices in 1968 but refused to support any of the presidential candidates, as it claimed that all represented the oligarchy.

The Ecuadorian Nationalist Revolutionary Action (Acción Revolucionaria Nacionalista Ecuatoriana—ARNE) has never been a personalist movement. It originated in 1942 as an expression of outraged nationalism at the loss of territory to Peru. It had its greatest impact upon student groups and continues to have its strongest appeal among youths in the Sierra who are disillusioned with the general state of affairs and want to participate in a program of action.

Moral regeneration, highly structured organization, and discipline are emphasized. Arnistas see themselves as the future leaders of the country and put much stress on training and self-improvement. Unlike most political groups, ARNE does not attempt to expand rapidly and makes no pretense of being a mass movement. On the contrary, the stress is placed on preparing an elite for leadership positions. Its ultimate aim is a corporate state not greatly different from those of Portugal and Spain.

Highly nationalistic, Arnistas consider themselves the country's main defense against international communism. To some extent, ARNE has copied methods of organization from Ecuadorian Communists as well as from European Falangists. There is a strong emphasis on structure and on firm control by the leadership. The party has also learned to conduct covert operations and claims to maintain an effective intelligence network on communist activities. Electorally, Arnistas tend to collaborate with Conservatives and with the Social Christian Movement. In 1968, however, they nominated their own leader, Jorge Crespo Toral, for the presidency.

Personalist Movements

Since 1944 there have been many personalist movements, several of which have acquired enough structure and continuity to be considered political parties. In nearly any local election
personalist movements are involved, most composed principally of the leaders, their extended families, close friends, and employees. In the majority of cases the number of members does not exceed 100. Although many of these groups make a pretense of having a political program, in fact they usually exist only to further the interests of the person leading the movement. Occasionally several of these groups form a coalition and manage to win municipal or provincial elections.

At the other extreme of the same category are a few quasi-parties, which at times are stronger than the established parties. These major personalist movements are highly fluid, however, and, as a rule, do not have lives and personalities separate from those of their leaders.

The National Velasquista Federation (Federación Nacional Velasquista—FNV) was not organized until 1952, although its leader had enjoyed a sizable following since the mid-1930s. The party has never had a cohesive ideology, but opportunism, personal loyalty, or the belief that Velasco Ibarra could actually effect major socioeconomic change has drawn practically every politically articulate group into the Velasquista camp at one time or another. Velasquismo has always been presented to the voters as a center-Left movement, but Velasco Ibarra, once in office, has always ruled as a paternalistic conservative.

The movement swelled in 1961 to give Velasco Ibarra the largest plurality in Ecuadorian history. In the 1962 congressional elections, when Velasco Ibarra was in exile, it won only five seats. Its membership swelled again in 1968 but, even after a number of ad hoc groups joined the core FNV in the Velasquista Popular Front Movement (Movimiento Frente Popular Velasquista—MFPV), it failed to regain its former strength.

The Social Christian Movement (Movimiento Social Cristiano—MSC), founded in 1951 by former President Camilo Ponce Enríquez, has remained essentially a personalist party. Its ideology is indistinguishable from that of the Conservative Party although its membership is drawn from a broader social base. Political groups, such as the Radical Liberals and the Socialists, who have traditionally opposed anything the Conservatives stood for and for whom anticonservatism has been the principal battle cry, have found nothing contradictory in occasional attempts to form alliances and common fronts with Ponce’s movement.

The movement, however, has generally been aligned with the Conservative Party and the smaller ARNE. In 1968 the Conservatives joined the MSC in the Popular Alliance supporting Ponce’s candidacy. Though the Conservative Party had nomi-
nated its own candidate for the presidency in early 1972, Ponce continued to be the strongest political personality on the Right.

A smaller personalist party was the Democratic Institutionalist Coalition (Coalición Institucionalista Democrática—CID), founded in 1965 by Otto Arosemena Gómez. A deadlock between Liberal and Conservative assemblymen in 1966 allowed the previously insignificant Guayaquil-based center-Right group to serve as Arosemena Gómez’ vehicle for election to the presidency. It claimed impartiality in the 1968 election but was widely accused of supporting Ponce.

The Concentration of Popular Forces (Concentración de Fuerzas Populares—CFP) has the rare distinction of having emerged as a personalist party and having grown even stronger under a second charismatic leader. It was organized in 1946 by Carlos Guevara Moreno as a splinter of the Velasquista movement. Championing welfare measures and the need for far-reaching socioeconomic change, the party gathered a large following on the Costa. Its membership consists primarily of workers, although some wealthy businessmen have backed it.

In 1956 the CFP competing alone, won 24 percent of the national vote, whereas the winning Conservative coalition received only 29 percent. In the 1960 elections, after Guevara, discredited by a scandal, had gone into exile, it had a poor showing as a component of an anticonservative coalition. Bucaram reorganized the party before the 1962 elections, in which he was elected mayor of Guayaquil. The CFP joined the Liberal coalition in support of Andrés F. Córdova Nieto in 1968, but in 1972 a faction of the Radical Liberal Party had pledged its support to the promising candidacy of Bucaram.

**Coalitions**

Every president elected to office since 1944, with the exception of Velasco Ibarra, has owed his victory to a coalition rather than to a single party. Many coalitions (such as that which backed Galo Plaza Lasso in 1948) are ad hoc groups created to elect and support a specific individual at a specific time, and they usually disappear once the individual is either defeated or leaves office. Most of the innumerable local coalitions formed just before municipal and congressional elections every two years are of this type.

An example of a highly unstable coalition has been the Ecuadorian Democratic Alliance (Alianza Democrática Ecuatoriana—ADE). It was first formed in 1944 as a popular front anti-Liberal coalition, which included such diverse elements as Socialists, Conservatives, independents, and Communists. Dor-
mant most of the time since 1946, ADE was resurrected by Conservative groups in May 1964 for the purpose of forcing the military government out of office. It had ceased to show any sign of life by mid-1965 and was supplanted by the National Patriotic Front, headed by a Conservative but drawing support from all the major parties.

A few coalitions have a semipermanent character, emerging from dormancy at each election and representing roughly the same groups and interests each time. One of the most important has been the National Democratic Front (Frente Democrático Nacional—FDN), which invariably has been formed around the nucleus of the Radical Liberal Party, usually along with the Ecuadorian Socialist Party. The Liberals have provided the center, and the Socialists, the principal satellite, but in many cases the numerical strength of these two groups has been surpassed by that of dozens of national and local personalist and ad hoc groups flocking to the coalition. Although the FDN has at times had a majority in Congress and on at least one occasion provided the only substantial political backing for an incumbent president (Arosemena Monroy in April 1962), it has never supported a winning presidential candidate.

More often successful than the moderate FDN has been the conservative Popular Alliance (Alianza Popular—AP), which was responsible for Ponce’s victory in 1956. It was also victorious in the congressional elections of 1958 and 1962. It is usually composed of Conservatives, Arnistas, and Social Christians. Coalitions operative in the 1968 elections were the AP, the Democratic Leftist Front (Frente de Izquierda Democrática—FID), the combination of the CFP with the forces previously composing the FDN, and Velasco’s MFPV.
CHAPTER 11

FOREIGN RELATIONS

The country's foreign policy has been conditioned externally by its status as a buffer state and its economic dependency and internally, at least since World War II, by the irredentist sentiment concerning territory lost to Peru and by the unifying issue of opposition to domination by others in a fragmented political system. As a consequence of these persisting factors, the fundamental principles expressed and objectives pursued have been consistent despite the internal turmoil since 1960.

As the reconquest of lost territory is not a feasible policy alternative, the country has little choice but to seek minor adjustments through diplomacy and to support in international forums the principles of nonrecognition of territorial conquest, nonintervention, and pacific settlement of disputes. Similarly, governments, regardless of political orientation, have had to devote considerable attention to the matter of foreign markets and suppliers and to seek financial assistance from any source available. Thus, most governments have felt called upon to attempt to compensate for the country's actual weakness and dependency by assuming an active role in international forums and by reiteration of symbolic expressions of national independence.

There have been notable differences in means of pursuing the traditional objectives and in styles of national self-assertion; that is, some governments have emphasized nationalism more than others. Five-term President José María Velasco Ibarra, for example, consistently exploited anti-United States and anti-Peruvian sentiment and engaged in symbolic displays of national independence.

By 1972 the territorial dispute with Peru, although unresolved from the Ecuadorian point of view, had ceased to be a burning issue, and the country was enjoying cordial relations with all of the Latin American states. This was owing in part to mutually beneficial frontier integration projects and to the optimism that had been generated by the establishment in 1969 of the Andean Common Market (see ch. 14).
Relations with the United States had been strained for nearly two decades by the Tuna War—the periodic seizure by Ecuador of United States fishing vessels within the 200-mile maritime jurisdiction claimed by Ecuador but unrecognized by the United States and reprisals by the latter in the form of suspension of military sales and threats of suspension of all military and economic assistance. Counterpressures, however, generated by the interests of United States oil companies in the newly discovered oilfields in the Ecuadorian Oriente had begun to mitigate the frictions of the Tuna War. These companies feared that reprisals in support of the fishermen would be disadvantageous to their positions in negotiations with the Ecuadorian government.

As had all of its predecessors, the military government that assumed power in February 1972 considered it necessary to emphasize the theme of nationalism to domestic audiences while reassuring the United States and other sources of foreign aid and investment and its neighbors that it was predisposed to be accommodating. In a speech given at the end of his second week in office, President Guillermo Rodríguez Lara declared, “There is no political tendency in our revolution and no ideology. There is nationalism, there is the fatherland at the beginning, the middle, and the end.” The new foreign minister said, on assuming office, that the country was committed to the 200-mile-territorial-waters claim and that it resented the attempts of the United States Congress to cut off aid to Ecuador.

FOREIGN POLICY DECISIONMAKING

The conduct of foreign policy has always been officially the responsibility of the president, but in practice the minister of foreign affairs has usually had more freedom of action than other cabinet members, and foreign ministers have often survived changes of administration. Most presidents have been too occupied with domestic matters to be able to devote much attention to the routine aspects of foreign affairs, although many have apparently used an assertive nationalistic stance in the international arena as a means of drawing attention away from domestic problems.

According to the 1964 Organization Law of the Foreign Service, foreign policy recommendations are made by the Foreign Relations Joint Council. Among its members were a supreme court justice, the commanding general of the armed forces, the archbishop of Quito, and ten private citizens, as well as representatives of the press, the universities, and the Ministry of Foreign Affairs. The joint council still existed on paper in 1972, but it
appeared that where crucial decisions or new initiatives in foreign policy were called for the advisory body was an ad hoc collection of the president's confidants in the cabinet and the military hierarchy. In June 1972 Minister of Foreign Affairs Antonio José Lucio Paredes, a career diplomat recalled from a European post, was one of only three civilians in the cabinet.

The 1964 law also provided the Ministry of Foreign Affairs with a more formal organizational structure; the chain of command, for example, from offices to departments to sections was more clearly defined. There has been a special school for foreign service officers in Quito since 1925. In 1972 the major universities of both Guayaquil and Quito had schools of diplomacy. Candidates for the service must be university graduates with at least three years' training in international law, and they must be nominated by the minister of foreign affairs. The foreign service law requires that 75 percent of all officers be career personnel. These requirements actually reflect goals; practice is somewhat more flexible. Recruitment, in any case, is generally limited to the upper class.

In addition to the ministry, there were a number of governmental entities with responsibilities in specified areas of foreign relations. The Institute for Foreign Commerce and Integration, for example, was responsible for liaison with the multilateral organs of the Andean Common Market and for general supervision of foreign trade. The Development Center offered assistance to foreign investors, and the oil institute, operated by the army, made recommendations concerning conditions to be met in the most important area of foreign investment. The Central Bank was authorized to negotiate bilateral agreements with state-trading countries. The National Fishing Institute, established with help from the United Nations, has contributed to the country's evaluation of its economic stake in the Tuna War.

The Ministry of National Defense announced on May 22, 1972, that an executive draft bill on the creation and composition of a national security council was being processed in the office of the president. The council, long desired by the armed forces, was to deal not only with national security in the strategic sense but also with "development security." The meaning of "development security" had not been clarified, but it appeared that the council was designed to give the president and the upper echelon of the military tighter control over such matters as foreign aid and investment and international trade and finance (see ch. 9).

More important in determining the general thrust of foreign policy than the official allocation of responsibilities and decision-making roles are the unofficial pressure groups, organizations,
and institutions whose interests must be taken into account. Aside from the political parties, these include the church, landowners and the commercial-financial elite, students, organized labor, and the military. All of these groups have at one time or another sought support, moral or material, from external sources in their competition for influence in the domestic political system.

In the early 1960s, for example, the issue of relations with Cuba engaged most politically articulate groups in a domestic show of strength. President Carlos Julio Arosemena Monroy responded to pressures from students, organized labor, and parties of the center-Left in opposing the expulsion of Cuba from the Organization of American States in January 1962. Three months later, however, pressure from pro-United States groups, led by the archbishop of Quito and the military, forced him to sever relations with Cuba and with Poland as well, leaving Ecuador without diplomatic relations with any communist country until 1968.

The influence of the military on foreign policy, even under civilian governments, and its stakes in maintaining that influence are suggested by the high percentages allocated to it of the revenues from the fines of foreign fishing vessels and the royalties from oil exploitation by foreign firms. Under the Fisheries Law of 1969, 70 percent of the money collected in fines of foreign vessels goes to the navy; such fines amounted to US$2 million in 1970 and 1971. Fifty percent of the royalties Ecuador is to receive from the Texaco-Gulf consortium have been earmarked for the armed forces.

RELATIONS WITH LATIN AMERICAN STATES

Peru

The dispute with Peru, which has been a major issue of both domestic and international politics since independence, stems from a disagreement over the boundary line, supposedly established in 1563, between the Audiencias of Lima and Quito (see ch. 2). Tensions rose and fell throughout the nineteenth century and into the twentieth century as Peruvian traders and settlers came to outnumber those of Ecuador in the disputed territory, a vast rain forest between the Putumayo and Amazon rivers (see fig. 4).

The García-Herrera Treaty of 1890 divided the disputed area roughly in half, giving Ecuador an outlet on the Marañón River but not on the Amazon proper. By 1894 it had been rejected by both countries. Arbitration by the king of Spain (1895–1910)
Figure 4. Territory in Dispute Between Ecuador and Peru
resulted in a decision less favorable for Ecuador than even the rejected García-Herrera Treaty, so Ecuador refused to accept the decision, and the boundary question remained unresolved.

While Peru indicated willingness to continue diplomatic discussions with Ecuador in an attempt to define the border, it was also advancing its control in the area. Ecuador, in the meantime, did very little to expand into the vast area between the effective national territory of the two countries.

Ecuadorian military garrisons could offer no effective resistance to Peruvian expansion and in some cases even found themselves economically dependent upon the nearby Peruvian settlements. Every few years there were incidents and protest notes to indicate that Peru's expansion did not go unchallenged, but it soon became clear that direct discussions were futile.

In 1924 a protocol was signed between Peru and Ecuador providing for continued discussion of the issue in Washington and the assistance of the United States. It was agreed that the president of the United States would act as arbitrator if no accord was reached. In 1933 the two countries asked President Franklin D. Roosevelt to act as arbitrator. He agreed in February 1934 to meet with the ministers of both countries, and in July 1936 a protocol was signed in Lima establishing the arbitration proceedings. The same protocol also called for the maintenance of the status quo as indicated by a line that both countries recognized as showing their respective areas of control as of July 1936. (This line was practically identical with that later agreed upon in Rio de Janeiro, in January 1942, as the final and permanent border between the two countries.) The talks ended without positive results in 1938.

In May 1941 the United States, Argentina, and Brazil, anxious to maintain unity in the Western Hemisphere at the onset of World War II, offered to mediate. Ecuador immediately accepted, but Peru refused. On July 5 large-scale fighting broke out. A Peruvian invasion began on July 23 and halted on July 31 after a cease-fire order of the three intervening powers. Ecuador had been unable to stop the Peruvian advance. Peru had committed a force of 5,000 to 10,000 troops, whereas Ecuador had between 800 and 1,600. Of approximately 500 casualties, counting both killed and wounded, at least two-thirds were Peruvians. All of El Oro Province (on the coast) was occupied, as were several thousand square miles of the Oriente beyond the status quo line of 1936. The invaded sector of the Oriente was largely uninhabited.

The military situation remained essentially static until September 13, when Lima offered an ultimatum to the mediators. Peru would evacuate El Oro Province only if Ecuador would
agree to a final and binding solution to the border problem within six months. The settlement procedure was to be conducted under the supervision of the three original mediating powers and Chile, which expressed interest in participating in any conference that would settle the Peru-Ecuador dispute. If Ecuador did not propose an acceptable treaty within the specified half year, Peru was to impose a solution by force.

The Ecuadorian defense minister agreed in principle to the traditional border between the two countries in the west (on the coast and in the Sierra) and to a line connecting the navigable limits of the major streams in the Oriente, if the mediators would participate in the negotiations. Brazil's foreign minister took the initiative at a Rio de Janeiro meeting in attempting to induce the disputants to reach agreement. The Ecuadorian delegates, headed by Julio Tobar Donoso, tried to obtain possession of the Santiago River as a minimum fulfillment of Ecuadorian national aims, but the government agreed to settle essentially on Peru's terms. The Protocol of Peace, Friendship and Boundaries between Ecuador and Peru (popularly called the Rio Protocol) was signed on January 29, 1942, and guaranteed by Argentina, Brazil, Chile, and the United States. Although some 70,000 square miles of disputed territory had been awarded to Peru, Ecuadorian officials were generally relieved that the results had not been more damaging. Even after the government of President Carlos Arroyo del Rio was overthrown in 1944, José María Velasco Ibarra, who succeeded him, stated Ecuador's acceptance of the 1942 Rio Protocol.

At the end of World War II it seemed that public emotion on the Peruvian border question had subsided. All indications were that the Ecuadorians had resigned themselves to the loss of their national claim in the Amazon basin. In 1946, however, the United States Air Force, in the process of photomapping the area between the Santiago and Zamora rivers, discovered an additional 120-mile-long river system between the other two. The river, the Cenepa, had been known to exist, but it was thought to be short and insignificant. Now it greatly complicated the problem of marking the border between the two countries because, according to the Rio Protocol, the division between the watersheds of the Santiago and the Zamora river systems was to serve as the boundary.

The problem was that now there were two such divisions instead of one and that the Cenepa River, which flows into the Marañón, revived Ecuador's hopes for territory on the Marañón-Amazon. Between 1947, when the geographic discovery became common knowledge, and 1951, when Ecuadorian cooperation in
placing boundary markers stopped, the Amazon issue returned with full vigor.

On August 10, 1951, the Ecuadorean president, Galo Plaza Lasso, in his annual message to Congress stated that Ecuador would not recognize a boundary in the undefined area (about 5,000 square miles) unless his country were given an outlet on the Marañón-Amazon. The next day, the Peruvian president, Manuel Odria, replied that his country would refuse to discuss the issue. Serious border incidents soon broke out, followed by a series of mutual protests. A few months after Velasco Ibarra won the presidency in 1952, through a campaign stressing the border issue, his government declared the Peruvian ambassador to be persona non grata on a question of protocol and severed diplomatic relations.

Incidents continued throughout 1953 and 1954, but the situation cooled somewhat in 1956. Diplomatic relations were reestablished, and affairs remained calm, if cool, until 1960. When Velasco Ibarra was reelected in June 1960, the issue flared up again. The Ecuadorean Congress, alleging the concentration of Peruvian troops on the country's borders, declared that the Rio Protocol was void. On September 28 Ecuador's foreign minister announced the country's nullification of the 1942 Rio Protocol to the General Assembly of the United Nations. Soon thereafter, Ecuador's Supreme Court of Justice also declared "the absolute nullity of the Rio Protocol is an incontrovertible thesis of scientific and juridical value and a matter which originates a problem of life and death for Ecuadorean nationhood."

Once again diplomatic relations between the two countries were severed. The guarantors conferred and in December 1960 reported to Ecuador their decision to continue to uphold the Rio Protocol. Diplomatic relations were resumed in early 1964, negotiations were undertaken, and for a time the issue subsided. It was revived, however, in 1968, as Velasco Ibarra, campaigning for his fifth term in the presidency, rejected the protocol and pledged to present the Ecuadoreans with the right to access the Amazon. In office his tone was more moderate and diplomatic, but his rejection of the protocol and his demand for a river port were reiterated. This aroused indignation in Lima, where the Chamber of Deputies resolved that there was no territorial dispute that had not been finally disposed of by the Rio Protocol, and the foreign minister pointed out that in any case the protocol provided navigation rights for Ecuador on the Amazon River and certain tributaries.

By 1972 the issue had subsided but, from the Ecuadorean point
of view, it remained far from resolved. Nevertheless, the two countries had become linked in the Andean Common Market and had assumed parallel positions on a number of international issues, the most important of which was maritime jurisdiction. Peruvian Ambassador Juan Miguel Bakula, director of that country's Institute of International Relations, observed on May 27 that relations between Peru and Ecuador had never been better. As examples of the prevailing neighborliness, he cited economic and other forms of integration in the border areas and the joint usage of international rivers.

**Colombia and Venezuela**

The country's relations with its neighbors to the north have been influenced by the Gran Colombia idea, which originated in Simón Bolívar's attempts to federate Colombia, Venezuela, and Ecuador in the early nineteenth century (see ch. 2). The three countries engaged in regular political consultation during World War II and in the postwar period began to coordinate economic planning. Panama joined them in a meeting in 1948; a number of agreements were reached on that occasion, but most failed to be implemented.

Consultation among the foreign ministers of Colombia, Venezuela, and Ecuador in 1958 resulted in the Declaration of Bogotá, which expressed, among other things, the intent of working toward a common market. Regional transportation was facilitated by the creation of the Grancolombian Merchant Fleet (Flota Mercante Grancolombiana), a jointly owned and operated fleet. Venezuela withdrew shortly after it came into being, but it was still serving Colombia and Ecuador in 1972 (see ch. 14).

Relations with Venezuela were chilled when a military junta assumed control of the Ecuadorian government in 1963. The Betancourt Doctrine, which guided Venezuela's foreign policy from 1958 to 1968, called for the suspension of diplomatic relations with regimes that assumed power by extraconstitutional means. (Ironically, this represented a revival of the Tobar Doctrine, formulated by the Ecuadorian diplomat Carlos R. Tobar in 1907 and adopted for a time by several Western Hemisphere countries, including the United States.)

Relations with Colombia, however, continued to be cordial. In 1966, with the stimulus of a generous loan from the *ter-American Development Bank, the two countries reached agreement on a plan for the joint development of power facilities, irrigation schemes, and other resources in the once-disputed Tulcán Basin and joint exploitation of the Orito oilfield. In 1972
they established a mixed commission to study the possibilities for joint marketing as well as exploitation of oil. Whereas in the early 1960s Peru had been Ecuador's major Latin American source of imports, by the end of the decade Colombia had moved into first place.

Relations with Venezuela also improved after the Ecuadorian junta was displaced in 1966. In that year the petroleum agencies of Venezuela, Ecuador, Colombia, Peru, and Chile agreed to collaborate on the exploitation of petroleum in the Amazon region. As Venezuela had abandoned in 1968 its policy of nonrecognition of extraconstitutional regimes, there was no repetition of earlier difficulties when the military assumed power in Ecuador in February 1972. In May 1972 the Venezuelan minister of mines and hydrocarbons visited Quito in preparation for a ministerial-level meeting to be held in Caracas later in the year. The focus of the discussion was to be the coordination of attempts to acquire for the Andean states a greater share in the wealth generated by their petroleum resources.

Others

Ecuador had joined the Latin American Free Trade Association in 1961, that organization's second year, but by the mid-1960s it had become apparent that the less developed countries in the association were at a marked disadvantage. Therefore, in 1966 the presidents of Colombia, Chile, and Venezuela and representatives of the presidents of Peru and Ecuador met in a "Little Summit" to discuss the development of a subregional plan. They were joined in 1967 by a representative from Bolivia. Venezuela withdrew temporarily, but in May 1969 the other five countries signed the Andean Subregional Integration Pact. The Venezuelan government announced in December 1971 its decision to negotiate for entry into the pact. The six nations hoped to have the Andean Common Market in full operation by 1980. It was intended to rationalize the distribution of new industries, reduce trade barriers, facilitate the development of multinational projects, and harmonize conditions for foreign investment.

Relations with Chile have traditionally been cordial and were strengthened in the 1960s by the common positions of the two countries on territorial waters and their participation in the Andean Common Market. On the occasion of Chilean President Salvador Allende's official visit to Quito in September 1971, Velasco Ibarra joined him in a communiqué condemning the politics of the great powers and calling for Latin American unity. In particular, the two presidents condemned the role of big foreign corporations in Latin American development.
Brazil has been showing great interest in accommodating Ecuador since the confirmation in the late 1960s of Ecuador's vast oil reserves. A resolution adopted by the Brazil-Ecuador mixed commission in 1970 called for cooperation in trade and technological development and the joint exploitation of natural resources. Special attention was to be given to petroleum and to developments in transportation.

Brazil, having long wanted an outlet to the Pacific, had already begun to assist in the planning for the Via Interoceánica, a road and river transport system that was to link Manaus on the Amazon with San Lorenzo on the Pacific. Plans were also being made for Ecuadorian petroleum specialists to be trained in Brazil by Petrobras, the state oil concern. As Brazil imported some 60 percent of its oil, the advantages of bringing in the Ecuadorian product along the Via Interoceánica were obvious. The Brazilian armed forces had already begun aerial surveys and river soundings of the Putumayo and Napo rivers. The resolution of the mixed commission did not even make reference to Peru or Colombia, although the Via Interoceánica would have to pass through the territory of both countries.

RELATIONS WITH THE UNITED STATES

Relations with the United States have been characterized by the dependencies and resentments of a patron-client relationship. Until January 1942 Ecuador had hoped that the United States would assist it in attaining an outlet on the Marañón-Amazon. The United States role as guarantor of the Rio Protocol, together with its delay in returning World War II military bases at Salinas and on the Galápagos Islands to Ecuadorian control and Ecuador's increasing economic dependence, generated intense resentment in the postwar years.

In mid-1948 unfavorable attitudes toward the United States were to some extent offset by the election to the presidency of Galo Plaza, an admirer of the United States who had lived there for many years and had received all of his higher education at United States universities. His success in obtaining extensive technical and financial aid from the United States was conspicuously reflected in Ecuador's unprecedented prosperity and stability.

Galo Plaza was succeeded in 1952 by Velasco Ibarra, who catered to popular attitudes of irredentism against Peru and the latent resentment of the United States. He criticized the conditions allegedly imposed by United States economic aid and what he saw as the United States neglect of its obligations to Latin America.
Since then, relations between the two countries have often been strained. The Rio Protocol has remained a bone of contention; it temporarily assumed major proportions in December 1960 when the United States and the other three guarantors officially rejected Ecuador’s unilateral abrogation of the 1942 document.

The appeal in Ecuador of the Cuban revolution, especially among students and organized labor, and the more generalized desire to establish diplomatic and commercial ties with the Soviet Union and the East European countries, led to friction with the United States in the early 1960s. Responding to domestic pressures, Velasco Ibarra, after his inauguration in 1960, expressed admiration for Castro and, in June 1961, sent a goodwill mission headed by his vice president to the Soviet Union.

Such popular pressures have always had to be weighed against the need for economic assistance. United States Ambassador to the United Nations Adlai Stevenson was enthusiastically received in Ecuador in June 1961, and Arosemena Monroy, who as president generally assumed an anti-United States posture for domestic consumption, visited the United States in 1962 to seek economic assistance. Frustrations of economic dependency and the allegedly unfavorable terms and conditions of United States assistance, however, have in themselves been sources of friction. Even the conservative President Camilo Ponce Enríquez alleged in 1958 that the terms of United States assistance were less generous than those of the Soviet Union. Also the business-oriented President Otto Arosemena Gómez refused to sign the final document of the hemispheric conference of heads of state in Punta del Este in 1967 and declared the United States ambassador to Ecuador to be persona non grata as a result in part of indignation over conditions attached to United States assistance.

The most persistently inflammatory issue in United States-Ecuadorian relations since the early 1950s has become known as the Tuna War. The cornerstone of the dispute was laid in 1952 when the governments of Ecuador, Peru, and Chile subscribed to the Declaration of Santiago, which allied them in their claims to a 200-mile maritime zone. The document was supplemented in 1954 by a declaration of their intention to enforce the claims. Of the three countries, Ecuador has most consistently implemented the policy of seizing and fining foreign fishing vessels found within the 200-mile claimed zone without a license from the claimant. The area in dispute, swept by the Humboldt Current, is part of what is generally considered the best tuna-fishing area in the world and has been exploited predominantly by United States fishermen.

A few United States vessels were detained during Velasco
Ibarra's 1952-56 presidential term. President Ponce (1956-60) generally refrained from such seizures, but they accelerated again during the short-lived administrations of Velasco Ibarra and Arosemena Monroy between 1960 and 1963. The military junta that assumed power in 1963 made a "gentlemen's agreement" with the United States to patrol only twelve miles.

The practice of seizing and fining foreign fishing boats was resumed with great vigor after the fall of the junta in 1966. In response the United States Congress passed the 1967 Amendment to the Fishermen's Protective Act, which provided for more generous reimbursement from the United States Treasury for vessels subjected to fines and for the withholding of the amount of unpaid United States claims against the Ecuadorian government, resulting from the seizures, from foreign assistance funds. The consequence of these moves and countermoves has been a vicious cycle. The fishermen have not been deterred by the seizures because the business is highly profitable and, in any case, their losses have been absorbed by the United States government. Ecuador has not been deterred by the reduction of foreign assistance. On the contrary, it claims that it is necessary to issue more and higher fines in order to compensate for the loss of such assistance.

United States officialdom was particularly incensed in November 1969 when one of the fishing vessels was fired upon by the Ecuadorian warship Guayaquil, a former United States Coast Guard cutter. The captain of the ship had just returned from a training course in San Diego. In addition to threatening suspension of economic aid, the United States in early 1971 applied to Ecuador the provisions of the Foreign Military Sales Act, suspending sales through United States government credits of military equipment, to which Ecuador responded by ordering the withdrawal of the United States Military Group. Loss of United States matériel and training was offset to some extent for the Ecuadorian navy because the navy received 70 percent of the money collected through fines.

Escalation continued throughout 1971. Whereas from early 1961 through 1970 there had been ninety-two seizures at a cost of US$193,184 in fines, in 1971 alone fifty-one tuna boats were detained, and fines and licenses amounted to US$2,504,109. Nevertheless, most of the US $71 million worth of tuna caught by United States fishermen in the eastern Pacific in 1971 came from waters claimed by Ecuador. The cost of a license equals the net tonnage of the vessel multiplied by US$20. Fines are US$80 per ton for the vessel's first offense and US$160 per ton for the second.
On three occasions in late 1971 and early 1972 United States official envoys met with Ecuadorian officials in Quito to discuss the issue. The discussions were reportedly cordial but unfruitful. The purpose of the discussions was to find a way to resume the Quadripartite (United States, Chile, Ecuador, and Peru) Fisheries Conference, which met in 1969 and 1970. Meanwhile, the position of the original claimants had been reinforced by the end of 1971 because a majority of the Latin American states lying adjacent to ocean waters were claiming a 200-mile limit.

The United States maintained that such a claim was contrary to international "norms" and pointed out that the International Court of Justice at The Hague ruled in 1951 that "the delimitation of the sea areas . . . cannot be dependent merely upon the will of the coastal state." Ecuador countered, however, that in the same case the court ruled that "for a country to fix its territorial waters at a limit greater than three miles was not in violation of any principle of international law" and that neither the United Nations nor the Organization of American States had ruled on the issue in mid-1972. Both countries supported the United Nations General Assembly's 1970 call for a Law of the Seas Conference to take place in 1973.

The Tuna War had been a major issue in domestic politics in Ecuador since the early 1950s. By the early 1970s the United States role in it had also been complicated by competing domestic interests. While West Coast fishermen were adamant in opposing the Ecuadorian position, East Coast fishermen were lobbying to extend the United States claims in order to expel Soviet trawlers from their traditional fishing grounds. Moreover, consideration by Congress of an import embargo on some Ecuadorian products was opposed by a number of United States businesses. Bananas, the principal United States import from Ecuador, are controlled by the United States fruit companies, and United States firms own about 88 percent of the tuna imported by the United States from Ecuador (see ch. 14).

The military government that assumed power in February 1972 announced that its foreign policy would not differ significantly from that of the previous government, and it specifically asserted that it would staunchly defend the 200-mile claim. With less fanfare, however, it stated in May that it was studying with interest the "Brazilian solution," a compromise between the United States and Brazilian positions arrived at in early 1972.

Economic aid to Ecuador dispersed by the Agency for International Development (AID) and its predecessors from 1946 through 1970 had amounted to about US$148 million. The Van Deerlin amendment attached to the United States foreign aid
annual appropriation bill in early 1972 specifically excluded Ecuador, unless the president decided that a waiver of the exclusion was in the national interest. President Richard M. Nixon decided to renew the aid.

The 1967 discovery of vast oil reserves, expected to make Ecuador second only to Venezuela among South American oil producers, had begun by 1972 to restrain the escalation of the Tuna War. The exploitation of these discoveries by United States firms (the Texaco-Gulf consortium and other oil interests) accounted for most of the increase in United States investment in the country from about US$190 million in 1970 to a sum expected to reach US$500 million by the end of 1972. It was feared that the ar+i-United States sentiment intensified by the seizures and reprisals would place these firms at a disadvantage in the profit-splitting agreements they had yet to reach with the Ecuadorian government, as the United States petroleum industry would, in the eyes of the Ecuadorian public, become as unattractive as the United States tuna industry.

EXTRA-HEMISPHERIC RELATIONS

Bilateral relations with countries beyond the Western Hemisphere have focused primarily on trade, technical assistance, and cultural exchange. In early 1972 Ecuador maintained diplomatic relations with all of the West European countries, with the Soviet Union, Poland, Hungary, Czechoslovakia, Yugoslavia, the Arab Republic of Egypt (Egypt), Lebanon, Syria, Morocco, Israel, Ethiopia, Japan, the Republic of Korea (South Korea), the Republic of China, and the Republic of the Philippines. Beyond the Western Hemisphere and Western Europe, however, the country actually maintained embassies only in Japan, the Soviet Union, Poland, and Egypt.

Great Britain, the Federal Republic of Germany (West Germany), France, Spain, and Italy were among the countries that maintained cultural representatives or binational centers. The Soviet Union also opened Ecuadorian-Soviet friendship institutes in Quito and Guayaquil in 1970. Japan and a number of European countries provided assistance in the form of scholarships.

Although the United States remains the country’s main trading partner, its share of both imports and exports has dropped since the mid-1960s. Stiff competition in the United States banana market from the Central American varieties led the General Banana Board (Dirección General del Banano) in 1968 to urge expansion into less traditional markets in Europe and Asia. The search for new markets has been hindered by the
special relationship of members of the European Economic Community with their former colonies, but trade with Japan has expanded rapidly, and new markets in Eastern Europe have helped to take up the slack (see ch. 14).

President Ponce had reached an agreement with the Soviet Union in 1956 to initiate diplomatic relations, but no attempt was made to implement the agreement until Velasco Ibarra was elected to his fifth term in 1968. By that time the desire for greater independence from the United States, consistently expressed by the parties on the Left, had been reinforced by the recognition by important segments of the wealthy merchant class of the need for new markets and sources of economic and technical assistance. Diplomatic and commercial relations were established with several East European countries in late 1968, but adamant opposition from the military and the more tradition-oriented conservatives delayed the establishment of diplomatic relations with the Soviet Union until June 1970. Diplomatic ties had been preceded, however, by commercial ones. Relations were strained in July 1971 when three Soviet diplomats, accused of collusion in a strike by the country's largest labor confederation, were expelled from Ecuador, but diplomatic relations were not severed.

INTERNATIONAL ORGANIZATIONS AND COMMITMENTS

The Western Hemisphere

As a component of Gran Colombia, Ecuador participated in the effort of Simón Bolívar in 1826 to unite Spain's former colonies in a confederation providing collective security. In the aftermath of Spain's abortive attempt to recapture Peru, Ecuador in 1864 joined Peru, Bolivia, Chile, Colombia, El Salvador, and Venezuela in signing a treaty of alliance. As was true of most nineteenth-century treaties in the area, however, it failed to be ratified, and it was not until the twentieth century that multilateral relationships assumed importance in the country's foreign policies.

Ecuador participated during the first half of the twentieth century in the Pan American movement, initiated by the United States, and in the many hemispheric conferences held during World War II. It became a party to the Inter-American Treaty of Reciprocal Assistance (1947), a charter member of the Organization of American States (OAS) in 1948 and the Inter-American Development Bank (1959), and a party to the Latin American Nuclear Free Zone Treaty (1967).

Ecuador's positions on controversial issues brought before the OAS have fluctuated somewhat in accordance with circumstances
on the domestic political scene and with the status of disputes directly involving the country. In the 1950s Ecuador participated in the collective efforts of the Latin American states to obtain economic assistance from the United States but generally supported United States initiatives on issues relating to hemispheric security. As there had been broad popular support for the Cuban revolution in Ecuador, however, and as Fidel Castro had sided with Ecuador in its territorial dispute with Peru, the government of Arosemena Monroy joined those of Mexico, Argentina, Brazil, Chile, and Bolivia in opposing the successful United States attempt at Punta del Este in January 1962 to expel the Cuban government from the OAS. The Ecuadorian armed forces, however, before deposing Arosemena the following year, forced him to sever relations with Cuba.

The military junta, firmly in control of the government in July 1964, voted with the United States to impose diplomatic and economic sanctions on the Castro government. When the United States intervened in the Dominican Republic in April 1965, however, the junta, facing strong domestic opposition, responded to popular pressures; it voted against the creation of an ad hoc inter-American peacekeeping force, as the force was seen to embody collective legitimation of the unilateral action.

Ecuador was once again in the minority at a special session of the OAS convened in Washington from January to February 1971. Consideration of a draft convention that would deny political asylum to the alleged perpetrators of kidnappings and other acts of political terrorism resulted in a three-way split, and Ecuador assumed a position to the Right of the United States and the Latin American majority. The government of Velasco Ibarra, ruling dictatorially with substantial support only from the military and with vociferous opposition from labor, students, and other domestic groups on the Left, joined the so-called hardliners—Brazil, Argentina, Paraguay, Haiti, and Guatemala—in staging a walkout. They had demanded multilateral action against all forms of political terrorism as opposed to only those acts directed against diplomats. At the same special session, the Latin American members of the OAS voted twenty-two to zero (the United States abstaining) to consider Ecuador's complaint that the United States suspension of military sales in retaliation for the seizure of fishing trawlers constituted "coercion" as defined and proscribed by the OAS charter. A subsequent resolution, supported by both Ecuador and the United States, called upon the two parties to negotiate their differences.

In a press conference in Quito in April 1971, Velasco Ibarra revived the issue of the isolation of Cuba. Criticizing the United
States for its “policy of force,” he advocated readmitting Cuba into the inter-American system. He said that nobody had the right to expel Cuba or any other country from the OAS “because it is carrying out reforms which change its internal structures.” When the Peruvian delegation on May 31, 1972, reopened the Cuban issue before the Permanent Council of the OAS, Ecuador voted in favor of the Peruvian proposal to leave member states free to reestablish relations when they deem it convenient. The proposal was defeated by a vote of thirteen to seven with three members abstaining. As of mid-1972, however, the Ecuadorian government maintained that it would not reestablish relations with Cuba outside the framework of the OAS but would await an OAS decision.

Ecuador has been well represented in recent years in hemispheric councils. Former President Galo Plaza was elected in February 1968 to a five-year term as secretary general of the OAS, and Ecuadorian Ambassador Galo Leoro assumed the chairmanship of the OAS Permanent Council in June 1972. The military government had indicated its interests in a multilateral approach to economic problems by hosting the thirteenth annual meeting of the board of governors of the Inter-American Development Bank in May 1972.

As a buffer state, lacking the resources to make effective threats of the use of force, Ecuador has been adamant in its insistence on the establishment of workable procedures for the peaceful settlement of disputes. In ratifying by decree the 1967 protocol of amendment to the OAS charter, an amendment intended to strengthen the position of the Latin American states vis-à-vis the United States, Velasco Ibarra inserted a reservation declaring that the government of Ecuador was not satisfied with the provisions on the peaceful settlement of disputes. Ratification was carried out with the understanding that the country maintained the right of submitting any dispute directly to the competent body of the United Nations.

Global Organizations

Ecuador, as a result of internal turmoil, was the only Latin American country never to join the League of Nations. It nevertheless became a charter member of the United Nations (UN) and participated in modifying the original charter draft to confer legitimacy on regional organizations. In that forum it has advocated the juridical equality of states, nonintervention, disarmament, and aid to developing countries and opposed colonialism and racial discrimination.

It has generally followed the lead of the United States on cold
war issues, although in 1954, when Guatemala appealed to the UN for assistance against United States aggression, Ecuador joined Uruguay and Argentina in pointing out to the General Assembly that Guatemala could not legitimately be denied access to the UN by the invocation of regional arrangements. The Ecuadorian delegate on the Security Council in 1950 strongly supported the United States position on Korea. The country was again represented on the Security Council when Belgian troops entered the Congo in 1960, and it supported the UN Congo operation. In both of these cases Ecuador formulated the issue as one of respect for territorial integrity. Hoping that the principle might have retrospective value, Ecuador appealed to the UN in 1960 to consider its territorial dispute with Peru, but the UN took no formal note of the controversy.

Until 1967 Ecuador agreed with the United States position on the exclusion of the People's Republic of China from the United Nations, but in that year, together with almost half the Latin American states, it began to abstain on the issue. In 1971 it opposed the United States on the most important vote to be taken in the General Assembly.

Ecuador served as a member of the United Nations Economic and Social Council for a three-year term ending in December 1966, and the country is a member of many of the UN specialized agencies. Relations with the International Monetary Fund (IMF) have had an important bearing on the country's approaches to chronic financial crisis and thus on domestic politics. The opposition of the IMF, as well as of the Guayaquil merchants, restrained Velasco Ibarra from imposing import controls in early 1970. It was not until he assumed extraconstitutional powers a few months later that the currency devaluation, upon which standby credit from the IMF was conditional, could be carried out.

The country has looked, in particular, to the United Nations Economic Commission on Latin America (ECLA) and the United Nations Council on Trade and Development (UNCTAD) as spokesmen of the needs of the developing countries. At the UNCTAD conference in Santiago in April 1972, Ecuador was elected, along with eight other Latin American countries, to a four-year term as a member of the council; and Quito was selected as the site of the fifteenth session of ECLA, to take place in 1973. Ecuador is also a party to the international coffee and wheat agreements and in 1972 was negotiating with a number of countries interested in establishing an international agreement on cacao (see ch. 14).
SECTION III. ECONOMIC

CHAPTER 12

CHARACTER AND STRUCTURE OF THE ECONOMY

During most of the 1960s and through 1971 the republic was continually facing serious fiscal, economic, and balance-of-payments difficulties. By mid-1972, however, most sophisticated Ecuadorians were viewing the economic future of the country with optimism, despite unfavorable trade balances, ever-increasing budgetary deficits, and a burdensome foreign debt.

The continual budgetary deficits had been caused primarily by an excessive decentralization of governmental functions, hundreds of autonomous agencies having fiscal independence from the central government, plus widespread tax evasion by individuals and businesses. Beginning in mid-1970 the number of autonomous agencies was halved, and improved tax collection methods were put into effect in an effort to control the budgetary deficits, and some success was evident by 1972.

The confidence radiated in mid-1972 was based upon the actions and promises of the new government that had come into power in February of that year, the imminent entrance of the country into the world of major petroleum producers and exporters, and benefits believed to lie with membership in the Andean Common Market (see ch. 13; ch. 14).

The government and most segments of the society were anticipating vastly increased revenues from oil production, which were expected to be used to alter the social and economic structure of Ecuador. Agriculture was the leading sector of the economy as of 1972, employing the largest number of persons, but its relative share had been slowly declining since 1960, whereas shares of manufacturing, services, and construction had increased. The exploitation of petroleum was to serve as the basis for plans to stimulate further industrial development, including petrochemicals and other technologically advanced industries. Still, unemployment and underemployment, problems of the late 1960s caused by rapid migration to the cities from rural areas, were not expected to decline with industrial growth because many persons
who worked as artisans were being forced out of work by competition from factory production.

Foreign trade is essential to the economy. The years of highest growth rates have been the years of vigorous exports. Agricultural products—mainly bananas, cacao, coffee, and sugar—and fish products accounted for the bulk of exports, but their importance was about to change with the commencement of petroleum exports.

THE ECONOMIC SYSTEM

Most economic data available in mid-1972 were considered to be unreliable by both Ecuadorian and outside observers, and there was increasing evidence that the national accounts computations were being understated. Most data are estimated, and the estimating techniques are not sophisticated. Several dozen government offices supply statistics, but data provided by the Central Bank of Ecuador (Banco Central del Ecuador) are considered to be more comprehensive than that of other government sources. It is not found in consolidated form, however; more usually, economic data are found scattered among the bank’s various weekly, monthly, and annual publications. Many government-issued charts and tables contain inconsistencies and errors; for example, there are six conflicting official foreign trade series. Nevertheless, available data are useful for evaluating general trends in the growth pattern and of the main components of the economy.

After several years of relatively slow growth in the early 1960s, the gross domestic product (GDP) started to increase at a more rapid rate, mainly because of higher investments in the burgeoning petroleum industry. The GDP grew by 8.7 percent in 1970, one of the highest growth rates in Latin America, and was more than 36 billion sucres (for value of sucre—see Glossary) at market prices, or the equivalent of more than US$1.4 billion. A provisional growth rate of between 6 and 7 percent was estimated for 1971, with GDP at over US$1.6 billion. The per capita income grew by smaller percentages because of a high birth rate and was estimated to be about US$267 in 1971 (see ch. 3).

All observers acknowledge that the distribution of income is very uneven; the inequality is particularly marked in rural areas. A United Nations study in the mid-1960s indicated that slightly more than 2 percent of the economically active persons in agriculture were receiving almost 35 percent of total agricultural income. The study also revealed that about half of all persons in agriculture had annual incomes of between 1,800 and 3,100 sucres
but that 10 percent had incomes of over 52,000 sucres (see Financial Institutions, this ch.). A 1966 government sample survey of 1,100 farmers selected at random indicated that their incomes ranged from zero to over 6 million sucres, with about 4,900 sucres as the median. Seven percent of the farmers queried reported no cash income.

Although agriculture is the leading component of GDP, its growth rate has been lagging behind that of total GDP, and by 1970 it contributed only about 31 percent, whereas a decade earlier it had accounted for over 35 percent (see table 6). This sector also contributes about 90 percent of annual exports by value. The decline in the agricultural share reflects the low efficiency of land utilization and a low level of technology, except for the production of a few export products such as bananas and sugar. The yields of most products remained almost stable except for erratic variations caused by climatic conditions. The construction of irrigation projects had been slow, with much of the government's budgeted funds for irrigation being spent on repairing and maintaining older installations. Many landowners, ranging from small scale to large scale, fail to take advantage of the assistance offered by the government in improving their crop production. Further, there is almost no coordination of the activities conducted by the government in the field of agriculture, and various agencies sometimes work at cross purposes.

Manufacturing has been the most dynamic sector during the past two decades, in large part because of governmental assistance granted under the various industrial promotion laws. From a 5-percent share of the GDP in 1950, manufacturing rose to

Table 6. Origin of Ecuador's Gross Domestic Product by Activity, Selected Years, 1960–70

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
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<td>Agriculture</td>
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<td>33.9</td>
<td>30.5</td>
<td>30.0</td>
<td>31.1</td>
</tr>
<tr>
<td>Public administration and</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>other services</td>
<td>14.8</td>
<td>17.2</td>
<td>19.5</td>
<td>19.6</td>
<td>19.3</td>
</tr>
<tr>
<td>Manufacturing</td>
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<td>17.3</td>
<td>18.4</td>
<td>18.8</td>
<td>18.4</td>
</tr>
<tr>
<td>Trade</td>
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<td>10.9</td>
<td>10.5</td>
<td>10.5</td>
<td>10.5</td>
</tr>
<tr>
<td>Rental income</td>
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<td>6.6</td>
<td>6.1</td>
<td>5.9</td>
<td>5.6</td>
</tr>
<tr>
<td>Construction</td>
<td>3.9</td>
<td>4.1</td>
<td>5.1</td>
<td>5.2</td>
<td>5.2</td>
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<td>Transport and communications</td>
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<td>3.8</td>
<td>3.5</td>
<td>3.5</td>
<td>3.5</td>
</tr>
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<td>Banking and insurance</td>
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<td>2.3</td>
<td>2.7</td>
<td>2.8</td>
<td>2.8</td>
</tr>
<tr>
<td>Mining and petroleum</td>
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<td>2.0</td>
<td>2.2</td>
<td>2.1</td>
<td>2.0</td>
</tr>
<tr>
<td>Utilities</td>
<td>1.2</td>
<td>1.4</td>
<td>1.5</td>
<td>1.6</td>
<td>1.6</td>
</tr>
<tr>
<td>TOTAL</td>
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<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
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</tr>
</tbody>
</table>

1Includes livestock raising, forestry, and fishing.
2Includes electricity, gas, and sanitation services.
nearly 19 percent by 1970. Most of the initial industrial activity was in import substitution industries, but by 1970 the government was reorienting its promotional efforts toward industries that could participate in the wider market offered by the country's membership in the Andean Common Market (see ch. 14).

Ecuador's potential as a major petroleum producer was rapidly becoming a reality in 1972 with the construction of a pipeline from the eastern oilfields across the Andes to the Pacific (see ch. 13). Not only should the emergence of petroleum exports alter the structural framework of the economy after 1973, but it should also have two important effects on the balance of payments: it should reduce the need for costly petroleum imports, and government revenue and foreign exchange income should increase sharply.

The relative importance of transport and communications within the GDP has been declining, primarily because the rate of increase in transport and communications facilities has not kept pace with the growth of the economy. This has hampered the integration of domestic markets and has caused wide price spreads for most products between various parts of the country. Very little information is available on transportation of passengers and goods. The government publishes no rail data. Air transport data are never current, and the only road transport data are furnished by a few transportation cooperatives.

Until the petroleum boom began, the level and the rate of growth of investment was very low. From 1965 to 1970 total investment grew by slightly more than 8 percent annually, but in 1971 it was estimated to have increased by a substantial 22 percent, reflecting increased petroleum explorations. Total new investment in the economy in 1970 was set at about 5.2 billion sucre. About 28 percent of this was made by the government, but the government's share in investment has been declining; a decade earlier it had been contributing almost 38 percent of total investment. The private petroleum sector contributed over 21 percent to total investment in 1970, whereas the other private sectors contributed the balance. Public investment has been heavily concentrated in transportation, accounting for almost 47 percent of the total public investment from 1966 through 1970. The rest of public investment has been spread among the other economic sectors.

Accurate data on sectoral composition of private investment apart from petroleum do not exist, but three other major areas can be identified. The investment necessary to convert banana plantations to newer banana varieties from the traditional Gros Michel variety and to convert some banana land to other crops
has increased, particularly since 1966. Investment in manufacturing, especially new factory buildings, has been substantial, but it decreased somewhat during 1969 and 1970 as compared to the 1965-68 period. The third area of substantial private investment has been in construction, both residential and nonresidential.

In terms of numbers there is no lack of human resources to support industrial development. In fact one of the problems of the economy was to provide enough new job openings for the growing population (see ch. 3). Many skilled craftsmen were engaged in artisan or handicraft work, but workers trained in modern manufacturing skills and technology were in short supply. Further, modernization of factories with new equipment frequently leads to the increasing unemployment of the artisans forced out of work by cheaper mass-produced goods, such as occurred in the early 1960s in the shoe industry. A shortage of managerial skills also existed, and productivity sometimes suffered because of a failure by managers to take advantage of new techniques. Many of the best administrators leave the country for lack of opportunity. Few firms have many competent supervisors; most rely on one or two persons to make decisions, and as a result management seldom takes risks in new endeavors.

DEVELOPMENT PLANNING

In general, the policy of most Ecuadorian governments has been to permit the economy to function with a minimum of controls or direct intervention. Most controls are found in areas of public interest such as retail prices of necessities. The government does have a few monopolies, however, such as rail transportation and the production and sale of salt and alcohol. Until 1972 only one Ecuadorian government, the military junta of 1963-66, stressed the role that the government could play in developing the economy, particularly in long-range planning and in reshaping the economy. It adopted the first serious agrarian reform program, initiated numerous fiscal and administrative reforms, and increased government investment in infrastructure. In 1972 the new military government headed by President Guillermo Rodríguez Lara announced that it would begin making structural changes in the economy, and it appeared that the changes would commence first in the fields of fiscal and agrarian reform.

During the 1933-54 period there were about one dozen short-lived state entities, planning councils, and economic planning commissions, in charge of some sort of organized national or regional economic planning. All of these were ineffective until the Ecuadorian National Board of Planning and Economic Coordina-
tion (Junta Nacional de Planificación y Coordinación Económica) was created in 1954. In 1972 this board was known simply as the National Planning Board. During its first ten years the board drew up a few short-term sectional, regional, and technical studies while it was preparing a comprehensive, long-range national development plan. The latter was released as the General Plan of Economic and Social Development, 1964–73.

From 1964 through 1968 the plan was accompanied by annual goals. During the 1969–70 period the remaining part of the basic plan was revised twice to cover the years from 1970 through 1973, taking into consideration additional government income to be derived from oil revenues, benefits from membership in the Andean Common Market, and larger foreign loans (see ch. 14). In addition, the board prepared the twenty-year Strategy Plan for Subregional Integration, listing objectives to be reached by 1991 as a member of the Andean Common Market. The twenty-year strategy plan consisted of two five-year plans plus one ten-year plan. The details of the first plan, for 1973 through 1978, was to be made public during the second half of 1972, but overall GDP growth was targeted at 6.7 percent annually, with a 7.5 percent annual rate for the next five-year period and 8 percent thereafter.

The long-range program was to include governmental assistance to new investments in the paper, cement, electrical products, precision instruments, shipbuilding, food processing, lumber, chemicals, and plastic industries. It perceived the spending of additional funds on roads and on electrical power installations. Three general goals were set for agriculture: an increase in the number of landowners through agrarian reform, increased productivity through mechanization, and increased exports through crop diversification.

Many persons considered the long-range goals too ambitious in view of the lack of success in meeting the goals of the original development plan. The actual performance of the economy fell short of every major target in 1972, with the largest shortfalls in public investment and agriculture. There was almost no increase in the level of government investment from 1964 through 1968, and only 25 percent of the planned goals in agriculture were met. Moreover, none of the various plans ever addressed themselves to the basic issue of the reason for the existence of a particular sectoral problem; only target goals were set, and no solutions were suggested.

In April 1972 the newly created Council of Government issued a statement proposing a short-range economic stabilization plan, which it hoped would facilitate making the fundamental econom-
ic changes desired by the new government and would also control growing cost-of-living inflationary pressures (see ch. 9). The Council of Government (Consejo de Gobierno) suggested the eventual elimination of middlemen, an increased government seed improvement program, new crop experiments, local small irrigation projects and drainage systems, and farm feeder roads built by volunteer labor. Also, it suggested a limitation on the level of imports and a revision of the method of valuation of imported goods, the expropriation of urban lots for housing projects and the formation of mixed state-private construction companies, and changes in government credit policies and the adoption of a two-year budget.

At one time there were eight regional or provincial development organizations, but most of them were abolished during the last half of 1970 and their functions transferred to the central government. The only two regional planning organizations still in existence in mid-1972 were the Center for Economic Rehabilitation of Azuay, Cañar, and Morona-Santiago (Centro de Recuperación Económica de Azuay, Cañar, y Morona-Santiago—CREA) and the Study Commission for the Development of the Guayas River Basin. CREA, the strongest of the original regional development agencies, had been established in 1958 to stimulate the development of the three provinces and has received foreign financial assistance for its projects. It operates a resettlement project; builds roads, water and sewerage systems, and electric power facilities; grants special tax incentives to new industries; and runs an industrial park near Cuenca. The Guayas River study commission was an autonomous agency created in 1965 to help promote the development of the Guayas River basin and of the Santa Elena peninsula.

PUBLIC FINANCE

The public sector consists of the central government, provincial councils, municipal councils, and a large number of decentralized and autonomous agencies. The fiscal relationships between these segments are complex, and the collection and disbursement of funds tend to discriminate against the central government. Before the administrative reorganization in 1970 by President Velasco Ibarra there were over 1,400 decentralized or autonomous public agencies, and afterwards there were still over 700 (see ch. 9).

The miscellaneous public entities are of several types, each type making a different impact on public finances. These include state-owned companies such as the State Railways Company;
entities that are decentralized but whose budgets are appended to that of the central government; completely autonomous entities that are guaranteed either specific proportions or absolute amounts from funds collected by the central government; and private organizations that receive state subsidies, such as the Guayaquil Welfare Board.

Before the 1970 reorganization the central government received only about 45 percent of total public sector revenues; the municipalities, about 10 percent; the provinces, less than 2 percent; and the other agencies, the balance. The central government's share increased to slightly more than 53 percent in 1970, and the autonomous agencies' share declined; the percentages for 1971 and 1972 are not known. Still, it appears that these entities are receiving a disproportionate share of public income. Each year since 1950 the central government has experienced a budgetary deficit, whereas the autonomous entities as a whole have experienced surpluses nearly every year. Because of the surpluses of the other agencies, total public operations frequently had a surplus balance during the 1960s. Yet, the central government did not have access to the surpluses unless the agencies purchased central government bonds.

Central government deficits have been increasing progressively since 1964. Part of the recurring deficit is blamed partly on an excessive number of government employees and partly on the failure to improve tax collections. Although the fiscal year is usually the calendar year, on several occasions the books have been permitted to remain open until several months of the next fiscal year in order to account for disbursements authorized but not yet made by the close of the current fiscal year. This type of accounting procedure distorts the actual annual deficits. The annual deficits of the central government are financed by loans from the central bank, bond sales to the public and to the autonomous agencies, and by foreign loans such as a US$40 million loan in 1972 from a group of foreign banks.

The constitution in force at the time, together with a body of legislative acts and executive decrees, acts as the basis for the conduct of fiscal affairs. A conservative and rather inflexible fiscal policy is outlined but is seldom followed. For example, legally no budget may be issued that does not contain a provision for payment of the public debt; no administrative expenditures may be met by loans; and all budgets must be balanced. Since April 1971 the National Budget Office of the Ministry of Finance has been responsible for preparing and administering the budget, in coordination with the development plans prepared by the National Planning Board. Before 1971 the budget had been
prepared by the Technical Budgetary Commission but administered by the Ministry of the Treasury. Theoretically and constitutionally the National Assembly has the authority for approving the budget but, since the National Assembly was abolished in 1970, the power of approval has been in the hands of the executive branch.

The budgets of the central government have been increasing fairly rapidly. The 1968 budget expenditures totaled 3.8 billion sucres; this figure rose to over 4 billion sucres in 1969, to 5.3 billion sucres in 1970, to 6.6 billion sucres in 1971, and finally to nearly 7.3 billion sucres for 1972. In some years, such as 1971 and 1972, the budgets originally had been approved at much smaller amounts, but supplemental additions were made to them later in the year. In 1972, after the military takeover, the new government announced its intention of having an austerity budget, but it soon realized that insufficient funds had been allocated to some ministries to carry out mandated programs or to finish projects in various stages of completion. With the 1971 budget, the government had eliminated the traditional common expenditures fund from which ministries used to draw when they ran out of allocated funds.

Current expenditures are divided approximately into half for the central government and half for the rest of the public sector, including the provinces, municipalities, and autonomous entities. In some years during the 1960s, current expenditures accounted for as much as 80 percent of the total; salaries, 45 percent; and equipment, 35 percent. Roughly 20 percent went for capital expenditure and service on the public debt. The percentage expended on the public debt started to increase in 1965 and some years it was higher than that for capital investments. By functions, the largest single percentage of total expenditures is spent on education, which has received a progressively larger annual share (see table 7). The proportion assigned for defense has decreased since the mid-1960s, as has the share for general public administration. The expenditure for transportation as well as for all public works tends to vary according to government policies and the state of works in progress but is usually the second largest percentage.

The major source of revenue for the public sector has been taxes, which provided more than 65 percent of total revenue by 1970. This, however, was down from 70 percent during the early part of the 1960s (see table 8). Nontax revenues have grown at a faster rate than tax revenues and accounted for more than one-third of total public sector revenues in 1970. Nontax revenue includes fees for public services, royalty and rental receipts,
Table 7. Functional Classification of Ecuadorean Budget Expenditures, Selected Years, 1965, 1969, and 1972
(in percent of composition)

<table>
<thead>
<tr>
<th></th>
<th>1965</th>
<th>1969</th>
<th>1972</th>
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<tr>
<td><strong>General Services:</strong></td>
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<tr>
<td>National defense</td>
<td>14.9</td>
<td>15.1</td>
<td>12.28</td>
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<tr>
<td>Public administration</td>
<td>11.9</td>
<td>11.8</td>
<td>9.45</td>
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<tr>
<td>Police and justice</td>
<td>4.3</td>
<td>4.4</td>
<td>3.40</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>31.1</td>
<td>31.3</td>
<td>25.13</td>
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<td><strong>Social Development:</strong></td>
<td></td>
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<tr>
<td>Education</td>
<td>15.5</td>
<td>22.9</td>
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<td>28.2</td>
<td>31.84</td>
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<td>21.5</td>
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<td>Domestic</td>
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<td>16.34</td>
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<tr>
<td>Foreign</td>
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<tr>
<td><strong>Subtotal</strong></td>
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<td><strong>TOTAL EXPENDITURE</strong></td>
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</table>

1 Included with other economic services.
2 No percentage breakdown available.

Table 8. Composition of Ecuadorean Public Sector Revenues, 1965 and 1970
(in percent of composition)

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<tr>
<th></th>
<th>1965</th>
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<tr>
<td><strong>Tax Revenue:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Import</td>
<td>23.0</td>
<td>21.4</td>
</tr>
<tr>
<td>Income</td>
<td>20.2</td>
<td>19.4</td>
</tr>
<tr>
<td>Production and consumption</td>
<td>18.9</td>
<td>16.2</td>
</tr>
<tr>
<td>Export</td>
<td>6.5</td>
<td>5.9</td>
</tr>
<tr>
<td>Inheritance and property</td>
<td>2.9</td>
<td>3.0</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>71.5</td>
<td>65.9</td>
</tr>
<tr>
<td>Nontax Revenue</td>
<td>28.5</td>
<td>34.1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>
profits of state-owned companies, fines, and lottery receipts. The increase in nontax revenue was caused mainly by fees and advance royalties paid by the petroleum companies. This should increase even faster after the initiation of petroleum exports (see ch. 14).

The ratio of taxes to GDP has increased from about 12.2 percent in 1950 to around 15 percent in 1970, a relatively high percentage for a country with a low per capita income. Two aspects of the tax system have caused fiscal difficulties for the central government in the past but were being partially resolved after 1970. These were the practice of earmarking taxes for specific entities or purposes and the evasion and delinquency of tax payments. Either a percentage share or an absolute amount of the receipts of a tax may be allocated in advance to a particular autonomous or nonautonomous entity—federal, provincial, or municipal—or for a specific purpose. If an absolute amount has been assigned and the actual tax receipts fall short, the central government must transfer the difference to the entity from its own general income. Periodic fiscal reforms have consolidated and unified many of the taxes that previously were earmarked. The practice still existed in mid-1972, but in March 1972 the military government announced that it planned to modernize the tax structure, including the curtailment of most of the remaining earmarked taxes and the abolition of low-yielding taxes.

For years foreign tax experts and advisers have urged the government to improve its tax collection methods. A special study of tax evasion in 1970 indicated that less than half of the corporations in the country had filed income tax returns; most landowners, half of all doctors, and 40 percent of all lawyers also neglected to file returns. The falsification of customs declarations was estimated to cost the government the equivalent of 800 million sucres annually. The penalty for tax delinquency had not been severe; only the legal commercial interest rate was charged for late payments up to one year, and for debts over one year in duration the penalty was only 1 percent per month.

Beginning in late 1970 tax collection methods grew more efficient, and tax inspectors were given a 5-percent bonus of all errors discovered in tax audits as a further incentive. All persons subject to the income tax had to obtain an annual certificate attesting to their payment of taxes. The certificate had to be presented before the taxpayer could obtain, or have notarized, certain public documents. In May 1972 the government began to assign military personnel at both international borders in an
effort to stem the tide of contraband; it also began to prosecute and publish lists of names of debtors of unpaid taxes.

Import duties have always been the leading source of tax revenue, but their relative share has tended to decrease, partly because of evasion and avoidance and partly because of the large number of imports permitted duty-free entry in order to stimulate industrial development. Also imports of 1,700 items from Latin American Free Trade Association (LAFTA) countries are accorded free entry or lower duties than the same imports from nonmember countries. In 1971 the government adopted the use of the Brussels Tariff Nomenclature for classification of imports; until then it was using the old League of Nations Tariff Nomenclature. The new tariff provided for many more subcategories of commodities and supposedly should permit more adequate invoicing for customs duties. The lowest duties are levied on goods not produced in Ecuador that are needed for industrial and agricultural development (such as machinery, medical supplies, and educational materials).

Income taxes brought in the second largest amount of tax revenue, despite the acknowledged evasion. There were more than 200,000 individual taxpayers who filed returns in 1970, but a large number of them paid little or no taxes because of the high level of legal exemptions. The income tax law in effect in 1972 dated from 1964 with 1971 amendments. March 31 is the annual deadline for all taxpayers to declare and pay taxes owed. All taxpayers, individuals as well as businesses, may sign an agreement with the government for a stipulated annual tax payment for a three-year period with a 10-percent annual increase from the base year. During the life of the agreement, the government refrains from auditing the taxpayers' return. The basic tax rates for individuals as of November 1971 ranged from 10 to 42 percent of taxable income. Domestic corporations paid 20 percent of their nondistributed profits, and dividends were taxed on a withholding basis at rates ranging from 20 to 45 percent. Dividends remitted abroad, profits earned in Ecuador by foreign corporations, and interest and royalties were taxed at a 40-percent rate. The income tax for petroleum companies was set at 40 percent plus an 11-percent surtax, the surtax being earmarked for universities and polytechnical institutions. Beginning in 1971 a special additional 1-percent levy was imposed on annual incomes over 10,000 sucrés, and the proceeds were destined for school construction programs (see ch. 6).

Production and consumption taxes, including numerous excise and sales taxes, together bring in the next largest amount of tax revenue. Hundreds of such taxes have been consolidated, but the
total still in effect in 1972 was considered formidable. The most significant of these taxes was a value-added tax adopted in 1970 on the advice of experts from a tax mission of the Organization of American States. In mid-1972 Ecuador was the only country in the Western Hemisphere (besides Brazil) to have such a sales tax, and income from this source was exceeding all expectations.

Export taxes were being levied in 1972 on certain commodities, notably bananas, cacao, coffee, and tuna. These taxes were being levied on a national, provincial, and municipal level and ranged as high as 15 percent of the export value. Therefore the exact export tax on a particular product varied depending upon its locality of shipment. In early 1972 the government announced that it would gradually reduce the federal export levies with a view toward eliminating them within five years.

Mainly because of the structure of the public sector finances, in that budgetary deficits of the central government were not being offset by the surpluses of the rest of the public sector, the public debt soared during the 1960s, and the government had to resort to heavy borrowing and bond sales. In addition, many autonomous agencies incurred debts in financing capital investments. The government that took over in early 1972 discovered that it did not have an exact accounting of the country's entire public debt, because many of the loans contracted by autonomous agencies had never been reported to the Central Bank. The amount that could be calculated on December 31, 1971, was over 14 billion sucres, or about US$560 million.

Of the total calculated public debt, over 5.6 billion sucres were in the form of bonds, and the balance was in loans, advances, or overdue payments. Over 2.3 billion sucres worth of bonds had been made payable in United States dollars to make them more attractive. These dollar bonds have been used particularly by domestic contractors for highway projects requiring foreign exchange for equipment and supplies. The contractors purchased the bonds in sucres at a discount from face value (sometimes for as much as 20-percent discount) and resold them abroad for dollars at a value somewhere between their cost and face value. After 1969 bonds denominated in sucres were also sold at a discount, prospective purchasers were becoming reluctant to make more investments in government bonds, even with an 8-percent interest rate.

The domestic component of the public debt at the end of 1971 was set at about 11.3 billion sucres, up steeply from 131 million sucres in 1960. The largest single creditor was the Ecuadorian Social Security Institute (Instituto Ecuatoriano de Seguro Social—IESS); in June 1972 the central government owed the IESS over
3.8 billion sucres. The central government continually owes to the IESS the public employee pension contributions deducted from paychecks but used for other purposes by the central government. Periodically, the central government gives the IESS bonds in lieu of these payments; and the overall debt has been accumulating because interest payments must be made (see ch. 7).

The Central Bank is the second leading creditor of the government; at the end of 1971 it was owed over 3.6 billion sucres, although this was decreased to 2.9 billion sucres by May 1972. Most of the debt to the Central Bank is initially in the form of advances made to the central government to cover administrative expenditures before tax revenues come in or short-term loans to cover budgetary deficits. Periodically, the accumulated advances and short-term loans are converted into a single consolidated long-term loan repayable in forty years at 2 percent interest.

Although the central government did not have an accurate estimate of the exact amount of the foreign debt because of the loans contracted by various autonomous entities, international lending agencies estimated that outstanding foreign debt at the end of 1971 probably was closer to the equivalent of US$335 million, rather than the government's estimate of about US$112 million. A significant proportion, over 31 percent, was privately held debt representing foreign exporters' short-term credits for financing of imports and also loans by foreign banks. The balance of the foreign debt was held by international organizations and about one dozen foreign governments. Financial terms related to foreign borrowing became progressively stiffer in the late 1960s and early 1970s and, on occasion, such as in early 1972, so politically onerous that the government felt itself inclined to cancel a loan agreement and pay a termination penalty rather than utilize the funds at its disposal. The government is hopeful that the anticipated revenues from the petroleum industry will decrease the need for foreign loans in the future.

**BALANCE OF PAYMENTS**

Before the 1960s the balance of payments recorded either small annual positive or negative balances with no discernable trend. During the 1960s, however, rapidly increasing imports unmatched by similar increases in exports resulted in an increased deficit in the annual current account (see ch. 14). During the period 1965 through 1970 current account deficits totaled over the equivalent of US$294 million. This large deficit, however, was almost entirely offset by income flows in the capital account,
mainly by official loans and by growing direct investment, particularly in the petroleum industry. In 1970 alone, between US$70 million and US$80 million was brought in by the foreign oil companies. The balance of payments actually showed an overall surplus in 1970 of about US$16 million, helped by about US$20 million that was repatriated from abroad by Ecuadorians. Capital flight had occurred during the 1950s and 1960s, but money previously held in savings accounts overseas apparently was returning afterward. This was reflected in a sudden rise in domestic savings accounts in 1971 and 1972. Still, the amount of private funds in banks in the United States, the Netherlands, and Switzerland was considered to be substantial in the early 1970s.

Most of the official foreign loans, grants, and technical assistance has been provided by the United States or international lending agencies. Other governments have provided a small percentage of the total. The exact amount of foreign assistance is not known, but that which can be ascertained totaled about US$750 million from the end of World War II through mid-1972. At least US$125 million was in the form of grants; mostly for technical assistance from the United States Agency for International Development (AID), the United Nations, or under various United States food for peace or military assistance programs. Some volunteer agencies also provided grant aid or technical assistance: Cooperative for American Relief Everywhere (CARE), Catholic Relief Services, the German Peace Corps, and the Papal Volunteers.

Total United States assistance came to around US$450 million: US$170 million from AID, US$156 million under Export-Import Bank loans and guarantees, US$34 million under the Food for Peace Program, US$52 million in military assistance, and US$24 million through the Social Progress Trust Fund administered by the Inter-American Development Bank. Most of the assistance from AID was in the fields of agriculture, small industries, and rural electrification. In addition, the Inter-American Geodetic Survey, a United States government organization, has been providing technical assistance to Ecuador for topographical surveys since 1947; the United States National Aeronautic and Space Administration maintains a scientific satellite tracking station on the slopes of Mount Cotopaxi; and US$15 million has been spent on the United States Peace Corps program in Ecuador.

The Inter-American Development Bank provided the next largest amount as of mid-1972: US$170 million. In addition, the bank had acted as Ecuador's financial agent in finding other sources of aid on several occasions; in May 1972 it was asked to
become the country's formal financial agent, and the matter was being negotiated. The loans provided by the Inter-American Development Bank have been for miscellaneous purposes: hydroelectricity, higher education, industry, fishing, tourism, highways, irrigation, and sewerage.

The International Bank for Reconstruction and Development (IBRD, commonly known as the World Bank) and its associated agencies provided about US$95 million. The IBRD lent about US$71 million, mainly for roads; the International Finance Corporation, over US$6 million for the textile industry and development financing; and the International Development Association, about US$17 million for livestock and education. The International Monetary Fund has approved several standby arrangements with Ecuador in an effort to bolster falling international reserves and stabilize the balance of payments. The latest standby was negotiated in 1972 for US$18 million.

The exact amount of foreign investment in the country is not known, but it was estimated to be close to US$400 million in 1972. Considerable increases occurred after 1968 as a result of petroleum explorations; before then, total foreign investment was estimated at between the equivalents of US$150 million and US$160 million. In general, foreign investment is welcomed in Ecuador, although at times some fiscal incentives already granted have been rescinded, such as occurred in 1970. Also, some officials tend to view foreign firms with suspicion, and the procedures for obtaining approval for investments are sometimes difficult and cumbersome. From 65 to 70 percent of total foreign investment is estimated to come from the United States. Apart from petroleum, United States investments are in manufacturing and commerce. Many of the foreign firms are small; a 1971 survey indicated half of all foreign firms were capitalized at less than 200,000 sucrés.

**FINANCIAL INSTITUTIONS**

The economy's banking and credit needs in 1972 were served by the Central Bank of Ecuador (Banco Central del Ecuador); the National Development Bank; several other state banks for specialized lending; nineteen private commercial and mortgage banks; two financial development companies (one state-owned); nine home savings and loan associations; several insurance companies; and two stock exchanges. A Monetary Board, which is the highest level policymaking body, regulates the entire banking and credit system, including the operation of the Central Bank of Ecuador. The Monetary Board, as reorganized in 1970, was composed of seven members, three of whom represented the
interests of the private sector. In early 1972 the private members lost their voting rights and only retained the right to attend the board's deliberations. In May 1972 the board announced that all of its forthcoming decisions would have the sole purpose of maintaining the stability of the sucre. To this end, it claimed that credit growth would be kept at about 14 percent through 1973, and bank credit would be selective—agriculture and industry receiving the largest shares—and the central government's debt would be kept under control.

The Central Bank of Ecuador was established by the Monetary Law of 1948 as the successor to an earlier private bank that had performed similar functions. The bank operates under the Law of the Monetary System of 1961. Only 10 percent of the Central Bank's shares are owned by the government; 90 percent are owned by the private banks, many of which trade the shares among themselves, although no single private bank can own more than 5 percent of the total. Among its functions the Central Bank acts as the sole banknote-issuing agency; maintains the foreign exchange market; acts as government banker; operates a check clearing house; carries out banking operations with commercial banks, such as rediscounting and making advances; and issues economic statistics. The bank has an experienced and capable staff, and its statistical data usually are of better quality than that produced by other institutions. The bank is headquartered in Quito and had ten branches elsewhere as of 1972.

The government-owned National Development Bank (Banco Nacional de Fomento—BNF) evolved out of a development credit system originally established in 1944 to provide medium- and long-term credit for agriculture and industry. Reorganized in 1964, the BNF also was permitted to give short-term (up to two years) loans, which have become the largest component of its portfolio. With forty-six regional offices, it covers the entire country. It has become the most important source of agricultural credit in the country, and 80 percent of all its loans go to that sector. About 10 percent of its loans are made for small-scale industry and handicrafts; and the balance, for commerce and miscellaneous purposes. The BNF also makes equity investments in addition to providing credits; for example, it is the major stockholder in one of the country's cement plants and also owns part of the Grancolombian Merchant Fleet (see ch. 14).

The BNF has experienced considerable difficulty in recovering overdue loans, which prevents it from servicing all the new applications it receives annually. In early 1972 over 21 percent of its 70,000 outstanding loans, totaling over 170 million sucre, were overdue. In the past it had been able to transfer part of the
uncollectible credits to the Central Bank in the form of a consolidated loan, but in 1972 the government decided either to prosecuted or publicly embarrass debtors of the bank by publishing their names in the press. In addition, when it was discovered in 1972 that a large number of the bad debts had been made to civil servants, who also owned farms or businesses, the comptroller general determined that henceforth any government employee who was in debt to the BNF would automatically lose his government position.

The Securities Commission-National Financial Corporation (Comisión de Valores-Corporación Financiera Nacional—CV-CFN), more commonly known as the National Financial Corporation (Comisión de Valores—CFN), was created in 1964 as the successor agency to the Securities Commission, which had existed since 1948, first as part of the Central Bank and then as an autonomous agency. The original function of the Securities Commission had been to trade in, and create a market for, government bonds and private mortgage bonds. The CFN inherited the portfolio functions of the Securities Commission, but its main function has been to stimulate industrial development, mainly through credit operations.

The CFN provides capital for industries on short-, medium-, and long-term loans at reasonable interest rates. Preference is given to industries utilizing local raw materials and to industries processing agricultural products. The CFN is well managed, and its activities are tax exempt. By 1972 it had become the single largest source of credit for industry. It also may purchase shares of stock in private firms in addition to making direct loans; this has been done in some cases where the firm was considered to be of importance to the national economy.

The Ecuadorian Housing Bank (Banco Ecuatoriano de la Vivienda—BEV) was created in 1961 as a state housing bank. Its activity is limited; loans granted usually total less than 1 percent of annual bank credit. Its resources are frequently used up, and it has to resort to a bond issue or to foreign loans to obtain additional working capital. Its loan recovery rate is slow, mainly because of the low income of its borrowers. An administrative reorganization occurred in mid-1972, including a vast number of personnel changes, in an effort to increase the efficiency of the bank’s operations (see ch. 7).

The only other state financial institution is the Cooperatives Bank of Ecuador (Banco de Cooperativas del Ecuador), formed in 1966 to lend funds to local cooperatives for relending to individual members. In terms of total lending activity of the
banking system, its impact is small; it extends less than 1 percent of total bank credit. It serves an important number of persons, however, mainly in rural areas, who would not have access to alternative credit facilities. A 1961 law on cooperatives, which also created the National Directorate of Cooperatives as a supervising entity, greatly stimulated the growth of cooperatives to over 1,500 to 1970 with nearly 100,000 members. The largest number were agricultural cooperatives with over 600, followed by credit cooperatives with over 300, and transportation with about 200. A considerable number of the credit cooperatives are located in rural areas. The credit cooperatives are formed into a national federation that gives periodic seminars and training courses to its member affiliates.

The private banks as a group are the most important financial institutions in the country, attracting the major portion of deposits and making the largest percentage of total loans in the banking system. Most, but not all, of the banks had three distinct departments: commercial, savings, and mortgage, each of which carried on its own operations. The commercial departments usually granted credits of up to one year. The savings departments could make investments in public and private bonds and securities and could grant loans against real property for five years. Mortgage departments issue bonds to raise capital and make long-term housing loans. A 1971 decree prohibited private foreign banks from opening any new savings or time deposit accounts and ordered them to liquidate such existing accounts by the end of 1972. The decree did not affect checking accounts or other operations of the foreign banks. As of 1972 there were only four foreign banks in the country: the First National City Bank, the Bank of London and Montreal, the United Holland Bank, and the Bank of America.

The five largest locally owned private banks are the Discount Bank (Banco de Descuento), the Philanthropic Bank (Banco la Filantrópica), the Bank of Guayaquil (Banco de Guayaquil), the Bank of Pichincha (Banco del Pichincha), and the National Bank of Credit (Banco Nacional de Crédito). The Philanthropic Bank, headquartered in Guayaquil, had, in addition to thirty-six domestic branches and offices, two overseas branches in Panama as of 1971. The Bank of Pichincha operated only in the Sierra and in the northern portion of the Costa. The Bank of Guayaquil, which usually had financed half of the country's total export trade, ran into financial difficulties during 1970 and was forced to close on June 30, 1970. In order to reestablish confidence in the country's financial institutions and because the bank was in debt to 7,000 domestic depositors and fifty foreign banks, the govern-
ment assisted it financially, and it reopened some five months later.

Reserve requirements and credit operations of the private banks are strictly controlled by the government in an effort to stem inflationary pressures. Banks in Quito and Guayaquil must maintain a minimum capital of 10 million sucres, whereas banks located elsewhere in the country are only required to have 5 million sucres in capital. Minimum reserve requirements were increased on all new deposits made after November 23, 1971. Reserve requirements for deposits made before that date are 30 percent for demand deposits and 20 percent for savings accounts. At least 15 percent of all savings accounts deposits must be invested in the bonds issued by the BEV, and at least 15 percent of total deposits may be used for loans to agriculture. In an effort to widen bank ownership, the government announced in March 1972 that all private financial institutions shortly would be required to sell a portion of their capital stock to the public.

Several other types of private financial institutions existed in 1972. Nine mutual savings and loan associations receive deposits from members and loans from the government in order to construct housing projects on a cooperative basis. The Ecuadorian Development Finance Company (Ecuatoriana de Desarrollo [Compañía Financiera]—COFIEC) was founded in 1966 by several private local and foreign banks, local businessmen, the International Finance Corporation, the Adela Investment Company (an international financial firm), and the CFN. COFIEC has become an important source of funds to private industry—both in the form of loans and in equity investment. It also acts as an underwriter for placing new securities and provides industrial feasibility studies and legal and tax advice to its clients. About twenty-eight insurance companies operate in the country and provide a certain amount of financing, mainly for real estate purposes, but must also maintain a certain percentage of their investments in government securities. Insurance companies' growth has been stimulated by the fact that most insurance contracts are only legal when placed with insurance companies registered in the country. Foreign insurance firms may receive permission to register.

Two stock exchanges exist, one each in Quito and Guayaquil. They are owned jointly by the CFN and several hundred private businessmen. As of 1972 both exchanges experienced low levels of trading; total trading in the country during 1971 reached only 321 million sucres. Most of the trading was in bonds: 60 percent government bonds and 20 percent private mortgage bonds. The balance was common stocks and other types of securities. Most
corporations are closely owned, and few resort to public financing to raise capital. The most widely owned company only had 2,000 stockholders in 1972.

Although the availability of financing has been expanding rapidly and total outstanding credit at the end of 1970 was nearly 12 billion sucres, a 1966 study indicated that as much as 50 percent of all farmers had never received any credit from any formal lending institution. Most small farmers did not have access to bank credit and obtained loans from professional moneylenders at monthly interest rates ranging between 2 and 6 percent. Commercial operations received the largest share of bank credit throughout the 1960s—between 60 and 70 percent of the annual total. Industrial loans accounted for 16 to 19 percent; agriculture loans, 13 to 15 percent; and all other purposes, the balance. Many of the loans listed as going for agricultural purposes really were nonproductive loans made to absentee landlords but guaranteed by rural property.

Before 1969 inflationary pressures were minimal, and the annual cost-of-living increases were among the lowest in Latin America; in 1968 the cost-of-living index only rose by slightly more than 3 percent. In 1969 inflationary pressure started to increase, and the index rose by over 5 percent; in 1970 it soared by a record 12.5 percent. Despite governmental efforts to contain the pressures, the index again rose steeply in 1971, by an estimated 13 percent. A study by the University of Guayaquil revealed that the real value of the sucre in March 1972 had fallen to 72 percent of its 1967 level because of the continual rise in the cost of living. The government froze rents in March 1972 for a four-year period at the November 1970 rent level and started to set fixed retail prices for many articles (see ch. 7; ch. 14).

During the 1950s the money supply, defined by the Central Bank as currency plus private checking accounts and government bank deposits, increased at a modest rate of about 7 percent annually. During the 1960s the money supply increased at a rate of more than 15 percent annually, and in 1970 it increased by 30 percent, but in 1971 anti-inflationary measures held the increase to only 5 percent. In the early part of 1972 the money supply actually started to fall as credit restrictions announced by the Monetary Board began to take effect and stood at 5.7 billion sucres at the end of April 1972.

The monetary unit, the sucre, is divided into 100 centavos, and its symbol is S/., the same as that for the Peruvian sol, which leads to occasional confusion. Ecuadorian periodicals and even government publications frequently utilize the dollar symbol, $, in lieu of the S/., and this is even more confusing to the casual
The currency consists of banknotes and coins issued by the Central Bank of Ecuador. In 1972 banknotes came in sucre denominations of 5, 10, 20, 50, 100, and 1,000. Coins came only in 5, 10, and 20 centavo values. The 10-centavo coin is commonly referred to as a real.

A multiple exchange rate system has been in effect for most of the time since the end of World War II, with an official rate and a fluctuating free market rate. In 1950 the official rate was fixed at 15 sucres equal US$1 and was maintained until 1961 when a monetary crisis brought about a reevaluation to 18 sucres equal US$1. This rate then remained in effect until August 17, 1970, when increasing government financial difficulties and the inflationary pressures forced a devaluation to 25 sucres equal US$1. This official rate, with a permissible 1-percent buy/sell spread, was applicable to all essential trade as of mid-1972. All other exchange transactions took place at the free market rate that fluctuated daily, depending upon demand and supply, and was around 26.5 sucres equal US$1. By making foreign exchange available through the free market rate, the government hoped to stop the growth of the black market in unauthorized dealings in hard currencies. The black market rate was known to be between 28 and 30 sucres per dollar in late 1971 and early 1972.
CHAPTER 13

AGRICULTURE AND INDUSTRY

Agriculture and industry are the two most important contributors to the gross domestic product (GDP). Agriculture, including forestry and fishing, was the leading sector as of 1971, employing more than half the labor force and generating about one-third of the GDP and over 90 percent of export earnings. The industrial sector has been more dynamic than the agricultural, increasing its share of the GDP from about 20 percent in 1954 to over 25 percent in 1971. About 17 percent of the economically active population is employed in industry, but less than 3 percent work in factories, more persons being employed in small shops and craftwork.

Agricultural production was growing at a slower rate than population, resulting in costly food imports and increased retail prices. It was estimated that by 1971 almost 15 percent of food requirements had to be imported, compared to only 5 percent during the early 1960s. The major food deficiencies are wheat, fats, and oils.

According to data prepared by the Food and Agriculture Organization of the United Nations, the total food production index, using the 1952–56 period as a base of 100, was 227 in 1971. This was the third highest rate of growth in Latin America and one of the highest in the world. Rapid population growth, however, had caused the per capital food production index to rise only to 131 by 1971.

The production of several crops is geared primarily for export. The most important of these is bananas, followed by coffee, cacao, and sugarcane. Fisheries are a newly promising source of export, and several minor products, such as tea and wood, may become more important in the future. Numerous agricultural products, including livestock, are produced mainly for domestic consumption.

Ecuador has had a modern agrarian reform program since 1964, but this had shown uneven progress, and land distribution and tenancy were still unbalanced in 1972. The government of President Guillermo Rodríguez Lara had promised to continue
the agrarian reform program with greater effort, including managed resettlement projects on virgin lands, but he also promised to respect private agricultural property that was being used efficiently and productively.

Industry is in an early stage of development. Traditional industries largely dependent upon agriculture, such as food processing, beverages, and textiles, dominated industrial production as of early 1972, and no other subsectors have made a significant contribution to total production, although their future role should become more important as the economy develops. Industrial development during the 1960s was largely attributed to the stimulation of the industrial promotion law of 1957, which granted numerous fiscal benefits to new or expanding industries.

The country's potential as an important petroleum producer was about to become a reality in 1972, and substantial government revenue and exchange earnings in the 1970s were anticipated. The availability of petroleum was also expected to stimulate other industries, such as petrochemicals and energy generation, and to permit a more rapid development of the economy. Other minerals did not play an important role as of 1972, but many of the known mineral resources had not been fully or adequately explored (see ch. 3).

GOVERNMENT ROLE IN AGRICULTURE AND INDUSTRY

Until late 1970 the Ministry of Agriculture and Livestock set overall agricultural policy, and a number of related but autonomous government entities carried out specific roles. There was, however, a decided lack of coordination and frequent duplication of effort among the various agencies. In October 1970 the ministry was abolished and restructured as an office within the newly created Ministry of Production. Most of the autonomous agencies, such as the National Wheat Commission, the National Cotton Commission, and the National Rice Commission, were also eliminated and their functions placed under the new ministry. Some other agencies dealing with agricultural matters, such as the Office of Agricultural Education and the veterinarian service, were transferred to such other ministries as Public Education and Public Health.

The new Ministry of Production decided to place primary emphasis on stimulating production of foods for domestic consumption and secondary emphasis on agricultural commodities for export. The new ministry was given the authority to establish production incentives, direct research activities, and develop a better system of marketing agricultural products. General agri-
cultural policy is set by a board of advisers to the minister of production, the advisers being appointed by the president. The minister must follow the policy dictates of the board of advisers.

Agricultural research is carried out by the National Institute for Agricultural and Livestock Research (Instituto Nacional de Investigaciones Agropecuarias—INIAP), formed in 1962 by the merging of several public and private research institutions. INIAP maintains five research and experimental stations, one of which deals with cattle husbandry and farmers' training; the other stations concentrate on indigenous crops in their locations. By 1972 INIAP had become a technical institution with highly trained personnel doing serious research. It had developed about thirty-five improved seed varieties and had trained over 2,300 persons in seminars and special courses. Some military conscripts with rural backgrounds have been assigned by the army to INIAP's stations to learn new techniques. In 1970 INIAP undertook a four-year program to introduce high-yield, disease-resistant varieties of certain tropical products to develop a technique to fatten livestock inexpensively and to improve farm technology. The transfer of INIAP's research results to farmers is slow because INIAP lacks legal authority for carrying out extension services. The formal agricultural extension service has limited financial resources and a small staff.

An agricultural development law was issued in 1971 that exempted from taxes all investments made for increasing the productivity of farm and forest land. Profits from the products produced on irrigated land will be taxed at lower rates, and farmers in new settlement projects will receive tax benefits. All exports of products not previously exported, such as processed meats, will be free of export duties and of all taxes.

With the exception of petroleum, the government considers industry to be within the sphere of private enterprise and the governmental role limited to maintaining a favorable investment climate and providing infrastructure facilities. Responsibility for industrial development rests with the National Planning Board, the Ministry of Natural Resources and Tourism (which absorbed the former Ministry of Industries and Commerce in late 1970), and the Development Center (Centro de Desarrollo—CENDES). CENDES is a public corporation charged with the responsibility for preparing industrial feasibility studies and for providing technical assistance to private industry. Since its inception in 1962, CENDES had promoted over 200 industrial projects through 1969.

An industrial promotion law was first passed in 1921. A more modern law dates from 1957 and has later amendments. The loss
of potential revenue to the government by the tax benefits granted under the law has been the one cause of continuing internal disputes and periodic revision of its provisions. The modifications in effect as of April 1972 were approved in June 1971 and reinstated some incentives that had been discontinued in an attempt to raise additional revenue. Among the major benefits in effect in early 1972, the industrial development law prohibits or limits imports of articles competing with those that can be made in Ecuador; exempts from customs duties certain materials and parts; grants a 50-percent income tax exemption for companies increasing or initiating exports; and in order to encourage wider ownership of firms offers a 100-percent income tax exemption for companies with more than 100 stockholders, none of whom owns more than 4 percent of the total capital. In addition, any profits used to establish a new factory or to expand existing facilities are nontaxable. Fiscal benefits granted to firms are given in the form of a tax credit certificate that is freely negotiable at banks or on the stock exchange.

A special Law for the Development of Artisan Activity and Small Scale Industry was promulgated in January 1965. Under this law no taxes are paid on profits of handicraft operations and no import duties are levied on raw materials or tools, nor are export duties imposed on exports of handicrafts. Special credits by the government are also given to small-scale industry and artisans.

After seven years of study and preparation, a new hydrocarbon law was approved on September 27, 1971, which replaced the out-moded legislation dating back to 1937. The new law permits the state to amend all contracts previously negotiated with petroleum companies. The law defines all petroleum deposits as state property to be exploited by a state petroleum company or by private companies contracting with the state oil company. The state petroleum company was called the Ecuadorian State Petroleum Corporation (Corporación Estatal Petrolera Ecuatoriana—CEPE).

LAND USE AND TENURE

The government conducted agricultural censuses in 1954 and 1962 and an agricultural survey in 1968. The findings are considered to be approximations and not accurate analyses of land area and use. Total land area of the country is a little more than 70 million acres and, about 17.1 million acres of this were farmlands, according to the 1968 survey. Of the land on which farms
were located, about 5.4 million acres were under cultivation with annual or permanent crops, about 5 million acres were in pasture, 2.2 million acres were wooded or forested, 2.4 million were idle but potentially productive, and the balance was either unproductive or temporarily fallow. Some Ecuadorian agricultural authorities consider that as much as 70 percent of the total land area of the country could be made suitable for agricultural purposes, but others believe the potential to be much smaller, with perhaps only 10 million acres suitable for crops in addition to lands now being cultivated. Nevertheless, large tracts of virgin territory are available for farming.

Sixty-one percent of the total land under crop cultivation or in pasture was located on the Costa (see Glossary), 34 percent in the Sierra (see Glossary), 4 percent in the Oriente (see Glossary), and 1 percent on the Galápagos Islands. Land on the Costa, with the exception of the Santa Elena Peninsula, is generally fertile and the alluvial fans of the Guayas River basin are particularly productive (see ch. 3; fig. 2). In the Sierra, land use is determined by altitude, rainfall, and soil composition. The more productive areas are the southern part of the intermont basin of Quito, and in the south the basins of Cuenca, Loja, and Zaruma. The least fertile lands are those around the basins of Latacunga, Ambato, and Riobamba, which have dry and porous soil (see ch. 3). The high grasslands of the Sierra are used for grazing and for some cold-weather crops, such as potatoes.

The number of farms defined as landholding under any form of tenure totaled over 633,000 in the 1968 survey. This was a sharp increase from 344,000 counted in the 1954 agricultural census, but the average farm size shrunk from forty-three acres in the earlier census to about twenty-six acres in 1968. The increase in the number of farms and the shrinkage in average size were caused partly by the government's agrarian reform program, partly by an attempt of larger landowners to avoid agrarian reform by dividing up their estates among their relatives and partly by subdivisions caused by inheritances.

Despite the shrinkage in the average size of a farm the distribution of land was still highly unequal. Almost 475,000 farms had less than twelve acres, including 206,000 of less than 2.5 acres, and these accounted for only 10 percent of the total farmland. At the other extreme, 1,350 farms, each with over 1,200 acres, accounted for about 24 percent of the total farmland. The bulk of the farmland, however, was on 56,800 farms whose size ranged from 50 to 1,200 acres, nearly 53 percent of the total area. The balance of about 13 percent was on farms of between twelve and fifty acres.
Most of the farms were being worked by their owners. Over 480,000 farms, or 76 percent of the total number, were operated by the owner and accounted for 83 percent of the total farmland area. Almost 80,000 farms were operated by renters; 26,700 by sharecroppers; and the balance by other kinds of occupants (see table 9). The term renter is reserved for the farmer who can hire his own day laborers to help him operate the rented landholding. Sharecropping (aparcería) varies between provinces, but in its most common form the owner provides the land, and the sharecropper provides everything else and pays the owner with half the crop. In some areas the owner provides the seeds and equipment, and in other areas he also provides housing for the sharecropper.

Some day laborers who work for wages may also own a small piece of land, which gives them a measure of independence. Persons in this position, jornaleros libres (free day-laborers), are found mostly in Azuay Province. Farm workers who perform special crafts on the estates in return for the privilege of cultivating some land are called arrimados. Such laborers are found chiefly in Loja Province. The very small renter who works the land himself without help is called an arrendatario or sometimes an arrimado. He may pay the rent either in cash or with his labor for a fixed period of time.

### Table 9. Land Tenure in Ecuador, 1968

<table>
<thead>
<tr>
<th>Type of Tenure</th>
<th>Number of Farms</th>
<th>Total Area (in thousand acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owners</td>
<td>480,479</td>
<td>14,169</td>
</tr>
<tr>
<td>Renters</td>
<td>79,981</td>
<td>1,468</td>
</tr>
<tr>
<td>Sharecroppers</td>
<td>26,729</td>
<td>183</td>
</tr>
<tr>
<td>Owner-renter</td>
<td>14,372</td>
<td>400</td>
</tr>
<tr>
<td>Colonists</td>
<td>3,744</td>
<td>424</td>
</tr>
<tr>
<td>Communal</td>
<td>1,770</td>
<td>4</td>
</tr>
<tr>
<td>Other simple types¹</td>
<td>8,169</td>
<td>190</td>
</tr>
<tr>
<td>Other mixed types²</td>
<td>15,481</td>
<td>259</td>
</tr>
<tr>
<td>Unknown types</td>
<td>2,593</td>
<td>40</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>633,218</strong></td>
<td><strong>17,137</strong></td>
</tr>
</tbody>
</table>

¹Includes rice-growing day laborers who also rent paddies, persons subrenting from a renter, and persons with pasture rights in return for manual labor.

²Includes owner-renter joint exploitations and joint sharing of grazing lands.


Communal land is that reserved for collective work to pay for community needs, an arrangement that is rapidly going out of fashion. Colonists are persons who are working land on new
settlements but who have not yet received legal title to their land. There are various other types of tenure, some designated as simple, such as a subrenter, and others as mixed, such as having personal title to cropland but joint sharing of pasturage.

Huasipungo, a particular, traditional form of tenancy, theoretically was eliminated under the agrarian reform law but in fact can still be found in modified form. The huasipunguero was a peasant whose family gave labor services to a landowner for the privilege of tilling some land on the estate. In its extreme form, the peasant had no mobility, and he and his family were included in land sales. In its extant milder form, found in the southern provinces of the Sierra, the huasipunguero has mobility and can move from one farm to another as a day laborer or to the Costa for a temporary period and then return to his original estate. Part of his stipend would be in money and part in land use.

There had long been recognition of the need to improve the use and distribution of land and to increase agricultural productivity: as many as fifteen laws enacted between 1936 and 1964 can be classified as agrarian reform measures. Because of political opposition, however, no government was able to pass a truly effective agrarian reform law until the military government, which assumed control on July 11, 1963, addressed itself to the problem. A special commission spent one year studying suggestions, and the Land Reform, Idle Lands and Settlement Act became effective on July 23, 1964. This superseded all previous laws and organizations dealing with agrarian matters. The Ecuadorian Institute for Agrarian Reform and Colonization (Instituto Ecuatoriano de Reforma Agraria y Colonización—IERAC) was created as an autonomous agency to administer the law with the authority to expropriate idle arable land for redistribution to medium- and small-scale farmers. Inefficiently operated land could also be expropriated, but efficiently cultivated land originally could only be expropriated to eliminate population pressures. A 1971 agricultural tax law exempted all efficiently run farms from the agrarian reform program on the theory that they contributed more to the economy in taxes and production than they would if broken into several parts.

The maximum single landholding allowable was set at about 6,200 acres of arable land on the Costa and 2,000 acres of arable land in the Sierra, plus 2,470 acres of grassland in either locality. The 1964 law also provided for the consolidation of miniscule plots, by exchange, into one larger and more economical plot and forbade any land grant of less than twelve acres. The law also outlawed huasipungo and gave huasipungueros free title to land they had been working for ten years, on the theory that their
services previously rendered to the landowner were equal to the price of the plots. Shorter periods of service were applied proportionally to the price of the land. IERAC was also given the responsibility of supervising both planned and spontaneous colonization in new settlements.

During its first two years of operation IERAC made good progress, but after the return to civilian rule in 1966 a chronic lack of financing, political opposition to its goals, and a lack of coordination of its activities brought most of its programs to a virtual standstill until late 1969, after which time it once more became an effective instrument of reform. From 1964 through 1968 IERAC received only 37 percent of its total budgetary allotment for that period, and in 1969 it was only given 8 million sucrés (the equivalent of US$400,000 in that year) on which to operate. Its directorate included more nongovernmental members than governmental representatives, and they frequently outvoted governmental proposals and blocked recommended action. In September 1969 the directorate was modified so that governmental members would always be in the majority, and in 1970 IERAC lost its autonomy and became a dependency of the Ministry of Agriculture and Livestock and later of the newly created Ministry of Production.

On February 26, 1970, major amendments were made to the agrarian reform law. Renting of land was abolished, and rented land was to be sold to the tenants with the landowner indemnified by government bonds. The new owners were given ten years to pay the government for the land. In late 1970 the government started to enforce this amendment, concentrating in Loja and Guayas provinces. In 1971 the Agricultural Court, set up to resolve disputes, was abolished, and the minister of production was made the sole arbiter in cases of land tenure disputes. The military government that took over in February 1972 announced that it would step up the pace of agrarian reform. One of its first actions was a decree permitting squatters in the Oriente to acquire title of up to 250 acres of land they had occupied and worked for at least three years.

According to IERAC, its activities through June 1970 had benefited about 40,000 families under various programs involving 411,000 acres. These included land purchases on easy terms, the granting of land to huastpungueros, expropriation and redistribution of land to tenants, and the extension of provisional and permanent land titles to squatters. In addition, almost 12,000 families were resettled in government-sponsored colonization projects on the eastern slopes of the Andes and on the coastal plains. In the early 1970s resettlement projects were being planned for
new lands in the Oriente opened up by the roads built by the petroleum companies in the northeast portion of the country. The Roman Catholic Church has also become active in land reform. In 1968 it began a program of selling church-owned land to landless peasants, allowing them fifteen years for repayment. By the end of 1971 over 500,000 acres had been transferred to some 3,000 families. Also about 1,000 families through 1971 had been assisted by private individuals and organizations in obtaining land.

Agricultural workers are poorly educated and have an incidence of skills lower than those of other economic sectors. Farm people begin work early in life and continue to work into old age, but a surfeit of unskilled labor, coupled with the small size of their farms, results in a high rate of underemployment. Actual unemployment is probably low, in large measure because many young people—particularly females for whom little farm work is available—have migrated to urban localities to escape the harsh life and limited opportunities of the countryside (see ch. 3; ch. 12).

Patterns of cultivation range from primitive to modern, with the more modern methods generally used on the Costa where much of the production is geared for export. In 1971 only about 13,000 farms had some form of mechanical equipment; in the Sierra province of Chimborazo only three farms out of 61,000 had farm machinery in that year. There were fewer than 3,000 tractors in use in the country, and most implements were hand tools, particularly machetes. Some repair shops manufactured small pieces of equipment to order for customers. In the Sierra the most common agricultural instrument, used on both small farms and large estates, is the azadón (a hoe with a large blade and an ax-like handle). Ox-drawn plows are used on some farms, but the digging stick suffices for cultivation on slopes.

Although the use of chemical fertilizer is more prevalent in the Costa than in the Sierra, it is confined even there to the larger enterprises because its prices are acknowledged to be among the highest in the world. The government protects the small domestic fertilizer industry, including one partly state-owned plant, from outside competition by means of high customs tariffs, and the use of fertilizer during the 1960s remained almost constant. In the Sierra animal manure is the only type of fertilizer used, but in 1972 the government announced that it would provide fertilizer to Sierra farmers on easy credit terms in the future. The use of fungicides and insecticides is increasing, even on smaller farms.

Sizable areas of land, estimated at over 440,000 acres, were under irrigation in 1972, mostly through small ditches dug by individual farmers. State support for irrigation began in 1944.
Large irrigation schemes are carried out by the Ecuadorian Institute for Hydraulic Resources (Instituto Ecuatoriano de Recursos Hidráulicos—INEH), but its functions have been hampered by a lack of sufficient funds. Its most notable achievement was the Pisque Irrigation Canal, inaugurated in 1970, which irrigated 25,000 acres of eroded land in the province of Pichincha. In 1972 Ecuador and Peru agreed to the joint study and eventual undertaking of a scheme to utilize the waters of border rivers to bring into cultivation 105,000 acres in the El Oro Province of Ecuador and 49,000 acres in the Túmbes Department of Peru.

CROPS

Numerous tropical and temperate crops are grown, but few farmers raise more than one or two different products. A 1966 government survey of nearly 1,100 farmers indicated that one-third of them raised only one crop, and none produced more than three. Some crops, such as bananas and coffee, are produced primarily for export while others are grown mainly for domestic consumption. The only important food crops not grown in sufficient quantities are wheat and oilseeds (see table 10).

Table 10. Agricultural Production in Ecuador, Selected Years, 1960–71
(in thousand metric tons)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bananas</td>
<td>2,075</td>
<td>2,400</td>
<td>2,500</td>
<td>2,700</td>
<td>2,500</td>
</tr>
<tr>
<td>Barley</td>
<td>91</td>
<td>96</td>
<td>100</td>
<td>110</td>
<td>110</td>
</tr>
<tr>
<td>Beans</td>
<td>27</td>
<td>31</td>
<td>35</td>
<td>58</td>
<td>n.a.</td>
</tr>
<tr>
<td>Beef and veal</td>
<td>30</td>
<td>35</td>
<td>40</td>
<td>42</td>
<td>47</td>
</tr>
<tr>
<td>Cacao</td>
<td>42</td>
<td>36</td>
<td>53</td>
<td>55</td>
<td>65</td>
</tr>
<tr>
<td>Castor beans</td>
<td>20</td>
<td>16</td>
<td>10</td>
<td>20</td>
<td>18</td>
</tr>
<tr>
<td>Coffee</td>
<td>45</td>
<td>62</td>
<td>42</td>
<td>66</td>
<td>72</td>
</tr>
<tr>
<td>Corn</td>
<td>160</td>
<td>170</td>
<td>210</td>
<td>220</td>
<td>230</td>
</tr>
<tr>
<td>Cotton</td>
<td>2</td>
<td>6</td>
<td>3</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Cottonseed</td>
<td>4</td>
<td>11</td>
<td>6</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>Fish (all species)</td>
<td>n.a.</td>
<td>54</td>
<td>87</td>
<td>91</td>
<td>n.a.</td>
</tr>
<tr>
<td>Milk</td>
<td>165</td>
<td>196</td>
<td>210</td>
<td>215</td>
<td>225</td>
</tr>
<tr>
<td>Mutton and lamb</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Pork</td>
<td>12</td>
<td>16</td>
<td>19</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td>Potatoes</td>
<td>187</td>
<td>290</td>
<td>290</td>
<td>380</td>
<td>400</td>
</tr>
<tr>
<td>Rice (milled)</td>
<td>175</td>
<td>173</td>
<td>140</td>
<td>110</td>
<td>105</td>
</tr>
<tr>
<td>Sugar (centrifugal)</td>
<td>103</td>
<td>191</td>
<td>230</td>
<td>250</td>
<td>275</td>
</tr>
<tr>
<td>Sugar (noncentrifugal)</td>
<td>27</td>
<td>33</td>
<td>42</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Wheat</td>
<td>58</td>
<td>55</td>
<td>65</td>
<td>70</td>
<td>65</td>
</tr>
</tbody>
</table>

n.a.—not available.

1Export production only; does not include domestic consumption or unsold fruit.
Bananas have long been produced for domestic consumption, but since 1948 they have been produced for export, and since 1957 they have been the leading export crop. The coastal provinces are the main producing areas, but some production comes from the lower western slopes of the Sierra. There are few large plantations, but most banana farmers have no more than 200 to 300 acres. There are about 3,000 banana producers in the country and about 75,000 families who are dependent in one way or another upon banana cultivation; these include cultivators, laborers, truckers, and packers.

For years the main banana variety grown was the Gros Michel, but by the late 1960s the popularity of the Gros Michel in world markets was being challenged by two higher yielding, disease-resistant varieties grown in Central America, the Cavendish and the Lacatan. By 1969 there was a definite crisis in the Ecuadorian banana industry, and the Ecuadorian National Board of Planning and Economic Coordination (known in 1972 as the National Planning Board) recommended that acreage devoted to bananas be gradually cut back from the nearly 500,000 acres planted, to between 125,000 and 150,000 acres. It also recommended that the Gros Michel type be replaced by the Cavendish and that the acreage taken out of bananas be switched to other crops or livestock.

The government made available an average of 90 million sucre (for value of sucre—see Glossary) annually in the period from 1969 to 1971 for credit to farmers agreeing to diversify from bananas into other crops, and by 1972 total banana acreage was down to 285,000 acres and continuing to fall. Over 50 percent of the acreage has been replanted with the higher yielding Cavendish variety, and total production had actually increased. Much of the crop was being discarded despite attempts to locate new markets and to commercialize such items as banana chips, banana puree, and banana wine.

Coffee, introduced into the country early in the nineteenth century, has usually been the second or third most valuable crop. Between 420,000 and 430,000 acres were planted with an estimated 150 million to 160 million coffee trees in 1970. For the most part, coffee is grown on small landholdings. A 1968 government survey indicated that more than 54,000 farmers produced coffee and that as many as 325,000 persons were dependent on some aspect of coffee cultivation. Eighty-three percent of the coffee farms ranged from three to twelve acres in size, and only 118 farms were over 120 acres. About 58 percent of total coffee acreage is in Manabi Province, with another 28 percent in the
coastal provinces of Los Ríos, Guayas, and El Oro. The balance is scattered elsewhere throughout the country.

Because of the small size of the farms, production techniques have not been improved, and yields are low, particularly in years of drought; irrigation is rarely used, and less than 1 percent of the farmers use fertilizer or fumigation. In years of good weather, production rises steeply, and surpluses accumulate. Government policy in 1972 was to prevent further production increases in order to bring production into line with domestic consumption and export quotas established by the International Coffee Agreement, of which Ecuador is a member. Very little technical assistance is given to coffee farmers by the government, and no credit is granted by the government banks to coffee farms unless it is for diversification into other crops. The government planned to encourage farmers to shift about 65,000 acres from coffee to other products.

The third most valuable crop is cacao, which once was the mainstay of the economy. Cacao was cultivated by the Indians before the Spanish conquest and has been an export commodity since 1740. Ecuador was the world's leading cacao producer until the end of World War I, when plant diseases and lower world prices discouraged producers and production plummeted until the end of World War II, when new disease-resistant strains and increased prices gave impetus to a renewal of the industry. Cacao is most profitably cultivated where there is a mean temperature of about 80°F and high, evenly distributed rainfall—the typical climatic conditions of many areas of the Costa, particularly Guayas and Los Ríos provinces, where most of the cacao plantations are located. Smaller quantities are produced in El Oro, Manabí, and Esmeraldas.

There were in 1970 an estimated 120 million cacao trees planted on 500,000 to 550,000 acres. Although there are a few large plantations, most cacao exploitations tend to be medium or small. The larger plantation owners systematically replace their older trees with disease-resistant varieties and practice better production methods, including the use of fertilizer. Many of the smaller farmers, however, are reluctant to change to the new varieties because they prefer traditional cultivation techniques.

Sugarcane is a widely grown crop, produced both in the Sierra and on the Costa. The government maintains price supports to growers in order to encourage production, and output has been steadily increasing. Between 62,000 and 70,000 acres of sugarcane are under cultivation annually, and between 2.3 million and 2.5 million tons of cane are produced. The sugar extraction rate from the cane is between 10 and 11 percent of its volume.
Almost all of the sugarcane grown in the Costa is used to make centrifugal sugar, so-called because of the technical process involved, and the type most used in foreign trade. Coastal sugarcane is grown on large plantations owned by mills and by independent growers with farms ranging from 200 to 600 acres. The coastal growers use improved sugarcane varieties, irrigate their fields, and maintain better cultivation practices than the sugarcane farmers of the Sierra. In the Sierra thousands of peasants grow sugarcane on landholdings generally ranging from twelve to twenty-five acres, and much of the cane is used for the production of non-centrifugal sugar, mainly in a form known as panela (a raw brown-sugar cake). A sugarcane by-product is molasses whose production runs between 11 million and 13 million gallons annually. Some of the molasses is exported, some is used domestically for the manufacture of alcohol or for livestock feed, but much of it is simply dumped into rivers because of an oversupply.

One of the basic food staples is rice, which is cultivated mainly in the provinces of Guayas and Los Ríos on the flood plains of the Guayas River basin. Two annual crops are harvested; a large winter crop, planted in December and January and harvested in May through June, and a smaller crop, planted in early summer and harvested in September through October. Rice production fluctuates depending upon climatic conditions, but during the 1960s it generally followed a downward trend. There is still enough rice grown to meet domestic demand, and in some years an export surplus is available.

Another basic foodstuff is corn, which has been cultivated since precolonial times. Corn is grown widely throughout the country and usually accounts for the largest amount of planted cropland—over 555,000 acres in 1971. It can be found growing from sea level to altitudes of 9,500 feet. The main producing areas are the Sierra provinces of Bolívar, Tungurahua, Pichincha, and Azuay, where eight to ten months are required to bring a crop to maturity. In contrast, corn planted on the Costa matures in three to five months. The trend of corn production is upward, with occasional years of decreases because of adverse weather conditions. Most of the increases can be attributed to improve varieties and more use of fertilizer, which give a greater yield per acre. In one Sierra locality the yield was increased 1100 percent in one year by the use of fertilizers and improved varieties. An increasingly larger percentage of the annual crop is being used by the animal feed industry, mainly for poultry, although more than half was still used for human consumption in the early 1970s.

An important crop of the Sierra is potatoes, which grow well
in the high cool areas of the highlands; their production is concentrated in the provinces of Cotopaxi, Chimborazo, Pichincha, and Tungurahua and fluctuates because of the weather, but the trend is upward. The increased yields have resulted from better methods of cultivation adopted by potato farmers and from improved seed strains introduced by the government. A lack of sufficient above-ground storage facilities in the Sierra prevents even greater yields as farmers keep their crops in the ground until sold, which results in frequent losses because of rotting. The production of sweet potatoes had declined as consumers have switched to other starchy foods.

Barley was introduced by the Spaniards and proved highly adaptable to the rigorous climate of the Sierra. It is cultivated on most highland farms; the highest acreage is planted in the provinces of Cotopaxi, Tungurahua, and Chimborazo, but yield varies considerably between the provinces, and best yields are found in the provinces of Carchi, Pichincha, and Bolívar. Barley is grown both as a food grain and as malt for the brewing industry: malting barley commands higher prices. The acreage devoted to barley remained fairly stable from 1965 to 1971 at between 265,000 and 275,000 acres annually. Production has been increasing by the use of improved seed strains.

Wheat has assumed increasing importance as a cereal grain because of greater acceptance of wheat flour as a dietary staple. Almost all of it is used to make bread; little is used to make semolina or animal feed. Wheat is cultivated in all provinces of the Sierra, but the largest quantities come from the province of Pichincha. The government's wheat policy is to achieve eventual self-sufficiency, but strong demand and fluctuating production caused by bad weather necessitates heavy imports every year. Many varieties of wheat are being tested by the agricultural research station at Santa Catalina, south of Quito, and several have proved successful in increasing the yield per acre.

Cotton has been a low-productivity, low-income crop. It is produced on thousands of small holdings in the coastal provinces of Manabí, Guayas, Los Ríos, and Esmeraldas and in the Sierra province of Imbabura. The quality is generally poor, and the marketing and grading systems require improvement. The government, however, in an effort to make the country self-sufficient in cotton, protects growers by imposing an annual import quota for raw cotton for the country's textile mills, which are also obligated to purchase the domestic crop at fixed prices. INIAP carries out a genetic research program to obtain varieties suitable for greater yields in Ecuadorian soils, and the government is
attempting to regulate the trade and improve production techniques.

The consumption of edible fats and oils has been increasing at a sharp rate, and annual domestic production of between 7,000 and 10,000 tons of oilseeds cannot meet the annual demand requiring costly imports of between 15,000 and 20,000 tons. Since 1969 the principal domestic source of vegetable oil has been the African palm—first planted commercially in 1959 with governmental encouragement and financing. Each year new plantings of African palm have been of improved varieties that begin to bear fruit in three years, and most plantations are well managed. As of 1972 about 27,000 acres of African palms were in various stages of cultivation on about forty large farms located near the towns of Santo Domingo, Quevedo, El Carmen, and Quinindé in Los Ríos and Pichincha provinces. Before 1969 royal palms, which grow wild in the tropical rain forests of northwest Ecuador, were the principal source of vegetable oils; their nuts are gathered by collectors for resale to processors. Royal palms take longer to mature than African palms, and they yield fewer nuts, but they are preferred by the processors because their nuts have a higher oil content than African palm nuts.

Cottonseed, sesame seed, peanuts, coconuts, soybeans, and rapeseed are other sources of vegetable oils. Cottonseed production fluctuates, depending upon weather conditions. Sesame seed is being planted by more farmers as a result of governmental financial assistance; 15,000 acres were in production in 1971 as against only 9,000 acres in 1970. Sesame can be planted from two to three times a year on the warm coastal plains where it takes only three months to mature, but the yield varies; in Manabi Province the yield per acre is five times as much as in the province of Azuay. About 17,000 acres of peanuts are estimated to be planted annually, but most of the production is used for direct consumption as peanuts rather than for crushing into oil. Coconut oil production has been decreasing because of plant diseases and because most coconuts are consumed directly and are not processed. Soybeans and rapeseed are produced only in small quantities by a few farmers who are making experimental plantings of these oilseeds.

The only inedible oilseed grown is the castor bean. This is a traditional crop, and Ecuador is one of the world's major castor-bean producers and exporters. Castor beans are usually planted in the same fields as corn, peanuts, or cotton and are grown mainly in Manabi Province. They can be grown on dry lands where it is uneconomical to raise other crops, and the government encourages more farmers to plant them by the provision of easy credit.
Several high-yielding varieties developed by INIAP can yield three to four times the number of beans per acre than before. In the past most castor beans were exported as beans, but a domestic castor oilseed crushing plant that opened in 1970 offered higher prices to farmers because exports in the form of oil are more valuable than in the form of seeds.

Black tobaccos of average quality have been the traditional types grown, and an estimated 3 million pounds or more are produced annually. In the late 1960s and early 1970s good quality Virginia-type blond tobaccos and burley tobacco were being grown in Loja Province. Production was estimated at between 100,000 and 200,000 pounds. The government hopes that tobacco production can be expanded further, and it plans to eliminate all tobacco imports by 1977.

An unusual crop of the high Sierra, grown between 9,000 and 10,500 feet in altitude, is pyrethrum, a species of chrysanthemum that resembles a daisy. Its aromatic flowers, when processed into powder, constitute a natural insecticide that is nontoxic to plants and animals. Two large companies that operate several pyrethrum farms and processing plants, plus hundreds of small independent producers who sell their crops under contract to the processing plants, produce over 2,000 tons of this commodity annually. Between 15,000 and 17,000 acres are planted with pyrethrum, and about 12,000 persons, mostly Indian women flower pickers, are dependent upon its production. Ecuador, however, faces stiff competition in pyrethrum production from Kenya and Tanzania, where better yields are obtained at lower cost.

A new product growing rapidly in importance is tea. The first experiments in tea culture were made in 1965, and the first exports began in 1968. The climate and soils of the eastern slopes of the Andes are ideal for year-round cultivation of tea, an unusual condition in the traditional tea-producing nations. Most of the tea-producing area is near the town of Puyo in Pastaza Province at about 3,000 feet, where the rainfall is between ninety and 110 inches per year. The crop is grown by both large and small landowners, and a farmer can make a living from as little as twelve acres of tea plants.

Numerous minor crops include abaca, or hemp, which is grown on the eastern slopes of the Andes, and ramie, another fiber, both of which are exported in small quantities. Several hundred tons of rubber produced annually meet the small domestic need. Mushrooms are grown in the highlands, and production amounted to several thousand tons in 1970. The bulk is canned for export, but some fresh mushrooms are flown to neighboring countries.
The growing popularity of breakfast oat cereals has stimulated oat production. About 2,000 tons of rye are produced annually. Kidney beans are popular, but beans in general are not an important part of the diet. Several fruits are produced; pears, peaches, plums, and avocados are grown in the Sierra, and citrus, pineapples, melons, guavas, and mangoes are raised on the coast. The most popular vegetable is the onion, of which more than 100,000 tons are produced annually. Cut flowers—chrysanthemums and carnations—are produced for daily air shipment to the United States.

LIVESTOCK

Livestock raising accounts for about one-fourth of total agricultural production. Most of it is for domestic consumption with very little for export. Livestock raising is widespread on a broadly varied scale ranging from the peasant, who raises guinea pigs for food, to large cattle ranches. The 1968 agricultural survey indicated that over 233,000 farmers raised some cattle, including dairy, but only about 7,500 had more than fifty head, and only 165 were ranchers owning more than 500 head apiece. Over 188,000 farmers ran less than ten head of cattle.

Cattle serve as work animals in addition to being producers of beef and milk. In 1971 there were an estimated 1 million head of beef cattle in the country and 800,000 dairy cattle, although less than half of the dairy cattle were producing milk. In general, the beef cattle are concentrated in the Costa, mainly in Manabí and Guayas provinces, and the dairy cattle are located in the Sierra, in the fertile valleys between the towns of Ibarra and Riobamba. A smaller beef cattle nucleus is found in the Oriente province of Morona-Santiago where it is believed that larger herds could be raised in the future.

The growth in cattle numbers has been slow—less than 2 percent annually—and the already minimal export of livestock is banned whenever there is an insufficient supply of meat for the domestic market, a situation that lasted three months during 1971. Most cattle herds are faced with three major health problems: hoof and mouth disease, tick infestation, and internal parasites. Very few farmers have improved their pasturage, although the Livestock Association of the Sierra imports quality pasture seeds for resale to farmers as a nonprofit service. Little attention had been given to herd improvement and scientific breeding with the exception of dairy cattle, which are mainly crossbreeds between native cattle and Holstein-Friesians.

Beginning in 1970 the government embarked upon a cattle...
improvement scheme to be partly financed with foreign loans. New investments were to be made in land clearance, pasture renovation, fencing, water supply, agricultural machinery, and breeding stock. It was recognized, however, that the number of veterinarians in the country (only 240 in 1972) was insufficient to handle all the technical requirements of improving the herds, and it was feared that part of the government’s initiative might be lost.

Sheep numbered an estimated 2.4 million in 1970. Almost all of the sheep are pastured at altitudes over 9,000 feet, mainly in Cotopaxi, Chimborazo, and Bolivar provinces; a few thousand are found in the Costa and Oriente. About half the sheep are raised on large estates, and half in small flocks owned by Indian farmers. Wool quality is improving as a result of a government program to import breeding rams and sell them to farmers at reasonable prices.

Hogs are raised all over the country, but the largest concentration is in Manabí Province. Estimates of the numbers of hogs run from 2 million to 2.4 million. A few commercial hog farms exist, but most hogs are raised by thousands of small farmers who market them for cash income. Chickens are raised mainly by peasant women, although a few large-scale commercial poultry-raising enterprises have been established near the cities of Guayaquil, Quito, Cuenca, and Riobamba.

FISHING AND FORESTRY

The Pacific waters along the coast and as far west as the Galápagos Islands have abundant and varied fish resources. The importance of marine resources to the economy has been steadily increasing, and fisheries were one of the faster growing industries by 1972, as both export sales and domestic consumption had increased. There were an estimated 15,000 persons employed in all aspects of fishing, including canning, in 1971.

Of the countless varieties of saltwater fish, tuna was by far the most important as of 1972, although tuna fishermen experienced alternating good and bad years. About 90 percent of the tuna is of the skipjack bonito variety, caught within twenty miles of shore. The tuna fleet, which consisted of small boats without refrigeration facilities, was being modernized by the addition of ninety-foot-long, refrigerated vessels.

Shrimp is the second most important species caught, mainly in the Gulf of Guayaquil and within ten miles offshore from the towns of Manta and Playas. In 1969 a deepwater shrimp bed was discovered thirty miles offshore extending from Manta south into
Peruvian waters, and shrimp production promised to increase considerably as this bed was more fully exploited.

Herring, which include sardines and anchovies, are used almost exclusively in the small fishmeal industry for poultry feed. Other important varieties caught are mackerel, snapper, whitefish, pomo- 
pano, flounder, and lobster. In addition to saltwater fish, the numerous lakes and streams and the country's climate permit year-round freshwater fishing. At least 273 known species of freshwater fish are found in Ecuador. Some trout hatcheries have been established in the Sierra to stock lakes and rivers. Little attention has been given, however, to greater utilization of freshwater fish as a source of protein.

Development of fisheries is in the hands of the National Institute of Fishing, which operates research vessels experimenting in new fishing operations and methods. A detailed fishing industry survey was undertaken in 1971 to last through 1972, and the navy initiated a four-year oceanographic research project in 1971 to provide additional information on marine resources in Ecuador's claimed territorial waters. The country claims territorial jurisdiction over waters out to a distance of 200 miles and attempts to regulate the claim by permitting vessels to fish in these waters only upon payment of registration and license fees (see ch. 11). The government also maintains a small sixty-five-ton refrigerated warehouse in Manta for the storage of fish purchased from small fishermen for resale to wholesalers.

The exact extent of land in forests is not known but is estimated at between 25 million and 35 million acres containing over 2,200 species of trees. Most of the forested land belongs to the government, which grants concessions for its exploitation. In the Sierra, most of the virgin forests were long ago cleared to provide space for pastures and wood for fuel and construction. Eucalyptus trees introduced from Australia in the 1860s now supply the Sierra with fuel and construction material and help prevent soil erosion.

The forests of the Oriente are largely unexploited because of isolation, and the Costa provides most of the wood for the country's needs. Both hardwoods and softwoods are abundant in the Costa, particularly in Esmeraldas and Manabi provinces. In the late 1960s the Food and Agriculture Organization of the United Nations helped to survey over 3.3 million acres of forests between the Esmeraldas River and the Colombian border, and as a result of its recommendations at least fourteen firms had obtained concessions as of 1971 to exploit the area.

The Forest Service of Ecuador, a dependency of the Ministry of Production, has a small reforestation program under which
tools, equipment, and seedlings are placed at the disposal of individuals, cooperatives, or other groups for voluntary work. In 1972 about 11,000 acres were to be reforested under this scheme.

Forest products with commercial value, aside from lumber for construction and furniture making, are balsa wood, of which Ecuador is the world's main producer; rubber, for the small tire and tube industry; toquilla palm fiber, for weaving Panama hats; cinchona bark, from which quinine is extracted; tagua palm nuts, known as vegetable ivory and used to make buttons; and kapok, which comes from the ceiba tree. Some more exotic products are annatto seeds from the bixa tree, used to extract a yellow-red dye to color margarine; divi-divi pods, which yield tannin; condurango, the dried bark of a vine which yields a poisonous glucoside and medicinal tonics; matico, the leaves of a common shrub used as a styptic; and ambrette seed, the seed of the abelmosk herb, which has a musk scent and is used in perfumes and coffee.

MANUFACTURING AND CONSTRUCTION

Although it is still in the early stages of development, manufacturing has been one of the fastest growing sectors of the economy. During the 1960s manufacturing output increased by an average annual rate of about 11 percent and since 1955 has contributed between 15 and 17 percent to the total gross domestic product. Industry is growing along the traditional path found in most developing countries—consumer goods in the form of food processing, beverages, and textiles taking the lead; then followed by intermediate goods, producing for other industries such as paper and rubber products, and finally more complex industries, such as chemicals.

The processing of food products and textile manufacturing accounted for 33 percent and 12 percent, respectively, of the total value of manufacturing during the late 1960s. All other industries accounted for the remaining balance, with none individually accounting for as much as 5 percent. Food products and textiles, however, had lower annual growth rates than had most of the other industries, and there was reason to believe that their relative shares would decline in the future, while some of the newer industries would increase in importance. The highest productivity per employee was in the beverage and paper products industries, with the lowest in footwear, clothing, and transport equipment. Footwear and clothing manufacturers were concerned about being able to compete in the Andean Common Market (see ch. 14). Inefficient producers for the domestic
market have had profitable operations because of protective tariffs and tax benefits granted by the government.

Most industrial establishments are small and barely more than handicraft operations. A government industrial census in the mid-1960s listed almost 25,000 manufacturing firms, but only about 3,000 had five or more employees or monthly sales of more than 10,000 sucrés. Only 160 firms employed more than fifty persons, and only about 500 companies found it necessary to organize themselves in some form of corporate status. Most firms were owned and managed by individual proprietors. Of the total number of establishments, over 10,000 were shoemaking shops and 3,000 made furniture and wood products. The production within each industry was concentrated in the sense that one or two of the largest companies accounted for the bulk of production. Fewer than 100 factories accounted for 70 percent of the total value of manufacturing.

Guayaquil is the most important industrial center, followed by Quito. Together the two cities account for 80 percent of total factory employment. Guayaquil's main industries are agricultural processing plants; breweries; distilleries; tanneries; sawmills; shipyards; iron foundries; sugar mills; and those producing cement, chemicals, and miscellaneous products. Quito's main industrial activity is the production of textiles, followed by flour milling, tanning, and the manufacture of miscellaneous articles. Two small industrial parks were successfully promoted by the government in the cities of Tulcán and Ibarra, and in 1972 the government was studying the possibility of creating similar parks in other smaller cities in an attempt to diversify industrial location. An Ecuadorian Federation of Chambers of Industry was organized in 1972 to coordinate the activities of the various chambers of industry and to represent the manufacturing sector at the national level and at international conferences.

Sugar refining is one of the more important sectors of the agricultural processing industry. As of 1972 there were ten sugar mills, but two of them, the Valdez Sugar Company and the San Carlos Agricultural and Industrial Society, dominated the industry and processed most of the sugar for export. The Valdez Sugar Company usually was the country's leading taxpayer before the growth of the petroleum industry. The others, including one sugar mill owned by the social security system, process mainly for the domestic market.

Except for Guayaquil, the dairy industry is confined to the Sierra, where most of the dairy herds are located. A Quito municipal ordinance forbidding the sale of raw milk has helped to stimulate the growth of milk processing plants. As of 1971 there
were ten milk plants, but one did not have pasteurizing facilities. Their capacity ranged from 2,100 quarts per day to 127,000 quarts per day with a total of 573,000 quarts. Actual production, however, averaged less than 380,000 quarts per day. Several cheese factories are also located in the Sierra.

No large integrated meatpacking plant exists. Of the six largest slaughterhouses in the country, four are owned by municipalities, including Quito, Guayaquil, and Ambato, and have refrigeration and storage facilities. Most of the other plants have no such facilities, and meats must be distributed and consumed daily. The canning industry is small; the chief products are fish—mainly tuna—tomato products, some fruit, and meat. The first oilseed processing plant was established in 1943, and eleven such plants were in existence by 1972. This is considered a dynamic industry, and more processing plants are expected to be erected as the production of oilseeds increases (see Crops, this ch.).

Rice milling is an important industry in the Costa and consists of about fifty publicly owned mills, which handle most of the crop, and many small private mills. About twenty wheat flour mills are located in the Sierra; most of them are near Quito, Ambato, Riobamba, and Cuenca and for the most part use domestic wheat. Three large wheat flour mills are located in Guayaquil and utilize mainly imported wheat. The baking industry has grown rapidly, and nearly all cities have commercial bakeries producing bread and cakes. The principal beverages produced are beer, wines, liquors, carbonated drinks, and mineral waters. Two large breweries, one in Quito and one in Guayaquil, produce all the domestic beer in the country. Numerous smaller plants, including seventy-nine distilleries, produce the other beverages. Two firms, El Progreso and Intaca, manufacture tobacco products. El Progreso, which has plants in Guayaquil and near Quito, is the largest and accounts for more than 90 percent of the total production. Intaca operates a small plant in Quito; cigarettes and small cigars are its main products.

The textile industry, which ranks next to agricultural processing in value of production and the quantity of labor employed, is concentrated in the Sierra, where it originated as an outgrowth of home weaving. In 1972 there were ten cotton gins, twelve cotton spinning and weaving mills, and ten mills spinning and knitting other fibers, including one plant manufacturing sacks from the fibers extracted from banana trees. Most of the textile plants are medium or small, although the largest firm, La Internacional S.A. of Quito, is the largest private employer in the country and accounts for about one-third of total textile produc-
Many types of textiles are produced domestically, but pure cotton or cotton blend articles predominate. Each firm has an imported fiber quota allocated to it by the government in order to stimulate greater use of domestic fibers. Several of the textile mills are well managed and continue to improve their operations and modernize their machinery, but others are inefficient and may be forced to close because of competition from the Andean Common Market.

Fabricated metal products include cooking utensils, metal office furniture, bicycles, tools, motor vehicle spare parts, galvanized pipe, and structural steel. Cast iron and steel tubes and accessories such as bathtubs are made from scrap steel by three small companies. One firm, the Ecuadorian Rubber Company, makes 80 percent of all rubber goods, mainly automotive tires. Several smaller plants manufacture the balance of rubber items, such as rubber shoes and boots, garden hoses, and toys. Leather is produced by about fifty tanneries, half of them located in Ambato; the production of leather goods is largely an artisan enterprise. Chemical products include pharmaceuticals, soaps, insecticides, paints, and fertilizers. Paper products are manufactured by a few firms, but the country has to import many of its paper needs.

The construction industry has enjoyed a period of more or less consistent growth since 1950 with some poor years caused by temporary declines in public works projects. Besides governmental public works projects, construction has been stimulated by rising residential and commercial building in Quito and Guayaquil caused by the internal migration to those cities. The three cement plants in the country operated at near capacity in the period from 1970 to 1972, with 1971 production of about 460,000 tons. A cement shortage still existed, and nearly 20,000 tons had to be imported in 1971 and again in 1972. One of the two plants was considering increasing its capacity in 1972 in order to meet the needs. Structural clay products, such as brick and tile, are produced by many small factories meeting local demand.

**ARTISAN INDUSTRY**

Artisan activity, which includes individuals and small shops, constitutes the bulk of the manufacturing labor force. According to 1970 figures, over 200,000 persons were engaged in some form of artisanship, although data on artisan activities are regarded as less reliable than industrial data. Artisans probably made up at least four-fifths of the labor force in the manufacturing industry,
but the actual number is problematical because of the large number of part-time and home workers. Although many of the artisans had considerable skill in such occupations as weaving, their wages were among the lowest in the labor force, and their skills were increasingly obsolescent (see ch. 3; ch. 12).

Several legal definitions distinguish between the factories and the artisan workshops. The industrial censuses and surveys defined a factory as an establishment employing seven or more persons and having a gross annual production of at least 180,000 sucres. An enterprise was considered a small-scale industry if its labor force numbered between seven and nineteen and its gross annual output was between 180,000 and 500,000 sucres. The National Development Bank, which provides special credits for small-scale industry and handicrafts, defines the two as any activity whose fixed capital is less than 50,000 sucres and whose gross annual output is under 150,000 sucres. The Stock Commission of the National Financing Corporation, which also administers a special fund for small-scale industry, defines it as an enterprise with net capital under 200,000 sucres. Finally, the Law for the Development of Artisan Activity and Small-Scale Industry, which is designed to encourage the transition from artisan workshops to small factories, defines handicrafts as any manufacturing carried out primarily by hand, although a machine may be used as an auxiliary tool. That law defines a small industry as any activity where machinery predominates but whose fixed capital is valued at less than 200,000 sucres. Under these various and conflicting definitions, small-scale factory work and handicrafts data are frequently used interchangeably.

The largest number of artisans produce clothing and furniture; there are estimated to be more than 53,000 dressmakers, tailors, shoemakers, cabinetmakers, and carpenters. The Indians in the city of Otavalo specialize in weaving ponchos, blankets, and tweed-like materials and travel as far as Colombia to sell their wares. One famous product is the misnamed Panama hat, hand-woven from fine fibers of a palm-like plant. At least 5,000 persons are goldsmiths and silversmiths fashioning fine articles out of precious metals. Some of the handcrafted furniture has found an export market, and a privately financed artisan center was formed in Quito in 1971 as a permanent exposition. This center also sends representatives on foreign selling tours.

MINING AND PETROLEUM

As of 1972 mining had not played an important role in the economy; fewer than 5,000 persons were employed in mining
activities. Petroleum discoveries after 1967, however, were apparently destined to transform the country into an important world producer and bring large increases in government revenue starting in late 1972 or early 1973. Mining activities are hampered by the virtual inaccessibility of the regions where minerals are thought to exist, by incomplete explorations, and by inconclusive reports. All minerals and petroleum are legally the property of the nation, although concessions may be granted for private exploitation. Mining activities are governed by the General Mining Law of 1937, the General Mining Law of 1961, the Law on Gold Washing of 1937, all with later amendments. Hydrocarbons are governed by the Petroleum Law of 1971.

The most valuable mineral being mined in 1972 was limestone, and between 600,000 and 700,000 tons were produced annually. Limestone and gypsum are mined in many small operations supplying local needs. Copper was the second most valuable mineral, although it is not mined in larger quantities than 1,000 tons annually. Large copper deposits were found in the Chaucha area of Azuay Province, about seventy-five miles from Guayaquil, by a United Nations surveying team in 1969, and a concession to exploit copper was given to a Japanese consortium in 1970. The company had not yet initiated exploitation of the deposits by mid-1972.

Gold is the third most valuable mineral, but the quantity mined has continued to decline. In the late 1960s between 7,000 and 8,000 troy ounces were produced annually. Most gold comes from ancient mines near Portovelo in El Oro Province, which have been in operation almost continuously since 1549. These mines are owned jointly by the nearby municipality of Zaruma, the miners, and several local businessmen. The same mines also produce most of the silver in the country, which ranks after gold in terms of value of mineral production. Silver production tends to fluctuate, and output ranged from 80,000 troy ounces to 136,000 troy ounces during the 1960s.

Sulfur is extracted from small mines in Carchi Province, and salt deposits are exploited on the shore of Guayas Province. Small quantities of zinc, cadmium, and lead are also mined. Several hundred tons of kaolin and other clays are produced, and in 1970 a small company started to explore and develop natural asphalt deposits in Napo Province. No other minerals were being mined in 1972 (see ch. 3).

Petroleum has been exploited since 1911 in the Santa Elena Peninsula of Guayas Province. Three companies were operating there in 1972; the Anglo-Ecuadorian Oilfields, Ltd., Cautivo Oil Company, and the Concepción Ecuadorian Oilfields. Anglo-
Ecuadorian had a 20,000-barrel-per-day oil refinery at La Libertad, and Cautivo had a 6,000-barrel-per-day oil refinery at Cautivo. The crude petroleum of Concepción Ecuadorian was processed at the Anglo-Ecuadorian refinery.

Annual crude petroleum production from the traditional oilfields on the Santa Elena Peninsula started to decline beginning in 1955 and by 1971 was down to about 5,000 barrels per day. Domestic demands at the same time was over 20,000 barrels per day, necessitating imports to make up the difference. Since 1937 petroleum has been sought in the Oriente by several companies but was not discovered until 1967, when a consortium formed by the Texaco Petroleum and Gulf Oil companies struck several rich fields in the extreme northeast portion of the country not far from the Colombian border. The success of the Texaco-Gulf explorations attracted other companies, and by April 1972 eight petroleum consortia, representing twenty-one companies and employing over 5,000 workers, were drilling throughout the Oriente, most of them finding oil. Based upon discoveries to that date, the total of proved, probable, and possible reserves was estimated at 5.6 billion barrels.

Most of the Oriente is part of the Marañón-Pastaza Basin, a rich oilbearing region of great potential extending from southwestern Colombia through Ecuador, northeastern Peru, to the Brazilian province of Acre. Petroleum experts have predicted that Ecuador will become the second leading oil producer in South America after Venezuela when full output of all the new fields commences. A 300-mile-long oil pipeline with an initial carrying capacity of 250,000 barrels per day, leading from the Texaco-Gulf fields to the port of Esmeraldas, was completed in 1972, and it was predicted that exports would begin by the end of that year. The pipeline is to be turned over to the government once its cost is amortized. Other companies were planning additional pipelines. To meet the country's future domestic needs, the government decided to build and operate a state-owned refinery at Esmeraldas near the end of the pipeline, and bids for its construction were being sought in 1972.

In addition to petroleum, large quantities of natural gas have also been discovered. One consortium group was drilling in the Gulf of Guayaquil, rather than in the Oriente, and struck natural gas deposits in 1970. The exact extent of the deposits were not known as of 1972, and the company was continuing its exploration.

Three types of contracts between CEPE and private companies were foreseen in 1972: a joint association between private producers and the state company; the formation of a new mixed
corporation with CEPE control; and service contracts, under which private firms perform a function such as exploration for CEPE for a fee or for a percentage of production. Private companies operating in Ecuador must reinvest at least 10 percent of their net profits in either their own operations, in another petroleum company, in government bonds, or in private Ecuadorean firms. Royalties, which are paid in addition to regular income taxes, starts at 12.5 percent and run to 16 percent, depending upon production. Certain miscellaneous fees and taxes also are required to be paid, and 15 percent of net profits must be distributed among the company's workers.

ENERGY

The development of electric power has not kept pace with the needs of the country, and demand, which was increasing by 12 percent annually in the late 1960s, has been expected to increase even faster once petroleum development starts to stimulate industrial growth. No interconnecting power system existed as of 1972, and total installed capacity was about 250,000 kilowatts produced by 1,200 generating plants, most of which were owned by municipalities. The total also included plants owned by factories producing for their own needs and several war surplus ships anchored off the coast generating electricity for coastal communities. In many areas there were frequent power blackouts.

Per capita consumption of electricity in the late 1960s was very low and, according to an Ecuadorean government report, only 38 percent of the population had access to electrical service in 1970. The hydroelectrical potential of the country is high; it was estimated at about 1 million kilowatts, but most of the existing capacity in 1972 was thermal. A government agency, the Ecuadorean Institute of Electrification (Instituto Ecuatoriano de Electrificacíon—INECEL), which was created in 1961, prepared a national electrification program in 1967 providing for new projects to make possible the eventual interconnection of all systems and the extension of electric service to 66 percent of the population by 1980. INECEL received several international loans, and its program was just getting underway in 1972. Additional financing was contemplated by the government's idea of earmarking a specific percentage of annual petroleum royalties for INECEL's use.
CHAPTER 14

TRADE AND TRANSPORTATION

Trade, both foreign and domestic, generated about 10 percent of the gross domestic product (GDP) in 1970; transportation and communications, about 3.5 percent; and services, about 11 percent. Together, these sectors employed almost one-fourth of the economically active population. The economy has been heavily dependent on the export of several primary agricultural products; in 1972 these were bananas, cacao, and coffee. On the average these major products accounted for 85 percent of exports during the 1960s, but in 1972 petroleum was expected to become the primary export (see ch. 12).

Overdependence upon a few commodities has left the economy vulnerable to price changes in the world market. To overcome this, the government has encouraged a wider diversification of exports, and some progress has been made. Traditionally, the composition of imports was weighted toward consumer goods, as most manufactured goods sold in the country are imported. In the late 1960s, however, raw materials and capital goods became important as the government's attempts to foster the growth of import-substitution industries started to bear fruit and the need for equipment for petroleum companies became apparent.

In its foreign trade policy the government's overriding concern is to protect the sucre from devaluation. Its secondary policy had changed, however, from a view of foreign trade as a source of revenue to the protection of import-substitution industries; and, since 1969, the policy has been to help the economy move toward regional integration within the Andean Common Market (ACM). As of mid-1972 some imports were forbidden, others required the permission of a particular ministry, and most needed an import license. Some commodities were subject to either import or export quotas.

Export of agricultural products has been partly responsible for overcoming the regionalism of the country because of the need for better transportation and communication systems. Although agriculture has benefited from large government investments in road construction by the opening up of many new farming areas,
improvement of the marketing system is vital to increased agricultural production. The government owns an uneconomic rail system and, recognizing that it must pay more attention to its role in the transportation network, plans to make further investments. Ocean shipping carries most foreign trade, and aviation is important for maintaining communications between the Oriente and the rest of the country.

Imported and manufactured goods are traded through modern channels with high capitalization and adequate storage and handling facilities. Most wholesale firms are also importers. Unprocessed foodstuffs and artisan-produced goods, however, are marketed by a multiplicity of middlemen, most of whom have low capitalization and poor handling facilities. Spoilage and other forms of transit loss seriously reduce profits of producers.

The government has entered directly into the marketing of several commodities, partly as a revenue measure and partly as a means of controlling rising consumer prices while maintaining an adequate return to producers. In addition to owning the railroads, the government has shares in ocean and air transportation companies. Ecuador has been an active member of the newly formed Andean Common Market, upon which it pins many hopes for increased exports, in contrast to its disillusionment with the results of membership in the older Latin American Free Trade Association (LAFTA).

FOREIGN TRADE

Foreign trade increased greatly in volume and value after World War II; in 1971 exports reached the level of US$217 million, and imports reached US$257 million (see table 11). Foreign trade statistics, however, must be treated with caution. Several official series are issued, the best of which are considered to be those used for balance-of-payments purposes. The real level of exports and imports is believed to be underestimated by between US$10 million to US$15 million annually. Export figures are the value of export permits issued rather than the actual exports, and the permits for bananas and fish are known to be understated because a percentage of their earnings must be converted into sucres at the disadvantageous free market rate rather than the official rate (see ch. 12). Import data are derived from the liquidation of import licenses; liquidation occurs not when goods arrive but when they are eventually paid for. Figures thus derived are added to the actual value of unlicensed imports plus an estimated allowance for contraband.

Because most of the manufactured goods sold in the country
are imported, many wholesale firms of such merchandise are also importers. Historically, importers have carried larger stocks of inventory than would usually be necessary because the administrative procedures for obtaining licenses and liquidating them are complicated and cumbersome, and long delays would occur in reordering needed goods. In addition, a substantial amount of speculative import stockpiling occurs in anticipation of import restrictions that might be caused by balance-of-payments difficulties or political uncertainties.

Table 11. Foreign Trade of Ecuador by Principal Products, 1968-71
(in million US$)

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</tr>
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</tr>
<tr>
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<td>(10.8)</td>
<td>(9.2)</td>
<td>(13.5)</td>
</tr>
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<td>Others</td>
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<td>n.a.</td>
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<td>TOTAL</td>
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<td>201.5</td>
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<td>0.6</td>
<td>n.a.</td>
</tr>
<tr>
<td>TOTAL</td>
<td>244.4</td>
<td>261.8</td>
<td>247.4</td>
<td>257.0</td>
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</table>

n.a.—not available.
*Exports are f.o.b. (free on board).
*Imports are c.i.f. (cost, insurance, freight).

Although duties themselves are seldom changed once they are set, the government has adopted a policy of requiring advance or prior deposits as a means of curbing rising imports and to
further its foreign trade policies. All goods are classified by
degree of essentiality to the economy, and for each category a
different percentage of the value of the import must be deposited
at the Central Bank of Ecuador at the time the import license is
obtained. The deposits are returned to the importer between 120
and 180 days after arrival of the merchandise. The percentage of
the value that must be deposited is frequently changed depending
upon economic conditions but on occasions has ranged as high as
200 to 300 percent of the value of the goods.

A small number of exports have always supported the importa-
tion of a wide variety of products, many of which are essential to
the country's economic development. Almost all export crops are
traded by large, well-capitalized firms. Whereas over 160 items
are actually exported, the export mix has been characterized by
one major commodity plus three or four others in sizable
quantities. Until World War II cacao was the major export; rice
production and export then rose dramatically until the mid-1940s
when bananas became the single most important item. In mid-
1972 bananas were still the principal export, but petroleum
promised to be the major export of the future.

Bananas accounted for over 47 percent of annual exports
during the 1950s, and after 1952 Ecuador became the world's
leading banana exporter. The percentage rose to about 55 percent
in the 1960s. Banana exports sometimes surge when adverse
weather conditions in other banana-exporting countries, particu-
larly in the Caribbean and Central American areas, affect their
production. Exports then fall back when plantations in those
countries recover. Sometimes, when export demand slows, the
government temporarily suspends part of the export duty, as it
did in mid-1969, to permit exporters to become more competitive.
On occasion, the suspension of export taxes is extended to other
commodities. There are a number of banana exporters, mainly
foreign fruit companies, but there are also Ecuadorian exporters,
including the Consortium of Banana Producers representing
about 100 growers. The exporters are supplied by their own
packing plants and by the 420 independent banana export pack-
ing plants, among which standards of quality vary, frequently
causing marketing difficulties for the exporter.

From 1968 through 1971 coffee was the second leading export,
with about 17 percent of the total, a decline from a 20-percent
share of exports during the 1950s. Coffee exports depend mainly
upon the quota assigned to Ecuador by the International Coffee
Agreement; for the 1970/71 market year the quota was set at
720,000 bags of coffee. Prices for Ecuadorian coffee are lower
than those for coffee from other Latin American countries be-
cause few Ecuadorian coffee farmers have adopted modern processing techniques and the coffee beans are of mixed quality. A coffee export quota committee, created in 1972 to distribute annual export quotas between exporters and producers in an equitable manner, decided that priority among the producers would go to cooperatives.

Cacao exports were next in importance in the period from 1968 to 1971, with about 13 percent of the total, down somewhat from their relative share during the 1950s. The world market price for cacao is volatile, and earnings frequently fall even when export volume increases, as happened in 1970. The best quality cacao is sent to Europe, where higher prices prevail than in the United States.

Export of fish products rose steadily during the 1960s to fourth place by 1971. Shrimp, frozen tuna, canned tuna, and lobsters are the main seafood exports, in that order. Ecuador has a low-cost labor advantage over several other shrimp-exporting countries in cleaning and deveining the shrimp, thereby adding to the value in overseas markets. The country is also the largest tuna exporter in Latin America.

Sugar is the only other significant export, but exports are dependent upon the United States sugar quota, as almost no shipments are made to other countries. Ecuador usually meets its basic annual quota and frequently receives additional allocations of unfilled quotas of other countries, as the sugar mills have the capacity to expand production rapidly. Among the items of lesser export significance are balsa wood, castor beans, pharmaceuticals, tropical birds, grapefruit, rice, and Panama hats.

Ecuador ranked fifty-first in the world as an importing country in 1970, a rather high standing for a country with a relatively small population. The composition of imports changed somewhat during the 1960s. The largest single component, raw materials, dropped from about 40 percent at the beginning of the decade to 34 percent by 1970. Capital goods increased from third place to second with 22 percent of the total, and the importance of consumer goods dropped from about 20 percent to 15 percent during the same period. Most of these changes reflected the growing industrialization of the country and the petroleum industry's need for heavy equipment. A goodly portion of the nondurable consumer goods imports is food, necessitated by the deficient production of wheat, fats, and oils and also by occasional bad weather. The importation of transportation equipment remained steady at about 15 percent of the total; construction materials, mainly cement, increased slightly to 5 percent; and fuels and lubricants rose from about 3 percent to over 7 percent.
The percentage of the fuels and lubricants category was expected to drop once domestic petroleum production increased. All other imports accounted for the balance.

The government seldom engages directly in foreign trade, but in 1971 it became the sole importer of wheat, which previously had been imported by the private sector. Its purpose was twofold: to obtain a source of revenue by reselling the wheat at a profit and to maintain prices for Ecuadorian wheat farmers by importing only the difference between domestic production and consumption. In May 1972 it also assumed the direct importation of other grains and cereals.

Although its relative share has dropped, the United States has remained Ecuador's single most important trading partner. During the 1960s the United States share of Ecuadorian exports fell from 63 percent of the total to under 44 percent by 1970, and its share of imports fell from around 48 percent to almost 33 percent in the same period (see table 12). The United States is listed in Ecuadorian statistics as taking between 25 and 30 percent of the annual banana exports, but some of the banana shipments are transshipped to Canada by United States fruit companies. Besides bananas, the United States buys almost all the sugar, 75 percent of the shrimp exports, 62 percent of the balsa, 60 percent of the coffee, and 18 percent of the cacao. As of 1971 Ecuador had become the eighteenth leading supplier of agricultural products to the United States. Major imports from the United States are machinery, oil-industry equipment, paper products, and transportation equipment.

Japan was the second most important market for Ecuadorian exports and the third most important supplier of imports in 1971. From under 2 percent of total exports in 1960, the Japanese share rose steadily during the 1960s to almost 19 percent by 1970. Over 96 percent of exports to Japan consists of bananas, and that country usually purchases from 25 to 35 percent of total banana exports. Banana exporters, however, have been concerned over the possibility that Japan might shift part of its Ecuadorian banana purchases to Taiwan and the Philippines, both traditional Japanese suppliers. Imports from Japan consist mainly of light automotive vehicles, textiles, and iron and steel.

The Federal Republic of Germany (West Germany) has been the second most important supplier of imports and the third major export market. By 1970 West Germany was taking about 10 percent of Ecuador's exports and providing over 12 percent of its imports. In the early 1960s it had absorbed almost 20 percent of the exports. Bananas, coffee, cacao, and some balsa wood are
Table 12. Foreign Trade of Ecuador by Principal Trading Partners, 1968-70
(in percent of total trade)

<table>
<thead>
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<th></th>
<th>1968</th>
<th>1969</th>
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<tr>
<td>Federal Republic of Germany (West Germany)</td>
<td>11.0</td>
<td>11.7</td>
<td>10.1</td>
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<tr>
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<td>5.4</td>
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<tr>
<td>LAFTA¹</td>
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<tr>
<td>Colombia</td>
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<td>3.6</td>
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<td>Chile</td>
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<td>Japan</td>
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<td>Federal Republic of Germany (West Germany)</td>
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<tr>
<td>France</td>
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<tr>
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<td>5.1</td>
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<tr>
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<td>Colombia</td>
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<tr>
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¹Latin American Free Trade Association.
²Does not add to 100 because of rounding.

the main exports to West Germany. In return Ecuador receives chemicals and machinery.

Other important trading partners are Italy, the Netherlands, Belgium, Colombia, and Chile. Trade with the communist countries rose during the 1960s, especially after 1965 when several bilateral agreements were negotiated. The Soviet Union is the
most important of the state trading partners, taking as much as 23 percent of cacao exports. Other items sold to the communist countries are bananas, coffee, and rice. Heavy equipment and machinery are received in return.

Contraband border traffic with Colombia and Peru causes considerable loss of export and import duties for the central government. Smuggling is acknowledged to be remunerative, and it has been estimated that it is a major source of livelihood for nearly half of the economically active persons in Carchi Province along the Colombian border. Large quantities of untaxed cacao are illegally transported to Colombia, which produces less than its annual needs. Illicit imports from Colombia consist mainly of manufactured goods, such as textiles, matches, and cigarettes. There is less information about contraband trade with Peru, but it is known that cattle are driven across the border to Peru where they bring a higher price.

INTERNATIONAL TRADE GROUPS AND AGREEMENTS

In 1972 Ecuador was a member of the Latin American Free Trade Association (LAFTA) and the Andean Common Market (ACM) and cooperated with Colombia in a border economic integration scheme. In addition, it had bilateral trade agreements with a number of countries, including some nations with state trading organizations.

LAFTA came into existence on June 1, 1961, on the basis of the multilateral agreement known as the Montevideo Treaty. The founding members were Argentina, Brazil, Chile, Mexico, Paraguay, Peru, and Uruguay. Ecuador joined LAFTA on October 20, 1961, followed by Colombia in late 1961, Venezuela in September 1966, and Bolivia in January 1967. As originally conceived, full free trade among all members was to be achieved by 1972 through a series of annual tariff reductions; but many problems developed, particularly over agricultural products, and by 1970, when it was apparent that the deadline would not be met, a new deadline of 1980 was set.

Ecuador, Bolivia, and Paraguay received special concessions from the other members because they were relatively less developed, but many of the concessions received by Ecuador were for commodities the granting members imported in small quantities or that Ecuador did not produce. In addition, Ecuador was placed in the position of having to resist granting in return certain tariff concessions that would harm its inefficient industries. Ecuador was also becoming disillusioned with the growing negative trade balance it had with most of the LAFTA members.
Before LAFTA, it generally had a favorable trade balance because of better benefits it had received through individual bilateral agreements, but those agreements had been superseded by the LAFTA general negotiations.

Part of LAFTA's difficulties in the late 1960s arose from two conflicting views of its role. One group of countries wanted to adhere strictly to the terms of the Montevideo Treaty, and the other group, which included Ecuador, wanted cooperation extended beyond tariff and trade matters. By 1971 LAFTA was placed in a position of continually defending its usefulness.

Dissatisfaction with the rate of progress and benefits accruing to them as members of LAFTA led Ecuador, Bolivia, Chile, Colombia, and Peru to sign an agreement in mid-1969, called the Cartagena Agreement, to form an association leading to an Andean common market. Venezuela, which had participated in the original negotiations but did not join the others in 1969, indicated its willingness to do so in early 1972 and began renegotiating at that time, but it was still not a member by mid-1972. The ACM proposed duty-free trade (with certain exceptions as requested by members) and a common external tariff for imports from nonmembers. Ecuador exempted about 600 items from the duty-free provisions. Ecuador and Bolivia were given a sixteen-year period in which to cut the rest of their tariffs, whereas the others were allotted shorter periods of time. Intraregional trade among ACM members rose from US$60 million in 1968 before tariffs were cut to over US$100 million in 1970 after many tariff reductions had been made.

Concerned over the creation of the ACM, the LAFTA executive committee announced that membership in the Andean group was compatible with membership in LAFTA and that the bloc would be considered a subregional grouping within LAFTA. Lima was chosen as the site for the ACM's headquarters, and the Ecuadorian government created the Institute for Foreign Commerce and Integration to be responsible for liaison with the ACM, including the planning and coordination of Ecuadorian participation. The institute lacked experienced personnel and had to rely on other organizations, such as the Development Center, to conduct certain studies. The institute became an agency within the Office of the Presidency in 1971, with responsibility not only for regional integration policy but also all foreign trade matters. It then absorbed the functions and personnel of several other agencies dealing with foreign trade.

Each ACM member agreed to seek national investor control over all foreign-owned companies unless such disinvestment would hurt the particular member's economy. The regulations
called for the foreign firms to divest themselves of a majority interest within fifteen years in Peru, Colombia, and Chile and within twenty years in Ecuador and Bolivia. Ecuador, however, exempted from the disinvestment regulations all foreign companies that were engaged in: forestry, public utilities, banking, insurance, transportation, advertising, television, radio, magazine publishing, or marketing or whose operations were concerned with basic products, minerals, or petroleum.

In addition to tariff cutting, the ACM assigned certain new industrial projects to each member, each project to produce a number of products that the others agreed not to manufacture but to purchase from the producing member. Ecuador was assigned thirteen projects totaling thirty-eight products, some of which were petrochemicals to be produced from the new petroleum resources. If Ecuador did not commence manufacture of the products by 1975, the regulations stipulated that they would be assigned to other members. By mid-1972 none of the projects had progressed beyond feasibility studies, and the government was concerned over the possibility that they might not be initiated by the 1975 deadline. The Development Center was then instructed to promote those projects on a priority basis (see ch. 13).

The Andean Development Corporation (Corporación Andina de Fomento—CAF) was also organized by the ACM members with headquarters in Caracas, Venezuela. Although Venezuela had not yet joined the ACM, it was a founding member of the CAF. The corporation, with initially authorized capital of US$100 million, had as its purpose the financing of multilateral investment and technical assistance projects that would lead to economic integration. The CAF was authorized to give priority to investments that would help Ecuador or Bolivia.

Several bilateral agreements were in force in 1972. Those with West European countries were mainly treaties of friendship, commerce, and navigation and provided for the most-favored-nation treatment, with some exceptions. Within the framework of LAFTA, Ecuador has reciprocal credit arrangements between its central bank and those of Colombia and Peru. Any outstanding balance in excess of the current credit limit was to be settled, every two months, in United States dollars.

In February 1965 the Central Bank was authorized to negotiate bilateral agreements with state-trading countries, and by 1972 such agreements were in effect with Czechoslovakia, Bulgaria, the German Democratic Republic (East Germany), Hungary, Poland, Romania, and the Soviet Union. Some of these agreements contain lists of goods to be exchanged while others do not include specific items; all, however, provide for reciprocal
credit limits. Trade with these countries was consistently in Ecuador's favor as of 1972 but, because of the credit allowances, Ecuador could not demand payment except for the excess. Consequently, many persons in government were becoming displeased with the arrangements, especially since the amounts owed to Ecuador bore no interest.

As of early 1972 Ecuador was a member of two international commodity agreements: the International Coffee Agreement and the International Wheat Agreement. In early 1972 it participated in discussions in Geneva with other countries seeking to form an international cocoa agreement, but no such agreement had been signed by mid-1972. Ecuador is not a member of the General Agreement on Tariffs and Trade (GATT).

An agreement exists with Colombia for the economic integration of border areas. Although the frontier integration scheme formally dates from 1966, it actually had its beginning in 1962 as a border tariff accord, which permitted all residents of the Ecuadorian provinces of Esmeraldas, Carchi, and Napo and residents of the Colombian department of Nariño and the territory of Putumayo to trade with one another without customs duties or other restrictions. The 1966 agreement created a permanent commission to make recommendations for possible implementation by the two countries for common projects in trade, electricity, communications, irrigation, potable water, and industrial parks. In 1971 a building was constructed in Tulcán as a permanent exposition for products from both countries.

**DOMESTIC TRADE**

The conduct of domestic trade is regulated by the Commercial Code, enacted early in the twentieth century and greatly modified by the 1964 Law of Companies with its 1969 amendments, and by a large body of other laws on specific subjects. The Constitution of 1945 guarantees freedom of commerce but establishes the right of government intervention in cases of public necessity. Such intervention has most commonly taken the form of price controls and of government marketing of foodstuffs and other necessary commodities. In addition, the state maintains monopolies on the production and sale of a few articles, such as alcoholic beverages, salt, and matches—a carryover from the practice of colonial days.

For years the government has imposed price controls over certain necessities, but in March 1971 it created the National Vital Products Enterprise (Empresa Nacional de Productos Vitales—ENPROVIT) as a dependency of the Ministry of Produc-
tion. ENPROVIT not only can enforce price controls but can also intervene directly or indirectly in wholesale marketing or retail sales in order to prevent speculation, monopoly, scarcity, or any other artificial means of causing price increases. It maintains storehouses throughout the country from which it distributes basic items at subsidized prices to retailers and consumers. It also has a small fleet of mobile trucks that circulate around urban areas selling directly to people in the street. In 1972 ENPROVIT ordered the sugar mills to process additional sugarcane when the price of domestic sugar started to rise, and it marketed almost all the rice produced in that year, practically eliminating all middlemen.

The forms of business organization recognized by law include the sole proprietorship, the general partnership, the limited partnership, the corporation and, since 1969, the limited liability company. A sole proprietorship is established by obtaining licenses and permits, and all transactions are made in the name of the proprietor and are his sole and unlimited responsibility. A general partnership is formed by a legal contract between two or more persons who engage in commerce under a firm name, and all partners share joint and unlimited responsibility.

Limited partnerships consist of one or more active partners and one or more silent partners. Silent partners are responsible only to the extent of their capital shares. Corporations are controlled by the Superintendency of Companies, roughly equivalent to the Securities and Exchange Commission of the United States. The superintendency was created in 1964 to oversee the interests of stockholders, to control stock exchanges and new securities, and to stimulate more small firms to become corporations. A corporation must have five shareholders; capital must be more than 200,000 sucrés (for value of sucre—see Glossary), fully subscribed, and at least 25 percent paid in. A stockholder's liability is limited to the value of his shares, which may be either in his name or made out to the bearer. Although bearer shares are more freely negotiable, they are subject to higher income tax rates than nominative shares. Transfers of bearer shares to new owners need not be recorded by the corporation, but transfers of nominative shares must be recorded.

The limited liability company is comparable to a corporation in that members' liability is limited to the amount of their capital contribution but differ in that they are simpler to organize and operate, are not subject to control by the Superintendency of Companies, and are not required to be audited. They may not have more than twenty-five shareholders and may not issue bearer shares; all shares are in the name of the stockholder and
are in multiples of 1,000 sucres. In addition to the foregoing forms of business organization, which are presumed to be permanent, temporary companies may be established for a specific joint venture and may be liquidated when the venture is completed. Typically, such temporary associations, called compañías accidentales, are formed between established merchants and investors who are not merchants.

Foreigners may form companies of any sort or participate with citizens in established companies, except that a foreign corporation may not be a participant in a limited liability company. Foreign corporations may also establish a branch in Ecuador without having to form a local corporation. The branch must have a local agent as its legal representative with full power of attorney and must be approved by the Superintendency of Companies. The 1945 Constitution provides that foreigners who receive concessions from the government to exploit natural resources may not request diplomatic intervention in cases of dispute.

All merchants and firms with capital of more than 1,000 sucres must be enrolled in the Mercantile Register, which is maintained in the nearest civil court. All businessmen must belong to their local chamber of commerce by law, but in fact most do not. For example, only 1,500 persons belonged to the Quito Chamber of Commerce in 1970, whereas there were an estimated 10,000 businessmen in the city. The chambers look after the interests of the business community and seek to guide government action and public opinion. In 1969 the various chambers of commerce united to form the Federation of Chambers of Commerce of Ecuador in order to strengthen the private sector's point of view vis-à-vis the government. In 1971 the respective federations in the ACM countries formed the Confederation of Chambers of Commerce of the Andean Group to watch out for the interests of zonal commerce. The members of the confederation also created a development fund to be financed by private companies but to be administered by the Andean Development Corporation.

About 65 percent of all domestic commerce is centered in Guayaquil, and most of the balance, in Quito. Most wholesale firms handle diverse lines, although some of the larger ones specialize in a few commodities. Most of the wholesale and import houses are family-owned operations, but a few are corporations. Regardless of size, most wholesaling firms have their own warehousing and handling facilities and thus keep to a minimum the number of middlemen between manufacturer and consumer. Some foreign manufacturers have established their own distributing subsidiaries in the country, and a few domestic manufactur-
ers have their own marketing organizations that sell directly to retailers or to exclusive wholesalers. The wholesale marketing of domestic agricultural produce is carried out by a multitude of small-scale middlemen at dispersed locations. These entrepreneurs are hampered by a low capital base that prevents them from handling large lots.

The principal flow of foodstuffs is to the municipal markets of Quito, Guayaquil, and the larger provincial cities where facilities exist for both wholesalers and retailers. Crops and livestock move to these major collection points by many different channels. Large estates, particularly those located close to primary markets, often sell directly to wholesalers and contract for their own transportation. For most peasants, direct selling to wholesalers is not feasible because of the cost of transportation, which is high in relation to the profits to be obtained from small sales. More frequently the small farmer sells his produce at the weekly fair in the nearest town to traveling middlemen or truckers who accumulate produce in small lots for resale in the cities. An alternative collection point is the village store, whose proprietor accumulates small lots and then rents a truck to resell the produce to another intermediary in a larger town or who may take the goods all the way to the Quito or Guayaquil wholesaler himself.

Retail trade has traditionally flowed through markets and fairs, through small family-owned general stores, and through a myriad of peddlers and itinerant vendors. Retail enterprises tend to be based upon a system of low turnovers and high markups, but haggling often determines the actual price at the moment of purchase. The scope and volume of retail trading is limited by the vast numbers of artisans making consumer goods to order, such as shoes, clothing, and furniture, with the result that some of the staple wares found in retail stores in other countries play a smaller role in Ecuador.

The municipally owned public markets found in almost all major population centers bring together, on a daily basis, wholesalers and retailers of foodstuffs and retailers of manufactured and artisan-produced goods. Merchants rent space from the municipality and are usually grouped together by kinds of merchandise. Most provincial and cantonal centers hold weekly or semiweekly fairs that are frequented by Indians. The Monday market in Ambato in the northern Sierra is the largest such fair in the country; national and international vendors and buyers trade and sell all types of merchandise. Otavalo’s weekly Saturday market in Imbabura Province is a colorful one, drawing persons from many parts of the country because of the vast
number of Otavalo Indians who sell food and homemade wares. Riobamba and Latacunga, both in the central Sierra, also have large open-air markets.

In the smallest hamlets scattered throughout the countryside the only retail outlet is the general store, selling local produce and some processed foodstuffs and a few hardware items. These stores also serve as a gathering place for neighboring farmers. In Quito, Guayaquil, and a few other cities street vendors are an important retail outlet, although most have only small quantities of items for sale. There are two types of street vendors, ambulatory and stationary. The ambulatory peddlers usually sell fruit and vegetables in residential neighborhoods, moving from house to house. The stationary vendors sell other items and tend to congregate on certain streets. In Quito, as many as 200 vendors can be found sitting on a sidewalk with their meager wares, blocking traffic and forcing pedestrians to jostle their way through the crowd. Much of Quito theoretically is off limits to vendors, but the law is seldom enforced.

The growth of a more sophisticated clientele in Quito and Guayaquil has brought about some modernization in retailing techniques. Supermarkets (the first opened in Quito in 1952) and small department stores have been established, these sell processed foodstuffs, hard goods, and some ready-to-wear clothing. The quantity and quality of their products are usually superior to those in other retail establishments, but prices are not much lower because of the cost of carrying larger stocks that are not accompanied by increased turnover. The largest supermarket in Quito offers services to consumers such as gift wrapping, purchase of theater tickets, a post office, and check cashing. This store's management also helped pioneer the country's first modern shopping center in 1970 in a new section of Quito that contains over forty stores in an enclosed mall. In 1972 that company began a mobile service, in collaboration with the Ministry of Production, to sell basic commodities from trucks at street corners in the poorer neighborhoods.

As of 1972 there were no national quality standards or standard weights and measures, and this tended to reduce the efficiency of the marketing system. The quality of a few items is controlled by producers' associations, but they do not always perform an adequate job, coffee grading being a prime example of the failure of producers to follow their own standards. Wholesalers and retailers of most agricultural products must inspect every lot and not rely on samples. Prices of many articles do not vary by quality, and thus there is less incentive for producers to grade their produce.
In 1972 a bewildering variety of weights and measures existed, some of which differed regionally in their definition. In 1972 the newly formed Ecuadorian Institute for Standardization admitted to near chaos in Ecuadorian weights and measures and cited examples such as cloth that was being manufactured in meter lengths but retailed in yards; solid foods sold by pounds; liquids sold by liters or five-gallon tins; and the width of lumber measured in inches, its length in varas (about thirty-three inches), its thickness in centimeters, and its price in square feet. The institute was preparing a codification to simplify the country's weights and measures and was considering the adoption of the metric system as the sole standard.

Most service establishments are very small. A 1968 government survey of services was taken of about 700 firms believed to be large in their field, having five or more employees and annual income of over 100,000 sucres. The results revealed, however, that only sixty-six firms actually fulfilled those requirements. There are a few advertising agencies, but few products are marketed very aggressively. Consumer credit exists only on a modest scale and chiefly for expensive durables.

In contrast to the other Andean countries, the tourist industry has not been very actively promoted in Ecuador. In 1969 fewer than 80,000 persons visited the country, half coming from Colombia, Venezuela, and Uruguay; this figure dropped to only 37,000 in 1970. Realizing that the per capita tourist expenditure was about US$150, however, the government decided to emphasize tourism as another source of foreign exchange in the late 1960s. A master plan was drawn up in 1970 by the government's Ecuadorian Tourist Corporation to sell the foreign visitor on Ecuador's unspoiled beaches, mountains, ancient ruins, colonial monuments, Indian lore and craft, the eastern jungles, and the unique Galápagos Islands. The Ecuadorian Tourist Corporation was abolished in 1970, however, and its functions were transferred to the National Directorate of Tourism in the Ministry of Natural Resources and Tourism. This latter organization soon fell into disrepute because of an excess of personnel with little knowledge of the tourist business; in May 1972 everyone was dismissed, and the ministry began a slow reorganization of the corporation.

Three main coastal resort towns attract foreigners and Ecuadorians alike. Punto Carnero, whose waters off its coast are full of large game fish, specializes in deep sea fishing. Salinas has fine beaches and a gambling casino, and Playas, the resort closest to Guayaquil, offers comfortable hotels, good beaches, fishing, and gambling. Special tours to the Galápagos Islands began in 1969.
An increasing number of hemispheric conferences were being scheduled to take place in Quito as of 1972, and a small group of bilingual police officers were being used as tourist police to help foreigners with problems. Less than forty hotels in the whole country offer services and accommodations suitable for attracting foreign tourists. Although they are full to capacity on special occasions, they normally register a very low overall annual occupancy rate.

TRANSPORTATION AND COMMUNICATION

Until the twentieth century the transport pattern reflected and reinforced the historic division of the country into two antagonistic regions—the Costa and the Sierra. Transport routes on the Costa, either on water or land, were laid out to move export crops from the production areas to the ports, and routes in the Sierra were concentrated along the inter-Andean corridor. Interregional movements were confined to a few crude pack trails that permitted only a small haulage between the two regions.

Completion of the Guayaquil-Quito Railroad in 1908 provided an effective interregional link for the first time in history and cut the travel time between the two cities from twelve days to twelve hours. By 1972 there were six rail lines totaling 727 miles, all owned and operated by the State Railways Company (Empresa de los Ferrocarriles del Estado). The main line was the 281-mile-long Guayaquil-Quito Railroad. Although the track continues on from Quito northeast to the port of San Lorenzo and a spur runs south from the mainline at Sibambe to Cuenca, these other lines are operated as separate railroads. Three short lines run inland from Puerto Bolívar to Pasaje, Puerto Bolívar to Piedras, and Bahía de Caráquez to Chone (see fig. 5).

All track is forty-two-inch gauge single track except for the Puerto Bolívar-Piedras line and the Bahía de Caráquez-Chone line, which are of thirty-inch gauge track. The State Railways Company owns about sixty locomotives, forty passenger cars, and over 500 freight cars. In 1972, however, most of the rolling stock was obsolete and in various stages of disrepair. Also, almost twenty years of minimum maintenance to the trackage after World War II had caused the rights-of-way to be in poor condition by the mid-1960s. Until the 1950s the railroads had been the prime mover of passengers and freight and had played an important role in integrating the economy. After World War II the government began to stress investments in highways and had permitted the railroads to deteriorate.

Rail freight traffic has been decreasing steadily as a result of
highway competition, although the government contends that the cost of shipping merchandise by rail is cheaper than by truck. Truck transport is faster than rail and permits door-to-door service. Adequate transportation data is not published, but it has been estimated that in 1969 less than 260,000 tons of freight were handled by the railroads compared to over 500,000 tons handled annually at the beginning of the decade. Passenger traffic appeared to have increased during the same period from 2 million to over 4.6 million passengers in 1969, but the figures include a large percentage of short-distance commuters between Guayaquil and its suburbs. The number of long-distance passengers had actually decreased.

By 1963 the government recognized that its stress on highway construction had caused the railroads to suffer, and it undertook a rehabilitation program. Some new equipment was obtained from Europe—mainly from Spain, but the railroads were operating at a monthly deficit of over 4.5 million sucres in mid-1972. The military government of President Guillermo Rodríguez Lara decided to emphasize a three-year track renewal program beginning in 1972 and placed the administration of the railroads directly, but temporarily, in the hands of the National Railroad Council, which previously had been a technical advisory body.

Construction of highways began on a small scale in the 1920s and continued sporadically until after World War II, when a greatly expanded effort created the outlines of a network covering many parts of the country and opening up vast tracts of virgin land to new settlement. By making possible a broader pattern of agricultural settlement and by giving access to untapped natural resources, the expanding road network is providing an important base for an integrated domestic trading system. By 1972 there were about 12,000 miles of roads in the country, of which about 1,500 were paved, another 1,500 miles were improved with gravel or stone, and the balance were dirt. About 5,000 miles of the dirt roads were usable during the dry season. In 1969 a new ten-year highway development, expected to cost 6 billion sucres, was adopted. The plan was to encompass about forty roads totaling 1,500 miles, and by mid-1972 some of these had been started.

The oldest and most heavily traveled route in the road network is the 728-mile Pan American Highway that follows the course of the Inca imperial highway through the Sierra and connects all the towns along the inter-Andean corridor between Tulecán on the Colombian border to Macará on the southern border with Peru. Not all of this important road is paved, however, and as of 1972 parts of it were still not completed between Quito and Tulecán,
Figure 5. Transportation Facilities in Ecuador, 1972
necessitating detours and slow speeds. The route from Quito north to the border had been shifted several times by the Ministry of Public Works and Telecommunications, and some sections already built had been abandoned. Although a target date of 1969 had originally been set to complete the road, most analysts estimated that 1973 would be the earliest completion date possible. Travelers to Peru frequently take one of two alternate branches south starting 100 and 150 miles from the border rather than staying on the main road. Although these alternate routes are less efficiently maintained, they both connect with a Peruvian portion of the Pan American Highway that is paved, whereas the road in Peru south from Macará is not.

More or less paralleling the Pan American Highway is a lowland road connecting Guayaquil with the port of Esmeraldas in the northwest via the cities of Daule, Quevedo, and Santo Domingo de los Colorados. Various smaller roads fan out west of this route, and the system carries an important portion of the traffic in tropical produce of the Costa. Four east-west roads connect the Pan American Highway and the Guayaquil-Esmeraldas road, the two most heavily traveled being the road running from Quito to Santo Domingo de los Colorados and the road between Quevedo and Latacunga. By 1972 the integrating effects of the connections between the highways were becoming apparent. A growing volume of goods was moving between the Sierra and the Costa, and new trading communities were springing up along these connecting roads.

A few penetration roads built from the Sierra into the Oriente include one constructed by the Texaco-Gulf Petroleum Consortium (see ch. 13). The value of these penetration roads as a spearhead for new colonization is illustrated by the road running from Ambato to Tena through Baños and Puyo. Before the road reached Puyo in the 1950s the town was nothing more than a cluster of a dozen huts. By 1972 Puyo was a sizable town with shops and schools and was the center of a new farming area. As part of its contractual terms and because of its own needs, Texaco-Gulf, together with Ecuadorian construction firms and Ecuadorian army engineers, built a 120-mile road from Papallacta northeast to the new oilfields. The government planned to utilize this road as part of a new resettlement program in the 1970s.

Notwithstanding the major contribution of the highways, maintenance is highly irregular; conditions in many places occasion expensive delays in shipping and take a high toll in vehicle wear and tear. Reasons for poor maintenance are lack of funds, the decentralized nature of responsibility for road construction
and maintenance, and the lack of prestige in maintaining an old road as compared to the publicity attending construction of new roads. Over 125 public entities, mainly municipalities, have some authority and responsibility for constructing and maintaining certain roads or sections of roads, and there is little or no coordination. Some roads constructed by provincial governments are toll roads, and the funds are used to maintain them. Landslides during the rainy season present the worst maintenance problems. For example, the important road between Quito and Santo Domingo de Los Colorados was rendered impassable for several months in 1972 because of landslides and washouts.

Intercity motor transport is provided by a large number of buslines and trucking concerns; there are over 300 urban and interurban transportation companies in the country. Most trucking enterprises are small, with no schedules and variable rates, and are operated by the owner-driver. A majority of bus owners and bus drivers and a few truckers belong to cooperatives, which provide common clerical services, set uniform rates, and establish some degree of order in scheduling. In a few places, notably the city of Cuenca and the rest of Azuay Province, bus service is highly irregular, with frequent vehicle breakdowns.

There were 76,000 registered vehicles in the country in 1971. The National Planning Board, however, estimated that many vehicles in the country were not registered and set the actual total at over 90,000. The board estimated that 51,000 vehicles were trucks, buses, and other commercial vehicles and the balance was passenger cars. About 25 percent of the vehicles are believed to be over ten years old and in frequent need of repair.

Air transport is fairly well developed. Since the 1920s when the first domestic scheduled commercial air service was established, airlines have held a secure, if limited, segment of the transport market. Because of the short distances between most population centers, particularly in the Sierra, and the steadily expanding road network, relatively few air routes are heavily traveled. The largest volume of passenger and cargo traffic moves between Quito and Guayaquil. The Oriente is the one area where airlines are virtually without competition. There are many small villages whose only contact with the rest of the country is by air.

Mariscal Sucre Airport at Quito and Simón Bolívar Airport at Guayaquil, both international airports, have undergone large-scale reconstruction to enable them to handle most modern jet aircraft. Eight other airports can accommodate planes such as DC-6s and DC-7s; twelve airports can handle smaller planes; and about ninety strips, mainly in the Oriente, can accommodate only small, single-engine planes.
In 1972 there were about fourteen domestic airline companies, some of which offered airtaxi service and some of which were aerial fumigation firms. The most widespread service was offered by the Ecuadorian Military Air Transport (Transportes Aéreos Militares Ecuatorianos-TAME), which served twelve cities, including the Galápagos Islands. TAME, which was owned by the military, was converted into a commercial airline in 1969. The Ecuadorian Aviation Company (Compañía Ecuatoriana de Aviación—CEA, known as Ecuatoriana), formed in 1957 as an international airline, carries domestic traffic between Quito and Guayaquil on its Lima-Miami route. Ecuatoriana also provides international service to Mexico City and Santiago, Chile. Although it was a private firm, Ecuatoriana received state guarantees for its financial obligations, and in 1972 the government assumed control of its revenues and expenditures and announced that eventually it would purchase 51 percent of the company. All air cargo destined to any government agency must be flown via Ecuatoriana.

National Air Service (Servicios Aéreos Nacionales—SAN), based in Cuenca, flies only between Quito, Cuenca, and Guayaquil. It was reported to be in financial difficulties in 1972 and was seeking government assistance. Ecuadorian Airtaxi Service (Servicios Aerotaxis Ecuatorianos) was the largest airtaxi company flying freight and passengers to the Oriente using aircraft designed for short runways. Seven foreign flag carriers provided international service; Lufthansa, KLM, Avianca, LAN-Chile, Braniff, Air France, and Iberia.

Water transport is more important for foreign trade than for domestic commerce, although coastal shipping is well developed, and some rivers, particularly the waterways of the Guayas Basin, are used extensively. Although the rivers of the Oriente are navigable by ships, only canoes and small vessels are used there. Competition from the highways has diminished waterborne traffic, but river boats continue to ply traditional routes calling at towns and farming centers not yet reached by vehicles. There are frequent sailings between the coastal cities and monthly service to the Galápagos Islands.

Around 95 percent by value of all exports and imports are moved by sea. Guayaquil handled about 60 percent of all foreign trade as of 1970. All sugar exports; almost all cacao, shrimp, and balsa exports; almost half of all bananas; over 40 percent of all coffee; and more than 60 percent of miscellaneous exports leave through the port of Guayaquil. A new port facility was built six miles south of Guayaquil in 1962 on the west bank of the Guayas River and is connected to the old port by a canal. It can accommo-
date five vessels at once and operates around the clock year-round.

Since the spread of banana cultivation and the settlement of new areas of the Costa, some of the other seaports have started to show greater activity. Puerto Bolívar handles much of the exports from the provinces of El Oro and Loja and the southern part of Azuay and Guayas provinces, and more than half of all bananas are exported via Puerto Bolívar. Although Manta handles less than 4 percent of total exports (it can accommodate only two vessels at a time), it is the most important outlet for exports of frozen fish, coffee, and castor beans and serves the needs of Manabí Province and part of Pichincha, Cotopaxi, and Los Ríos provinces. Only minor movements have been made through the port of Bahía de Caráquez, mainly castor beans; San Lorenzo, mainly wood; and Esmeraldas, mainly bananas and wood. Activity at Esmeraldas was expected to increase when petroleum exports were started at Balao, a new port built ten miles south of it with tank storage facilities for 2.1 million barrels of petroleum. The port of La Libertad near Salinas on the Santa Elena Peninsula has been used only to import petroleum for the needs of the refineries located there. In the future, when petroleum requirements are met by domestic sources, the government intends to use La Libertad as a fishing port (see ch. 13).

As of 1970 there were about 1,800 vessels with a total of only about 60,000 net registered tons flying the national flag. Most of them were fishing vessels and other small craft, thirteen were tankers, and sixteen were cargo vessels. The Ecuadorian Banana Fleet (Flota Bananera Ecuatoriana), owned jointly by the government and private stockholders, had two vessels for the transportation of bananas in 1972. Ecuador's principal maritime carrier, however, is the Grancolombian Merchant Fleet (Flota Mercante Grancolombiana), a private Colombian line, 80 percent of which was owned by Colombians and 20 percent by Ecuadorian businessmen and the Ecuadorian government. All maritime imports to government agencies must be made on this line, whose fleet in 1971 consisted of forty-seven vessels, twenty-seven of which it owned outright; the balance was rented from other companies. About seven foreign lines provided scheduled combination freight-passenger service to Guayaquil in 1972, and another thirty lines made unscheduled stops.

In April 1972 the framework for a government shipping company was formed, to be called Ecuadorian Ship Transport (Transportes Navieros Ecuatorianos—TRANSNAVE). Its purpose was to transport petroleum and possibly freight and passengers, both nationally and internationally. The government also issued international tenders for a private shipping company to
associate itself with TRANSNAVE, and numerous bids were received.

In 1972 the country faced a shortage of adequate storage and handling facilities for most goods and foodstuffs. Public and private facilities can store about 150,000 tons of wheat, rice, and barley. Coffee and cacao exporters have some storage facilities for their products, and the cotton gins and textile plants store their own cotton. Almost no other agricultural product receives adequate storage, and where warehousing is available it is often in poorly ventilated, vermin-infested rooms of buildings near marketplaces. A study in the mid-1960s indicated spoilage losses were 20 to 25 percent of total production of barley, corn, potatoes, and beans and 5 to 10 percent loss for other products. Some private warehousing exists in Guayaquil as well as some customs warehouses for general merchandise imports. One company, Ecuador Warehouse (Almacenera del Ecuador—ALMESA), has warehouse space in both Quito and Guayaquil and issues negotiable warrants for goods stored with it. These are used as collateral by businessmen for bank loans.

In 1970 the government assumed control of all telecommunications facilities and created two state entities to take possession of the assets of former companies, both private and state. The two new entities were called the Northern Telecommunication Company, headquartered in Quito, and the Southern Telecommunication Company, located in Guayaquil. There were over 94,000 telephones in operation in 1970, and a program exists for the eventual conversion of local manual service to automatic long-distance service between major cities. As of late 1971 Quito, Guayaquil, Esmeraldas, and Santa Elena had such modern service.

There are domestic and international telegraphic services, and in 1972 the government was installing an automatic teleprinter service to replace the old manually operated system. Telegraph personnel were being retrained to operate the new equipment. A ground station for satellite communications was under construction near Quito in 1972. Meanwhile, Ecuador had the use of several channels on the Colombian satellite station at Choconta, Colombia. The State Railways Company operates its own radio-telephone network, as do some of the aviation companies. The armed forces maintain their own telegraph, radio, and telephone services.

Postal service is provided by the National Postal Enterprise (Empresa Nacional de Correos—ENC), which has 470 post offices throughout the country. The service was acknowledged by the government to be deficient. The National Planning Board
stated in the 1970-72 development plan that the ENC had an excess of administrative personnel and a shortage of qualified operating personnel and that undelivered mail was accumulating in warehouses. In early 1972 the government admitted that many persons had used political influence in the past to acquire jobs in the ENC; that there was much loss of valuable mail; and that there were too many expenditures for nonpostal purposes, such as a loan to build a baseball stadium in Guayaquil. The new government of President Guillermo Rodríguez Lara promised to upgrade postal employee training and to discharge those under suspicion of being dishonest.
Responsibility for the maintenance of public order in 1972 rested with the police forces, backed by the armed forces if necessary. The problem of maintaining public order had been complicated by the social and economic pressures produced by continued migration from rural to urban areas in search of improved economic conditions. A lack of employment for unskilled workers and insufficient housing have led to an increase of common crime in the urban areas, particularly around Quito and Guayaquil.

The Indians constituted a large segment of the population but did not figure prominently in official police statistics (since they were separated from the mainstream of national life by cultural differences and social traditions), and they sought to avoid contact with the police and other agencies of the central government. Therefore, quarrels and offenses occurring within Indian communities were most often settled internally and seldom brought to official attention.

The occasional disruption of public order usually took the form of strikes and demonstrations on the part of university students and labor organizations, and these actions sometimes erupted into violence. Common crime in the urban areas was on the increase, requiring constant vigilance on the part of the police and frequent roundups to interrogate suspects and known recidivists.

The Revolutionary Government had not dissolved the political parties, but they were powerless. The small communist party was split into factions and had made no impact on the national scene, but it continued its organizational activity in educational and labor circles. Subversive pressures from within the country and abroad, although requiring a certain amount of surveillance on the part of governmental agencies, appeared to pose no threat in 1972 to the stability of the Revolutionary Government. The Indians remained largely impervious to the influences of political agitators and contributed relatively little to civil disorder.
The penal code in effect in 1972 was adopted in 1938. Capital punishment had been outlawed, and most of the penal institutions were overcrowded and lacked the facilities to play a constructive role in the rehabilitation of prisoners. They exercised little more than a custodial function, and the principal newspapers frequently decried the unhealthy and unsanitary conditions existing in the penal institutions and the apathy on the part of the government as far as the rehabilitation of criminals was concerned.

THE POLICE FORCES

Primary responsibility for the preservation of public order rested with the National Civil Police (Policía Civil Nacional—PCN), functioning under the supervision of the Ministry of Government. Article 120 of the Constitution of 1945, the organic law in 1972, stated that the police force was a civil institution destined principally to guarantee internal order and individual and collective security and that its members held no special privileges.

The congress established by the Constitution of 1830 decreed that the separate municipal councils would create their own police departments and would have appropriate regulations for law enforcement. For the first thirty years of the country's existence as an independent nation, the police systems were either under the control of the separate municipalities or dominated by the army. The police developed slowly under a system of provincial organizations until 1937, when the first national police organization was formed. Control of the police reverted to the central government, and in 1951 the name was changed from the National Civil Guard to National Civil Police.

In 1972 the strength of the law enforcement agencies numbered about 7,500. They consisted of 6,300 National Civil Police under the Ministry of Government; the Customs Police, with a strength of 700, under the Ministry of Finance; and a force of 500 Guayas Traffic Police, under the governor of Guayas Province.

National Civil Police

In 1972 the National Civil Police was headed by a police general officer who reported directly to the minister of government. The organization consisted of the National Training Institute, sometimes referred to as the Police Academy, and four operational divisions. These were the Urban Service, the Rural Service, the Traffic Service, and the Criminal Investigative Division. The commander was assisted by a staff that included a
personnel section, an intelligence section, an operations section, and a logistical section.

The country was divided into four police districts, with headquarters in Quito, Riobamba, Cuenca, and Guayaquil. The first district included the provinces of Carchi, Imbabura, Pichincha, Cotopaxi, Napo, and Pastaza; the second district, those of Los Ríos, Bolivar, Tungurahua, and Chimborazo. The third district included the southern provinces of Cañar, Azuay, Loja, Morona-Santiago, and Zamora-Chinchipe; and the fourth or coastal district, the provinces of Esmeraldas, Manabí, Guayas, and El Oro. The Galápagos Islands were included in the fourth district.

The police in Quito and Guayaquil (Pichincha and Guayas provinces) were organized into regiments of about 700 men each, and the other seventeen provinces had police corps organizations that varied in size according to the population of the province. The 19th Corps on the Island of Isabela in the Galápagos Islands had about fifty men.

The principal functions for all National Civil Police were to safeguard the security of citizens and their belongings; maintain order and peace in the cities, towns, and countryside; arrest law violators; investigate infractions of the law; maintain custody of prisoners; and safeguard public morals.

Most of the commissioned officers in the PCN were graduates of the National Training Institute. Individuals who had attended a foreign police institution with authorization from the Ecuadorian government and policemen who had proven their mental qualifications in special courses ordered by the commander or who had fulfilled the requisites for officer promotion on a merit basis were eligible for commissions, but these instances were not common.

In order to be eligible for admission to the police academy an individual had to be an Ecuadorian by birth, between eighteen and twenty-three years of age, a high school graduate, and single, and he must have satisfactorily passed the physical and mental examinations. The police academy was in Quito, and the course for the cadets was three years. A cadet, after graduation, had to serve as an officer for at least two years or pay a fine for each year or part of a year he did not serve. The subjects covered during the three years included mathematics, history, Spanish, physics, police ethics, geography, the books of the penal code, police techniques, penal science and criminology, penal procedure, police tactics, control of drug traffic, physical education, and equitation.

Police officers were authorized by the government to take courses in foreign police schools. Between 1963 and 1972 a total
of 124 Ecuadorian police officers completed various courses at the International Police Academy in Washington, D.C., and 125 completed courses at the same institution when it was located in the Panama Canal Zone.

The initial assignment of officers graduating from the police academy was generally based on the individual's personal qualifications, the existing vacancies in the various police units, and class standing at graduation.

Policemen had to be Ecuadorian citizens between twenty-one and thirty years of age who had finished primary education. They had to pass a medical examination and possess a military service card indicating that they had completed their military service or had registered for conscription. If an applicant had previously served in the PCN, he must not have been dismissed for bad conduct, desertion, unsuitability for service, or drunkenness.

The Urban Police

The urban police function in the larger cities and towns. Their principal duties are the maintenance of order and the prevention of crime, which was particularly heavy in Quito and Guayaquil. In April 1972 the chief of the Fourth District stated that 500 police would be added to the force in order to carry out the mission of maintaining public order and stopping the rise of delinquency.

In 1971 the police radio network that had been established in Quito and Guayaquil was improved, and a voice-operated network was extended throughout the country, with forty base stations and some mobile units operating on a twenty-four-hour basis. In April 1972 a force of forty tourist police was established in Quito. These men all had a course in English and were well versed in the country's folklore, art, geography, and history. They collaborated directly with the National Directorate of Tourism, and their duties included assisting visitors in every way possible. They were stationed at the airport, in hotels, and in the business section of the city. This service was to be extended to Guayaquil.

The Rural Police

The rural police generally served in the area from which they were recruited and received the same pay and had the same functions as the urban police units. They were scattered in small units throughout the inhabited parts of the country. The local police chief functioned as the judge in minor cases. In May 1971 a report indicated the formation of a petroleum police force to watch over and protect the installations in the eastern zone and the oil pipeline.
The Traffic Police

The traffic division of the National Civil Police functions on all streets and highways except in Guayas Province, which has its own autonomous traffic police. The duties of the division are to control the operation of vehicles, check on licenses, control traffic signals, and investigate traffic accidents. The traffic division has been undermanned in personnel and vehicles, and in 1972 its strength was only twenty-two officers and 400 policemen.

The traffic problem is confined mainly to the areas around Guayaquil and Quito, the largest cities, but the Pan American Highway passes through the entire country from north to south and has carried an ever-increasing amount of vehicular traffic. The number of registered vehicles has been increasing by the thousands every year. Possession of an automobile is a relatively new phenomenon, and there has been a lack of adequate driving instruction. Reports of traffic accidents, both in urban areas and on the highways, including deaths and serious injuries, appear daily in the newspapers. One thousand traffic deaths during one year were reported in Guayaquil alone.

In April 1972 the national police Directorate General of Traffic advertised for bids on 140 patrol cars and twenty other types of vehicles for the traffic police, and that same month it was reported that the division would receive 180 vehicles, including patrol cars and tow trucks, to assist in the control of city and highway traffic.

Newspapers during the first six months of 1972 carried reports of traffic accidents, most of which occurred on the north-south Pan American Highway that runs from Tulcán near the Colombian border south through Quito to Macará near the Peruvian border. The police felt that the large number of accidents resulted from the increasing number of privately owned vehicles and the lack of driving experience on the part of the people. Statistics for the 1968–69 period indicated there were 50,000 vehicles registered in the country. The total number of accidents during that period was 9,852, approximately one for each five vehicles. These accidents involved over 5,000 people; 500 were killed, and 3,000 were injured. These figures included 4,000 collisions; 2,000 persons that were run over; and 300 persons that fell out of cars.

The Investigative Police

The Criminal Investigative Division of the national police was a separate unit until a law passed in 1964 placed it directly under the PCN. It was charged with the investigation of all major criminal cases, regardless of the agency of arrest. This plain-
clothes unit was the principal intelligence-gathering arm of the police, and its collection capabilities improved considerably during the 1960s.

**Interpol**

Another plainclothes police unit was the Ecuadorian section of Interpol, the international police organization. The section in 1972 had its headquarters in Quito and nine agents under the orders of a chief and a deputy. It collaborated, and exchanged intelligence information, with the states belonging to the organization. The mission was to control the traffic in drugs; international crime; international transportation of stolen vehicles; counterfeit money; and illicit traffic of gold, jewels, and precious stones, and money exchange. The Interpol section maintained liaison with the Criminal Investigative Division, urban and rural police stations, and immigration and customs officials.

**The Customs Police**

The Customs Police were under the direct supervision of the Ministry of Finance. The functions of the customs guards were to prevent smuggling by exercising vigilance over operations concerned with the importation and exportation of goods; reloading of foreign goods destined for export; and supervision of storage of imported goods in customs or private warehouses. The guards also checked baggage of individuals entering and leaving the country by land, sea, or air.

In April 1972 the Revolutionary Government announced a complete reorganization of the customs police. Of 180 officers and policemen in the First Customs District in Guayaquil, only four officers and seventeen men were continued in the service. There was reason to believe that very few smugglers had been apprehended; little contraband ever reached government warehouses; and customs collections were much smaller than the volume of imports indicated (see ch. 12).

**The Guayas Traffic Police**

The Traffic Commission of Guayas Province was created by legislative decree in November 1948. It was an autonomous organization that controlled a small traffic police force of about 300 men who had no authority in other police matters. The function of the commission was to regulate the urban and rural traffic of vehicles throughout the entire province. The members of
the force inspected vehicles and granted or suspended drivers' licenses. Prospective members had to take a three-week course at the traffic police school and maintain a certain minimum grade. Most of the policemen were former military conscripts, and annual prizes were offered to the best officer and best policeman and to other officers and policemen with distinguished service throughout the year.

THE ADMINISTRATION OF JUSTICE

The court system consisted of the Supreme Court of Justice, which sat in the capital; superior courts in the capitals of fifteen provinces; and a series of provincial and cantonal courts and parish judges. Criminal cases were not heard in cantonal courts, although these courts could conduct hearings and make recommendations. The court of first instance in criminal cases, except those involving government officials, was the provincial criminal court. Although there was at least one criminal court in each province, except the four Oriente provinces, there were as many more as distance and population required. Cases originating in the Oriente were heard in the nearest provincial criminal court in the Sierra. Provincial criminal judges had the authority to try criminal cases for which, according to the penal code, the punishment did not exceed three years in prison.

Criminal proceedings consisted of two parts, summary and plenary. The first of these usually took place before a local court, and the second before a provincial criminal court. The objective of the summary was to determine whether or not an offense had been committed and if a trial was warranted. The purpose of the plenary was to determine the guilt or innocence of the accused.

After the arrest of a suspect, except for minor offenses that could be tried by the local police officer, the police were required to turn the suspect over to the judge of the local cantonal court, who would conduct an investigation to determine if there were sufficient grounds for trial. According to the law, the findings of the investigation had to be forwarded within fifteen days to the provincial criminal court holding jurisdiction over the case.

When the summary proceedings had been completed, the record was delivered to the public prosecutor so that he could prepare the accusation. If, in the opinion of the presiding judge, the information contained in the summary did not warrant a continuation of the proceedings, the judge could release the suspect on bail, and dismissal of the case would be final if the public

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prosecutor could find no merit in the accusation or if the judge felt the existence of an offense had not been absolutely established.

If the case warranted a trial, the accused had to designate a defense lawyer within three days. According to the constitution the administration of justice was free, and the accused was entitled to legal counsel, either selected by him or furnished from a panel appointed annually to serve as public defenders. The case then went to the Tribunal of Crimes (Tribunal del Crimen), a five-member tribunal presided over by the judge of the provincial criminal court. The other members were the judge's alternates; and three judges taken from a local panel that the provincial court named annually.

When the argument was completed, the tribunal retired in secret session and then announced the verdict. Except in special cases, such as those involving a breach of morality, trials were public, and the jury system was not used. A competent observer has described the judicial system as fair, and for the most part the judges in the various courts have been nonpolitical and well versed in law. One of the principal drawbacks in the administration of justice was the unduly long period between arrest and arraignment. In May 1972 it was reported that, of the 300 prisoners in the Model Jail of Guayaquil, a large number had been incarcerated for more than twenty days without being tried and that there were many minor offenders among them who were unable to obtain the services of lawyers to act on their behalf.

Other drawbacks were the time—months and even years in some cases—consumed in the trials and the inability of the courts to complete their dockets before new cases piled up. Shortly after its assumption of power in February 1972, the Revolutionary Government issued decrees reorganizing the entire judicial system. A new law required all the courts to increase their working days, and the maximum number of court holidays was specifically enumerated (see ch. 9).

In 1906, under the presidency of General Eloy Alfaro, the country was given a penal code to replace that of 1872. A new edition was issued in 1938, and this, with amendments, was in force in 1972. The code was divided into three books; the first dealing with offenses and violations in general, the persons liable therefore, and the penalties and punishments imposed. The second book enumerated and described particular types of crimes, and the third book covered misdemeanors.

There were two classes of imprisonment in the penitentiary, major and minor. Major imprisonment included confinement to a cell when not undergoing forced labor and was usually for
sentences of from four to eight years or, possibly, the maximum sentence of sixteen years. Minor imprisonment was for sentences of from three to six years, and for this forced labor could be accomplished in factories or establishments outside the place of confinement.

Other punishments included suspension of civil rights, perpetual prohibition on accepting public office, surveillance by the authorities, deprivation of the right to exercise a profession, and fines. The death penalty has been eliminated.

Acts of delinquency by minors were handled by juvenile courts under the Code for Minors. This code established special treatment for delinquents under eighteen years of age. A tribunal for minors functioned in each provincial capital. It had a lawyer, a physician, and an educator to examine each case, assisted by a social worker who was responsible for making a study of the home and social environment of the delinquent. The service provided by the social worker was not always available in Quito and Guayaquil because of the large number of juveniles arrested for both crimes and misdemeanors.

**THE PENAL SYSTEM**

Responsibility for the operation of the penal system in 1972 fell to the National Directorate of Prisons, under the Ministry of Government. The two largest institutions for the detention of criminals were the García Moreno Prison in Quito and the Penitenciaria del Litoral in Guayaquil. There was also a municipal jail in Quito, and jails were in the capitals of all except the four Oriente provinces. There was one agricultural penal colony, Colonia Penal de Mera, on the bank of the Pastaza River in Pastaza Province. The colony held about fifty prisoners, and escape was practically impossible. The prisoners raised a variety of crops and hogs.

Although the laws called for rehabilitation of prisoners, not much progress has been made in the past. Because of lack of space and overcrowded conditions, juveniles and persons convicted for minor traffic accidents have been confined with convicted, hardened criminals. According to reports in Quito and Guayaquil newspapers, living conditions have been unsanitary, and the crowded conditions of the cells have allowed respiratory and other diseases to spread with ease.

Prisoners were paid, but on a scale less than for free workmen. One-third of the wages earned went to the prisoner upon his release; one-third, to pay his expenses while in prison; and one-third, to the court to take care of his civil obligations.
incidental to the trial. An individual serving a sentence in a correctional institution—prison or jail—was entitled to parole after completing three-fourths of his sentence, provided that he had exhibited an exemplary record of conduct while in the institution. If paroled, he had to reside in a predetermined place and possess a skill or profession that would allow him to live honorably. There were very few special establishments for the relatively small number of women prisoners; they were usually housed in separate sections of the prisons or jails.

One of the most modern penal establishments in the country is the new jail in the northern city of Tulcán near the Colombian border. Its construction was authorized by the Carchi provincial council, and the institution was under the administration of the National Directorate of Prisons. It could accommodate 100 inmates and was divided into two sections, one for males and one for females, with a smaller third section for persons who had committed minor offenses. It had a modern classroom, and an instructor was subsidized by the National Directorate of Prisons to teach various subjects that were geared to the comprehension capability of the inmates. This educational program was aimed at the rehabilitation of the prisoners and to assist in the eradication of illiteracy. In April 1972 the director of prisons stated that one of his major responsibilities was to eradicate illiteracy in all the country's penal institutions and that programs toward this goal were planned. Plans to modernize the country's other jails have also been made.

Official interest in improving prison conditions was indicated by a meeting held in April 1972 to make plans for rehabilitation of the Penitenciaria del Litoral in Guayaquil. The military governor of Guayas presided. Attending the meeting were representatives of the universities, the supervisor of prisons, and the director of the penitentiary. Plans were discussed for rehabilitating 1,200 inmates by transferring them to factories and agricultural labor farms.

The attitude of the population toward the penal system varied. In the urban areas, relatives and dependents of those confined frequently protested to the authorities—and also to the press—over the length of time that often elapsed between confinement, trial, and sentencing or release. This, however, appeared a problem in the administration of justice rather than one of penal administration. The overcrowded, unsanitary, and unhealthy conditions in many of the country's penal institutions could, however, be attributed to the prison administration. Also in the urban areas, the people often expressed resentment over the ease with which common criminals could obtain their freedom after light
sentences. Newspaper articles reported cases of recidivists arrested as many as forty times, only to be turned out to continue their criminal activities.

In June 1972 the director of prisons stated that there were 3,700 individuals being detained in twenty-seven penal institutions of the fifteen provinces in the Sierra and the Costa. He stated that drugs and alcohol, motion pictures, parental irresponsibility, and impunity of delinquents were the principal causes of an increase in the incidence of crime.

INCIDENCE OF CRIME

In 1972 the authorities were concerned over the rising incidence of urban crime. This was attributed to the constant flow of population from rural to urban areas, particularly to Quito and Guayaquil. Most of the migratory adults were uneducated farmers who lacked the skills necessary to achieve employment in the cities, and the overcrowded conditions therein forced them to live in substandard housing. Many, in order to provide for themselves and their families, turned to crime.

During the first half of 1972 principal urban crimes reported included picking pockets, fraud, robbery, assault, mugging, knife wielding, armed robbery, and murder using knives and firearms. Bank robbery has also occurred. Periodically, the police of Quito and Guayaquil make mass roundups and question known delinquents and others suspected of various offenses. In Guayaquil during a two-month period 160 were detained in one raid, and 128, in two others. Many were tried in criminal courts and found guilty of assault, robbery, and picking pockets. There were many cases of fraud. Many individuals were arrested for impersonating members of the Criminal Investigative Division. They had forged credentials and extorted money from the owners of bars, nightclubs, and cafés by saying that otherwise they would report delinquencies they had noticed to the authorities. These cases were so numerous that the police published photographs of authentic credentials in the newspapers so that proprietors could be forewarned.

Many merchants have been arrested for altering prices on goods and combustibles in violation of the government's decrees. The merchants were fined and warned that they would be jailed for the second offense. Many women were arrested for soliciting outside the prescribed areas where prostitution was legal. An attempted skyjacking of an Ecuadorian aircraft by an Ecuadorian occurred, and the perpetrator was shot and killed. The government announced that imprisonment for sixteen years (the max-
imum penalty) would be the punishment for anyone convicted of this crime in the future.

In the urban areas juvenile crime was prevalent and reported to be increasing. Juveniles by the hundreds were detained for questioning in police roundups. Most prevalent was the crime of picking pockets on crowded streets. In the rural areas drunkenness or revenge often led to altercations resulting in serious injury or death.

In 1972 the government was concerned about the traffic in drugs. A new law in April 1972 made the penalty for the production of drugs eight to twelve years in prison and a fine of from 10,000 to 50,000 sucres (for value of sucre—see Glossary).

INTERNAL SECURITY

In June 1972 there were no groups, political or other, that appeared to pose a threat to the internal security of the state or to the country's military government. After the coup d'etat that deposed President Velasco Ibarra in February, there had been instances of urban public disorder in the form of student demonstrations, riots, and bombings, and there had been some labor strikes, but these were sporadic and unrelated, and there were no major manifestations of disorder throughout the countryside.

During 1971 and the first half of 1972 student activity was patterned largely in the form of protests against the new Law of Higher Education that came into effect in December 1970. This law considerably decreased the autonomy of the universities. Demonstrations and marches organized by students, particularly in the Quito and Guayaquil areas, protesting the government's educational policy, occasionally erupted into public disorder that required suppression by police forces and resulted in cases of bodily injury and property damage. It was felt that student activity was not as much in opposition to the revolutionary government as it was in opposition to the higher education law, which, though a product of the former administration, the military government had neither amended nor repealed (see ch. 6).

Bombings were not infrequent. In April 1972 a college student was arrested as a suspect in the bombing of the Haitian Consulate in Guayaquil, and the next month the president ordered a step-up in investigation of terrorist acts in that city. Bombings had taken place in five areas, presumably as a reaction to the government's repression of smuggling.

In 1972 the Ecuadorian Communist Party (Partido Comunista Ecuatoriano—PCE), was split between a pro-Moscow faction of
about 700 and a pro-Peking faction of about 300. This party grew out of the Socialist Party founded in the 1920s. The PCE increased in importance until 1944, when it won fifteen out of eighty-five seats in the National Assembly and a Communist was made the minister of education. In 1946 the party was outlawed, and many of its members were jailed. During the 1948–52 term of the moderate Galo Plaza Lasso complete freedom of speech and of the press was allowed, and the PCE was legalized. Diplomatic relations between Ecuador and Cuba were broken in 1962, and the next year the military government that ruled the country again outlawed the PCE. In July 1971 the government expelled three Soviet diplomats who were accused of interfering with domestic labor problems and urging labor union leaders to go on strike.

Occasionally rivalry between the two PCE factions has led to violence. In August 1968 five people were wounded when a group of pro-Chinese Communist Ecuadorians tried to break into a hall where the pro-Soviet faction was holding its ninth congress. In 1972 the pro-Moscow faction continued to control the Confederation of Ecuadorian Workers, and both the Moscow and Peking factions were continually involved in student and labor movements, but they had little political impact and could not be considered as a threat to the country's government or to its internal security.
CHAPTER 16

THE ARMED FORCES

The power and importance of the armed forces was again made evident in February 1972 when a duly elected president was deposed and the military junta assumed control of the government. Although the army initiated the coup d'état, subsequent events indicated that the operation had been coordinated with, and had received the cooperation of, both the navy and air force. The government of President José María Velasco Ibarra had maintained a sympathetic policy toward the military establishment, and in 1971 it had increased the salaries of both officers and enlisted men. The military leaders felt, however, that the government had not been sufficiently energetic in carrying out socioeconomic reforms (such as agrarian reform) that had been widely proclaimed in campaign promises and soon lost confidence in the ability of civilian politicians to resolve Ecuador’s chaotic domestic situation.

In 1972 the armed forces consisted of three independent branches—the army, navy, and air force, numbering about 21,000 officers and men. The army was five times larger than either of the other two branches. The commander in chief of the armed forces was the president of the republic, and his control extended from the minister of national defense to the Joint Command, the principal members of which were the commanders of the army, navy, and air force. Primary responsibility for the maintenance of internal order fell to the National Civil Police, reinforced by the armed forces if necessary. Occasionally, the armed forces were called upon to maintain internal security. In some cases bloodshed resulted and, consequently, the image of the armed forces has been affected. The consequent reluctance to enforce internal security by use of the armed forces has at times impeded strong governmental action against disruptions of order.

According to the Constitution of 1945, in effect in 1972, military service was obligatory and the period of conscription as prescribed in the Law of Military Service was one year. Conscript duty was not unduly rigorous, and the average individual usually fared as well or better than he did at home.
sioned officers usually came from the middle class and through command and staff assignments, as well as through graduation from the advanced service schools, social mobility was often possible.

Although the country had not been subjected to external attack since the Peruvian invasion of the southern border in 1941, suspicion of Peruvian intentions and the still unsettled territorial dispute between the two countries caused the government to maintain its armed forces at greater strength than would normally be necessary for the maintenance of internal security.

EARLY DEVELOPMENT AND POLITICAL INVOLVEMENT

When the country became independent in 1830, most of the senior army officers and many of the troops were Venezuelan, as was the first president, Juan José Flores. By the end of his fifteen years of rule, only four of the fifteen general officers were Ecuadorian, most regiments were commanded by Venezuelans, and in the elite cavalry regiments both officers and noncommissioned officers were from Venezuela. The succeeding president, General José María Urbina, freed the negro slaves, and many of these were recruited into the army and became his chief source of military power. General Urbina was succeeded by Gabriel García Moreno, who took immediate steps to eliminate militarism in government and retired or discharged all officers in the army still loyal to General Urbina. He built the army into an effective professional force and used it as a source of his own power.

The army was well paid and equipped by the government of General Ignacio de Veintimilla when he came to power after Gabriel García Moreno's assassination in 1875. After General Veintimilla's fall in 1883, the country was ruled by civilian Governments for twelve years (see ch. 2). By 1900 the army, which had increased in size and efficiency over the years, was able to repel an attack from Colombia by Ecuadorian political opponents of the government in power.

Financial problems resulting from repercussions of World War I during General Leónidas Plaza Gutiérrez's term of office (1911 to 1916) gave Guayaquil banking interests an opportunity to dominate a number of presidents. Among the elements resenting the bankers' abuses was a group of young army officers who, in 1925, engineered revolts against the government by military garrisons in many parts of the country, after which the president and leading bankers were taken into custody.

During the next decade the army was an active participant in
political affairs, being responsible for military coups that removed the presidents in 1931 and 1935. In July 1941, following skirmishes between border guards, Ecuador was invaded by Peru. The Ecuadorian forces defending the border were not sufficiently reinforced and were no match for the invaders, who for the first time in Peruvian history used paratroop units. As a result, the country suffered a major territorial loss to Peru. Army officers were responsible for removing the presidents in 1944 and 1947, and the three service commanders deposed President Carlos Julio Arosemena Monroy in 1963.

The most recent occurrence of direct military involvement in the political field was the deposition of President José María Velasco Ibarra on February 15, 1972. This was done by mutual agreement of the three commanders of the army, navy, and air force. Return of the government to freely elected officials had not occurred by August 1972, and statements made by members of the military government who assumed power after the deposition of the president indicated that control of the government would not be returned to civilian authority until all the objectives of the revolutionary government had been achieved.

Prohibition of political activity on the part of the military was announced by the minister of national defense in May 1972. The minister reminded all armed forces active duty personnel that, according to Article 169 of the Armed Forces Personnel Law, they might not take part, directly or indirectly, in political activities.

POSITION IN GOVERNMENT AND SOCIETY

According to the Constitution of 1945 the Public Force consisted of the armed forces and the national police. The mission of the Public Force was to conserve the national sovereignty, to defend the integrity and independence of the republic, and to guarantee the execution of the articles of the constitution and the laws. Other articles stated that military service was obligatory and that every Ecuadorian was obliged to take arms in the defense of national sovereignty, independence and integrity. In addition to the permanent armed forces, reserve forces were to be organized as required. The constitution also stated that the national police was a civil institution whose principal mission was to guarantee internal order and individual and collective security.

Article 34 of the Constitution of 1945 gave to the National Congress the responsibility of determining each year the maximum size of the armed forces in time of peace, and of approving
or disapproving the promotion of armed forces personnel to the rank of general or flag officer. Since as of mid-1972 there was no congress under the military government, the first of these functions was carried out by the Council of Government (Consejo de Gobierno) subject to the approval of the president, and the second by the president of the republic from a list submitted by the Joint Command through the minister of national defense (see ch. 9).

As far as the people are concerned, the armed forces have usually enjoyed a moderate degree of popular acceptance and esteem. Attitudes toward the military, however, result from a number of factors that are not uniform throughout the country or at all social and economic levels. Since the middle of the twentieth century the armed forces have recruited more of their career personnel from the Sierra than from the Costa and have enjoyed a greater rapport with the people in the Sierra. In May 1972 army units stationed in the Quito area conducted a large maneuver using combined arms and supported by the air force. The final assault phase was witnessed by several thousand civilian residents of nearby areas. During the first half of 1972 the armed forces conducted parades and military exhibitions in the Sierra cities of Cuenca, Babahoyo, Riobamba, Latacunga, Quito, and Tulcán. Press reports indicated the military units were enthusiastically received by the civilian population.

Most army, navy, and air force officers were graduates of the service academies, and many came from provincial towns in the Sierra. The army was by far the largest service and was in a position to wield the most political power, but the small navy and air force were considered prestigious services because they had more volunteers, accepted fewer conscripts than the army, and were in a position to provide better uniforms for their enlisted men.

**THE MILITARY ESTABLISHMENT AND THE NATIONAL ECONOMY**

In 1972 the defense budget was 892.5 million sucres (for value of sucre, see Glossary). This amount included a supplemental increase of 150.7 million sucres over the original budgetary allocation of 741.8 million sucres. This was justified, according to the Ministry of Finance, because of the extracurricular activities for which the Ministry of National Defense was responsible, including the construction of roads, houses, and schools and the use of its personnel to accelerate the process of agrarian reform. The defense budget represented 12.28 percent of the total budget.
for 1972, and during the nine years between 1961 and 1969 it averaged 2.5 percent of the gross national product (GNP). Official government reports did not give a breakdown of the defense budget, but it was reported that the greater portion went to the army. The armed forces represented 1.5 percent of the total labor force.

CIVIC ACTION

The branches of the armed forces have for many years been actively engaged in various civic action programs. These have ranged from projects such as well digging, road construction, and the erection of schools and other buildings to giving literacy courses, providing medical and dental treatment, and providing vacation facilities for school children.

During 1971 and 1972 army engineer battalions were engaged in road construction, linking the capital with important areas in the eastern Oriente (see Glossary). In some cases foreign oil companies have assisted by contracting the engineer battalions or by providing the necessary funds. The engineer battalions have completed road projects that would have been difficult to accomplish with civilian labor because of the remoteness of the areas and the difficult working conditions. During March 1972 army units assisted in restoring roads made impassable by floods in the southern province of Loja. Army units have also collaborated with the civilian population by executing reforestation programs in various zones, and an army unit in El Oro Province in 1972 was operating a 100-acre banana plantation.

Air Force medical units have been flown from Quito to Lake Agrio and other areas in the Oriente to provide the local inhabitants with medical and dental treatment. These teams were composed of air force personnel, including a doctor, a dentist, and four medical corpsmen.

In 1972 artillery and cavalry units stationed in the Quito area hosted groups of schoolchildren from Guayaquil and the coastal areas in vacation periods of up to thirty days. Swimming, track, and field competitions were included in the curricula—the objective being to acquaint the youngsters from the coast with the Sierra and to create a closer bond between the armed forces and the people. Transportation was provided by the air force.

In 1972 the army was conducting a literacy training course in its School of Perfection. Officers and specially selected enlisted men were given literacy courses that would enable them to teach reading and writing to conscripts and civilians living in the areas to which they were assigned. This was a joint project sponsored by the ministries of public education and national defense.
Another civic action program, inaugurated during the 1960s, was Agrarian Military Conscription (Conspiración Agraría Militar). This was a land settlement and colonization project in which conscripts were given instruction in agriculture and in livestock raising as well as in military training. The system established cooperative colonies in zones previously selected by the Ministry of National Defense and was designed to increase agricultural production, colonize border areas, increase employment, decrease the exodus to the cities, and give military training to the inhabitants of the rural areas without removing them from their places of origin. At the end of a year, the period required by the compulsory military service law, the conscripts received a document certifying the fulfillment of their military service obligation.

FOREIGN INFLUENCE

The first foreign officers arriving in the country to assist in the training of the Ecuadorian army came from France in the 1890s. In 1903, however, Chile, having defeated Peru and Bolivia in the War of the Pacific and whose own army was trained on Prussian lines, furnished a military mission. In the same year Ecuadorian cadets entered the Chilean military academy.

In 1922 an Italian military mission organized a system of training schools for the army in the fields of aviation, cavalry, infantry, and engineering and helped operate them until the early 1930s. All these schools have since been expanded, however; very little Italian influence has remained.

Immediately after Pearl Harbor, Ecuador declared war on Japan. The United States was granted base rights in the Galápagos Islands, primarily for the defense of the Panama Canal against possible Japanese attack, and United States influence on Ecuadorian military policy became significant. An airbase constructed on one of the Galápagos Islands was manned until the end of the war when it was turned over to Ecuador. United States military personnel were assigned to Ecuador, and military equipment began to be received as a result of agreements signed in 1940 and 1944. In 1952 a military assistance agreement concluded between the two governments resulted in the establishment of a United States Military Group incorporating the already existing army, navy, and air force missions and led to the acquisition of significant amounts of United States military matériel. The Military Group remained until February 1971, when the Ecuadorian government requested that it be withdrawn.
Ecuadorian military personnel have for many years attended military training institutions in the Panama Canal Zone and in the United States. The president of the republic in 1972, General Guillermo Rodríguez Lara, was an honor graduate of the United States Army School of the Americas in the Panama Canal Zone, where he had remained for a time as an instructor at the school. He had also graduated from the Command and General Staff College at Fort Leavenworth, Kansas. Ecuadorians have graduated from the United States Military Academy since 1939, and from the United States Naval Academy since 1947. In July 1972 one Ecuadorian entered the military academy, and two entered the naval academy.

In 1972 a Brazilian Air Force colonel was an adviser in the newly established Air War College, and an Israeli military mission was assisting in the Agrarian Military Conscription Program (see Civic Action, this ch.).

ORGANIZATION

Top Control

According to Article 116 of the Constitution of 1945 the president of the republic is the commander in chief of the armed forces and is responsible for public order and the external security of the nation. In 1972 the chain of command went directly from the president to the minister of national defense, and then through the Joint Command to the commanders of the army, navy, and air force (see fig. 6). The president was assisted by the eleven-man National Security Council (see ch. 9).

The minister of defense was one of the most important members of the cabinet, and in 1972 the position was held by a senior retired army general. The Joint Command was a planning staff in peacetime that was prepared to become operational in wartime. The principal members were the commanders of the three branches of the armed forces. Except in cases of emergency or when joint action was necessary, actual command of the army, navy, and air force was exercised by the three commanders. The National Civil Police (Polícia Civil Nacional—PCN) in peacetime was supervised by the Ministry of Government, and in time of national emergency it would automatically come under the commander of the army.

The country was divided geographically into five military zones and had army headquarters in Quito, Guayaquil, Cuenca, Machala, and Loja. There were three naval districts. The headquarters of the first and second districts were in Guayaquil and Quito, and the third district was established in order to patrol the
principal rivers in the Oriente. The two air force districts had headquarters in Quito and Guayaquil.

**Army**

In 1972 the army numbered about 16,500 officers and men. The major units were six divisions—five infantry and one cavalry—each of about 2,500 men. There were also light and heavy artillery battalions, a motorized infantry battalion, a paratroop battalion, and engineer and signal units. The armored units possessed about thirty tanks, including five French AMX tanks. The army had a small aviation facility, trained pilots in the operation of light aircraft and helicopters, and maintained a jungle training unit in the Oriente known as the Sixth Military Zone.

**Navy**

The navy had about 2,800 officers and men. The principal units of the squadron included one patrol frigate, three escort destroy-
ers, two escort patrol vessels, two motor gunboats, six motor patrol boats, two medium landing ships, and several auxiliaries. In March 1972 the British government donated a scientific investigation ship to the Ecuadorian navy. The navy also had five aircraft usually utilized for passenger and logistic transportation from Guayaquil to its coastal installations, such as Puerto Bolívar, Salinas, San Lorenzo, Manta, and Esmeraldas. The principal Pacific bases were Guayaquil, Salinas, San Lorenzo, and San Cristóbal in the Galápagos Islands.

**Air Force**

The air force was established in 1920 under army auspices and became a separate branch in 1944. In 1972 it numbered about 1,600 officers and men and was equipped with sixty aircraft. These included jet bombers, fighter bombers, interceptor aircraft, and transport and training aircraft. There were also some Bell helicopters.

**Logistics**

Uniforms, personal equipment, and arms and ammunition were manufactured locally, but major items of equipment, such as tanks, artillery, vehicles, aircraft and naval combatant vessels, were acquired from foreign sources. During the 1960-70 decade much of this equipment came from the United States.

**Training**

The country's senior military training facility was the Institute for High National Studies, created by a decree issued February 27, 1972. The institute was to begin operations during the summer of 1972. Its objectives were the investigation and thorough analysis of national problems and the development of knowledge related to the operations of planning, directing, and executing national policies on the upper levels of government, with a view to finding the most satisfactory solutions. The institute was placed under the supervision of the National Security Council, and its first director was a rear admiral.

The institute was managed by an executive board and a teacher and student assembly. Civilian students were to be selected from among native-born Ecuadorians who had exhibited a record of outstanding participation in various national activities. Military students were to be selected from among the senior officers of the armed forces. The faculty was to consist of distinguished individuals in political, economic, scientific, and military fields, and the advisers and lecturers were to be individuals of recognized cultural and scientific ability, either Ecuadorian or alien.
Each of the three branches of the armed forces maintained its own academy for commissioning officers. The military and air force academies were at Quito, and the naval academy and the air force flying school were at Salinas on the coast. The military academy averaged about 300 cadets, and the course was for five years. The first two years represented the last two years of high school, and the last three were on the university level. The naval academy averaged about 120 midshipmen, and the course was four years. The air force academy course was three years, after which selected graduates matriculated to the flying school. The average enrollment was 100 cadets. Applicants for the academies had to be native-born Ecuadorians, single, between eighteen and twenty years of age, and must have successfully passed mental and physical examinations.

The senior army school was the War College, situated about twenty miles from Quito. This provided a two-year course that specialized in general staff training, and the students were usually field grade officers. Army schools for basic training in the various branches included infantry, cavalry, artillery, armor, engineer, paratroop, and signal schools. The School of Perfection in Quito provided six months of advanced courses for officers belonging to the infantry, cavalry, artillery, armor, and signal branches. The same school conducted courses for enlisted men who had completed conscription and who had volunteered for continued service. The army also conducted a special forces school for jungle training in the Oriente. The increasing interest on the part of the army in aviation was evident from advertisements in Quito newspapers in March 1972 that were meant to recruit individuals for courses in turboprop aircraft and piston aircraft maintenance.

Army conscripts receive their training in the units to which they are assigned, and the short one-year period of conscription left little time for anything other than basic training. Occasionally, however, joint maneuvers with other branches of the army were practicable. In May 1972 the Seventh Division held tactical exercises in the San Antonio maneuver area that included the use of paratroops, cavalry, tanks, infantry, and artillery. Reservists were called to fill the ranks of some of the combatant units, and it was reported that the whole maneuver was well executed.

Since 1962 the Army has been conducting another civic-military institution called the Center for Military Industrial Apprenticeship (Centro Militar de Aprendizaje Industrial—CEMAI). In 1972 the center was located in Latacunga in Cotopaxi Province. CEMAI provided fourteen-month-long courses for volunteer conscripts who had completed their military service.
Subjects included diesel automotive mechanics, industrial mechanics, and applied electricity.

The Naval War College was located at Guayaquil. It conducted a two-year course and was designed to prepare its students for general staff duty and for advanced rank. Usually the number of graduates was about ten, most of whom were commanders. In 1971 six line officers and four officers of the naval service corps graduated. For the first time in the history of the Naval War College these graduates were invited on an orientation tour to Colombia, Venezuela, Brazil, Argentina, and Chile. In 1972 six graduates visited Mexico.

Naval enlisted men were trained at the Center of Naval Instruction at Salinas. In addition to basic training, the instruction included marine engine maintenance, gunnery, and communications. Subsequent training took place on the vessels to which the volunteers or conscripts were assigned.

The senior air force school was the Air War College in Quito. This provided a general staff course for field grade officers. The air force also conducted a specialist course for aeronauticians. This school has been operating in Quito since 1953, and in 1971 it was moved to Guayaquil to take advantage of improved and expanded facilities. In June 1972, 120 students from different parts of the country qualified for this course. They would receive military instruction for the first six months, followed by a one-year course in technical aviation subjects. These included maintenance of jet and reciprocating aircraft engines, airframes, propellers, hydraulics, electronics, logistics, radar, aerial photography, and lubricants.

In order to establish modern mobilization techniques, the Ministry of National Defense in January 1972 directed all ex-conscripts born between the years of 1946 and 1950 inclusive to appear at the ministry or its provincial offices so as to update their reserve unit assignment records and to furnish current addresses. This included individuals currently on active duty with the armed forces, the national police, and those connected with any other military activity. Discharge certificates were to be considered invalid unless they were stamped to show that the ministry's directive had been complied with.

In April 1972, the Ministry of National Defense notified all reservists born between 1946 and 1950 to report on May 7 to their original units. They were to receive military instruction for a period of twenty days and would be considered deserters if they failed to report. Laborers and those with large families were excused, and employers were asked to keep and later return the
pay of any men who had to leave their employ in order to comply with the directive.

**Military Justice**

Military justice follows the procedures prescribed in the military penal code. For offenses that are not serious, trial is held in the military unit concerned, having the unit commander and two officers of captain rank as members. The prosecutor is usually a member of the judge advocate corps. The accused has the right to speak in his own defense and to be defended by a qualified individual. Trials for more serious offenses are held in the headquarters of the military zone or the navy or air force district. These courts are called military discipline councils.

Courts-martial are held for serious crimes. In these cases all members of the court are senior in rank to the accused. In all military trials the accused is considered innocent until proven guilty. In cases of serious civil disorder military law may be called into effect, and in these cases any civilians arrested may be tried by military courts.

The procedures and penalties for military trials were similar to those of civil courts. The maximum penalty was sixteen years in the penitentiary for serious crimes such as murder. An important exception to this rule of limitation was made in the case of the military offense of treason, which could be punished by life imprisonment. An individual guilty of insubordination could receive from three months to two years in military confinement. In cases of absence without leave the reason for the act was given careful consideration. Sentences ranged from eight days to two years in military confinement.

**Manpower Procurement**

In 1972 most of the officers were graduates of the three service academies. Noncommissioned officers were specially selected individuals (both volunteers and conscripts) who had completed their one-year term of obligatory service and who wished to remain in the armed forces. According to Article 115 of the Constitution of 1945 military service is obligatory, and all physically fit Ecuadorians are required to take up arms in defense of the nation. This or a similar article has been in past constitutions and in 1972 was looked upon as a public duty by the population in general.

Laws provided for one year of compulsory training for all men reaching their twentieth birthday. Notices of dates of induction appear periodically in local newspapers, informing the members of a particular class when and where they were to report for
examinations, usually an armed forces unit stationed nearest their homes. An additional law specified that in case of a national emergency all men between fifteen and sixty-four who had not been inducted into the armed forces must present themselves for duty in support of internal civil operations.

Selective-service boards were established in each provincial capital. All men of the age of twenty, except those living outside the country, had to report at a specific time and place to take a physical examination given by military medical personnel. Each selective-service board was given an annual quota by the commander of the military zone in which the province was located. Lists giving names of those selected for induction were posted in public places in mid-January of each year.

The Law of National Security granted exemptions from conscription for a number of reasons. Exemptions included only sons, persons enrolled in higher educational institutions, and those who were the major economic support of their families. The annual manpower requirement was always well below the total number of physically fit and otherwise available men called for in that class year. In 1972 the total strength of the armed forces was three-tenths of 1 percent of the total population. The conscript generally benefited by his relatively short period of military duty. Literacy courses were available, and in specialized units such as the signal and engineer components, as well as in naval and air force units, skills could be learned that would assist the conscript in finding a position in civilian life.

**Uniforms and Insignia**

All three branches of the armed forces have service, dress, and full-dress uniforms. In addition, the army has a field uniform similar to that of the United States. The army service uniform is grey with a lapel-type blouse. For dress and full-dress uniforms the blouse is dark purple, high collared, and worn with black trousers. Army branch insignia are similar to those of the United States. The navy has black and beige lapel-type uniforms and a white uniform with high-collared blouse for summer wear. Air force service uniforms are light blue.

Army and air force rank insignia for officers are indicated by a series of stars worn on shoulder boards—one, two, or three silver stars for second lieutenant, first lieutenant, and captain, respectively; and one, two, or three gold stars for major, lieutenant colonel, and colonel. Brigadier and major generals wear one or two gold stars on a shoulder board with a gold braided border and the national crest. In addition to shoulder boards, the navy's black uniform has horizontal gold stripes indicating rank.
on the lower sleeve of the blouse. These are similar to those of the United States Navy.

CONDITIONS OF SERVICE

Commissioned personnel consider themselves to be members of a prestigious organization that is the protector of the constitution, of democratic institutions, and of the rights of the people. There were many benefits to be derived from a career in the military. The medical services of the armed forces are considered among the best in the country. Wives of enlisted personnel are urged to seek prenatal and postnatal care, and a general program involves instruction in responsible parenthood among conscripts in training camps. Medical and dental care, hospitalization, and outpatient treatment are provided to active duty personnel and their dependents and, where it is possible, to retired career officers and noncommissioned officers.

The pay scale was the same for all branches of the armed forces, except for the additional amount received by those on hazardous duty. In 1969 the monthly pay scale ran from the equivalent of US$320 for a general officer to US$60 for a private. The pay scale was raised in 1971. The income for career personnel consisted of base pay and allowances for quarters, rations, dependents, and longevity. Personnel serving in the Costa received a larger allowance than those serving in the Sierra. Monthly deductions were taken from the pay of career personnel for retirement, hospitalization, and funeral expenses.

Upon retirement, officers having a minimum of ten years' service and enlisted men having a minimum of fifteen years' service received a lump sum as severance pay. All personnel having a minimum of fifteen years of service received monthly retirement pay. Retirement pay was 3.33 percent of the individual's base pay at the time of retirement, multiplied by the number of years of active service. This amounted to 50 percent for fifteen years, 83 percent for twenty-five years, and 100 percent for thirty years. Time spent at the service academies counted for retirement. Military retired pay was better than that of other public employees, but without it the military personnel would be more inclined to leave the service since it was difficult to save money on their active-duty pay.

AWARDS AND DECORATIONS

The highest military decoration was the War Cross, established in 1950 and awarded to military personnel who participated actively in the 1941 campaign to resist the Peruvian invasion.
The recipient did not receive a monetary stipend, but the families of those who died in action did. The second-highest award was the Abdon Calderón star, named after a national hero who was killed during the Battle of Pichincha on May 24, 1822. It is awarded to military personnel, national and foreign, for outstanding meritorious service to the republic. It has three classes—first class, gold; second class, silver; and third class, bronze. The decoration is worn on the dress uniform, and the yellow, blue, and red ribbon (the national colors) on the service uniform.

The National Order of Merit is awarded to military and civilian personnel, national and foreign, for outstanding service to the republic. It has four classes: Grand Cross, Grand Officer, Commander, and Officer. The Armed Forces Medal is awarded to officers for length of honorable service. Thirty years, gold; twenty-five years, silver; and fifteen years, bronze. In addition the awards carry a stipend of three-, two-, and one-month's pay, respectively. Officers received medals for scholastic achievement, and a special Republican Services medal was awarded to military and civilian personnel who participated in the initial movement that overthrew the tyrannical government in 1944.

The Honor and Discipline Medal, Cabo Luis Minacho, is awarded to junior officers and enlisted personnel for professional accomplishment and for meritorious service. Each of the three branches has its distinctive award. Enlisted men receive awards after completing ten, fifteen, and twenty years of honorable service.
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GLOSSARY

Aucus—Indian tribe of the Oriente.

audiencia—Administrative and judicial body and by extension a territorial division of the Spanish colonial system.

bachillerato—Literally, a baccalaureate; the secondary school diploma required for acceptance at an institution of higher education.

cabildo—Spanish and colonial municipal council of government, often elected by local citizens. In present day a community assembly.

calzones—Shin-length trousers worn by highland Indians.

Cañaris—Historic highland Indian group, now extinct or acculturated.

canton—A territorial subdivision roughly equivalent to a county. See jefe politico.

Caritas—The distributing agency for Catholic relief services.

caudillo—Forceful leader or strong man. He rules or controls principally by force of personality without necessarily having recourse to rules, laws, or other institutional means of control; he often demands total personal loyalty, above legal or moral considerations, from those he leads.

Cayapas—Indigenous group of the Costa.

Chibchan—Indian linguistic family.

cholo—A Spanish-speaking person of Indian or mixed Indian-Spanish racial and cultural background. It is a familiar form of the word mestizo.

Coayqueres—A Colombian Indian group, some of whom have migrated to the Ecuadorian Costa.

Colorados—Indigenous group of the Costa.

compadrazgo—Literally, coparenthood; applied to the ceremonial kinship relationships between parents and godparents.

Costa—The coast. One of the three mainland regions of Ecuador, it is usually considered to comprise the five provinces located principally in the coastal lowlands.

criollo—Native-born person of Spanish descent. In colonial times applied to Ecuadorian-born persons of Spanish descent. In present day used to describe the Hispanic-derived component of the national culture.
dignidad—Inner dignity. The characteristic of individuality found in every person; inalienable and worthy of universal respect.

empleado—Literally, an employee. An employed person, usually white-collar worker, who receives a monthly salary. He is distinguished from the obrero (worker), who performs manual employment for a daily wage.

encomienda—Fiduciary grant of tribute collection rights over groups of Indians, conferred by Spanish crown on individual colonists, who, in return, undertook to maintain order and propagate Christianity among their charges.

facultad—A college within a university offering degree programs for a single discipline or for several related disciplines.

fidelista—A follower of Fidel Castro; also adjective form of fidelismo.

fiesta—Festivity. It may be a religious celebration held on holy days or honoring the community patron saint; or it may be held to celebrate important civic or family events, such as independence, baptism, or marriage.

Galápagos Islands—This archipelago, located more than 600 miles west of the Ecuadorian mainland, is counted as one of the four regions of the country.

gente decente—Gentlefolk.

huasipungueros—Tenant farmers on haciendas; workers who trade their services for the use of a plot of land.


IERAC—Instituto Ecuatoriano de Reforma Agraria y Colonización (Ecuadorian Institute of Agrarian Reform and Colonization); an official agency charged with the responsibility for land reform and resettlement.

IESS—Instituto Ecuatoriano de Seguro Social (Social Security Institute of Ecuador). Founded in 1970, this organization succeeded earlier social security entities.

indigenismo—A philosophy, reflected in social and political thought and in artistic and literary technique, calling for the integration of Indian traditions to a new national cultural synthesis.

indigenista—Exponent of indigenismo.

jefe político—Political chief; a political appointee who is the principal authority of a canton. The teniente político (political
lieutenant) is his representative at the parish level, and the 
gobernador (governor) is his immediate superior at the provin-
cial level.

Jívaros—Indian tribe of the Oriente.

licenciado—The degree most commonly awarded for completion 
of undergraduate university studies. It is not, as in most Latin 
American countries, a title awarded to law students.

machismo—Literally, maleness. It is applied to a complex of 
values regarding masculinity and the ideal male personality; 
from macho, the man who seems to be the epitome of such 
qualities.

mestizaje—The process of forming a mestizo population; fusion 
of Indian and white population elements.

mestizo—Most broadly, a person of mixed Spanish-Indian ances-
try. More restrictively, it is applied to persons, irrespective of 
racial background, who share in the national culture and speak 
Spanish, but whose way of life is notably influenced by Indian 
traditions.

minga—A form of cooperative labor.

montuvio—Acculturated Indian of the Costa, and mestizo of the 
same region.

mulatto—A person of mixed white and Negro blood.

obrero—Literally, a worker; usually of the blue-collar level, he 
receives a daily wage for manual work. He is distinguished 
from the empleado, who draws a monthly salary for white-
collar or office work.

Oriente—Eastern Ecuador. One of the three mainland regions of 
the country, it is usually considered to be made up of the four 
provinces located principally in the Amazon Basin to the east 
of the Andean highlands.

Otavalo—A prominent Indian tribe and town in Imbabura Prov-
ince, whose residents are noted for their fine weaving.

PAHO—Pan American Health Organization, a regional organiza-
tion of the World Health Organization.

Paltas—Historic highland Indian group, now extinct or accultur-
ated.

Panzaleos—Historic highland Indian group, now extinct or accul-
turated.

parentesco—Kinship.

patrón—Protector, benefactor, or sponsor; traditionally, an em-
ployer or social superior who forms long-term paternalistic ties 
with someone of lower status, rewarding deference and loyalty 
with protection and an active personal interest.

personalismo—A complex of values stressing personal status and 
interpersonal trust rather than ideology and institutions.
provincial cities or towns—Urban localities other than Quito and Guayaquil.

pueblo—Common people.

Quechua—Language spoken by the Incas and, in modern times, by the largest segment of the Indian population; sometimes used as an ethnic label for Quechua-speaking Indians.

Quitos—Historic highland Indian tribes, now extinct or acculturated.

reducciones—Planned towns in which Spanish colonial authorities resettled the Indian population to facilitate missionization and political control.

Río Protocol—The Protocol of Peace, Friendship, and Boundaries between Ecuador and Peru, signed on January 29, 1942, which terminated the border war between those countries and defined their mutual borders. The protocol was unilaterally abrogated by Ecuador in 1960.

Salasalas—Distinctive Sierra Indian group.

Santo Domingo de los Colorados—Town in the Costa; center for Colorado tribal group.

Saraguros—Distinctive Sierra Indian tribe.

Sierra—The Andean highlands. One of the three mainland regions of Ecuador, it is usually considered to be made up of the eleven provinces located principally in this highland area.

sucre—The name of the monetary unit. Symbol is S/ and is divided into 100 centavos. The official exchange rate as of mid-1972 was 25 sucres equal US$1.

teniente político—The political lieutenant; a white official having authority in Indian communities.

Velasquismo—Personalist movement centering on José María Velasco Ibarra. The followers of the movement are called Velasquistas.

Yumbos—Indian group in the Oriente.

Zaparos—Indian tribe of the Oriente.
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