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Chapter 5: *Neoliberal Boom, 1987 to 2000: The Rise of Ecodependence*

In 1992, the United Nations Conference on Environment and Development was held in attempts to reconcile the competing demands of environmental protection and economic growth. The theme of the conference was sustainable development and it was the largest ever gathering of world leaders. Many considered the Earth Summit a pivotal event in the history of the Ecuadorian movement.

In 1993, the president created the President's Environmental Advisory Commission, CAAM by executive decree just one year after the Earth Summit to advise him on how the country should proceed environmentally. This included a plan for sustainable petroleum development. Then in 1996, two new national parks were added to the protected area system: El Cajas and Llanganates National Parks. Two years later, in 1998, the Special Law of Galápagos was passed. It was designed to improve the conservation of the Galápagos Islands. At this moment, foreign influence was seen as moving the state to action and viewed as potentially very positive for the environment. However, at this time also, interviewees commented that Ecuador's environmental management structure looks good on paper but not in practice.

During this period CORDAVI filed suit in New York on behalf of five indigenous groups against Texaco. The plaintiffs sought 1.5 billion in damages to clean up the contaminations Texaco left behind after its oil exploration and drilling in the Amazon. In 1995, DECOIN was founded, north of Quito in the cloud forest, in direct response to a proposal by a transnational Japanese corporation to mine for copper in its community. Drilling there would literally dry up the cloud forest in the area, thus destroying the habitat of numerous species. CORDAVI and DECOIN were both considered ecoresisters and during this period they were also considered outliers because they were not fighting "green" issues. Ecoresisters were less visible in the historical record because: they did not always register as a non-profit with the government, they were not connected to ecoimperialist funding and included in annual reports, and they did not necessarily define their work as "environmental." In 1999, part of the Cofán Survival Fund's mission was "to recover, to order, and to conserve for the future generation and the ancestral territories of the Cofán." The indigenous were at the epicenter of the negative environmental and social impacts of petroleum extraction.

Two political processes promoted the overarching neoliberal agenda in Ecuador during this period: the process of governing was intentionally becoming "decentralized" and the promotion of government-NGOs partnerships. The United States sponsored a project in Ecuador titled "Decentralizations and Democratic Local Governance Project." Among other things, its goals included teaching citizens how to hold local officials accountable. Problems of a centralized national government were underscored in Ecuador in 1997 when President Abdalá Buraram resigned under a cloud of corruption and inefficiency. In 1997, the Congress passed the Special Law of Decentralization of the Sate and Social Participation. Thus, at national and local levels, there was support for some forms of decentralization. Presidents Rodrigo Borja (1988-1992) and Durán Ballén (1992-1996) continued and expanded the economic neoliberal polices begun in the earlier period.

In 1994, Ecuador renegotiated its loans again with the IMF, considered the strong arm for the US interests, which pushed for its neoliberal polices. Critics noted that Ecuador withdrew from OPEC as a means for the Durán Ballén administration to please the United States. Latin American scholars argue that the institutionalization of issues and organizations is "depoliticizing," "deradicalizing," and leads to "de-movementization" of social issues. Transnational funders channel social movement organizations in the Global South in similar ways that dominate/core/Global North counties channel subordinate/peripheral/Global South nations

How the movement addressed development was another distinctive part of this era. Sustainable development is not the same as developing sustainably. Sustainable development is a quantitative concept measured by the economic growth and part of the neoliberal discourse. By contrast, developing sustainably is a qualitative concept, part of environmental science, and is defined by social democratic organizations based in the regeneration of natural resources. Many believed that sustainable development was simply a new label to justify old practices rather than an alternative to neoliberal development. The science of naming biodiversity hotspots takes into account economic threats; yet the funding for protection did not focus on the environmental destruction caused by the economic development projects, especially on those focused-on extraction. During the late stages of the boom, the political-economic situation was unstable.

The Neoliberal Boom came to an end because of crisis, indigenous uprisings and alternative visions. In 1995, Ecuador and Peru engaged in a military dispute (again) over Amazonian territory, which caused a spike in government spending. In 1997 and 1998, a Consistuent Assembly was formed by Ecuadorians. This Assembly operated alongside a contested, politically elected assembly and their objective was to review the country's constitution amid the political turmoil. In 1998, President Jamil Muhuad was democratically elected but the crisis continued. To stop the economic slide the Muhuad administration decided to dollarize. This meant exchanging the national currency, the *sucre*, for US dollars. Two weeks later, however, CONAIE and the military forced the president to resign.

The Neoliberal Boom era (1987-2000) can be summarized by a state that was weak, indebted, and following neoliberal model. There were many new NGOs (ecodependent) founded that were focused on a conservation agenda and there were ecoresistent organizations forming under the radar that are building grassroots support for social-ecological issues. There were multiple transnational funders and large amount of funding primarily for NGOs. There was also a new environmental ministry and Law of the Galapagos, expansion of national parks, and a continued resource dependence. Schaiberg's synthesis would say this era had a slight shift toward managed scarcity.

Reflection

Ecoimperialists changed the approach to environmental issues in Ecuador by first growing the transnational funding. Transnational funding for the protection of biodiversity and sustainable development essentially drove the era. USAID was instrumental in organizing the national *congresos* and in the establishment of CAAM. In the 1990s, USAID sponsored one of its largest ever environmental projects in Ecuador, the Sustainable Uses of Biological Resources project (SUBIR). It provided $9 million "to identify, test, and develop economically, ecologically, and socially sustainable resource management models in three Ecuadorian parks

and their buffer zones." SUBIR Focused on six areas of effort: policy analysis, organizational development, natural area management, ecotourism, improved land use, and minority participation. It was considered by many to be a failure and interviewees believed the communities were worse off and the infrastructure that was created made deforestation more likely.

International organizations bred new national environmental groups and the ecodependents began to boom. By 1993, following the influx of funds, there were over one hundred environmental organizations. The new groups' agendas were narrower and focused by location, the types, of problems they addressed, and their methods. Subset of larger groups split off to form more focused groups. One of the big impacts of USAID was to "add humans and stir" unto the existing concern with "nature" and this was described as "environmentalism with a face." The US funds the NGOs through USAID and thus takes control of the environmental agenda and operations in Ecuador.

Ecoimperialists also changed the approach to environmental issues in Ecuador by professionalizing it. Groups became more professional to meet the demands of their donors. They needed to become accountable: file paperwork, prepare reports, and do financial audits. INGOs severed ties with national NGOs whose management, they believed, was not up to standards. Thus, having professional skills, including auditing capacities, was key to national organizations' success. Ecodependent organizations found the requirements of partnering with transnational funders to be overly bureaucratic and an exercise in paper pushing. Because the process is so difficult, USAID provided training to organizations, including indigenous people, how to manage a board, do accounting, use office equipment, apply for funds. There were other costs to receiving transnational funding – there were financial costs, such as notary fees and BINGO (shorthand for big NGOs) serving as intermediaries. The funding process changed the type of organizations that could thrive in this period.

The goals and actions of Ecuador's environmental organizations shifted from a strategy of creating protected areas, such as national parks, largely devoid of people, toward integrating people in and around protected areas into the economy of national parks, through practices such as ecotourism development and sustainable agriculture and forestry strategies. This shift in actions on the ground occurred because transnational funders incorporated a sustainable development agenda and funded it. The problem with mixing conservation and development is that sustainable development implies growth. International funders also had funding limitations and could not meet all requests. Following the Northern agenda is a concern to Ecuadorians because it means the movement "follows the wave of the world environmentalists without an emergency plan to solve local problems." Transnational funding for the urban environment did not exist in Ecuador, despite the nation's mostly urban population.

There are a number of explanations for why there are numerous urban environmental issues, but not as many NGOs working on them as there are on rural, conservation issues. First is state decentralization, there is some work being done on urban environments at the municipal level. However, a more compelling reason is that there is no consistent funding from international donors for urban environmental issues and thus no groups working on these unfunded issues. Another area that some Ecuadorian environmentalists believe has been left out

of the funding stream is the coast, specifically the mangroves. This is partially due to a lack of knowledge about the ocean ecosystems.

Ecodependent organizations responded to the changing approach to environmental issues and changing agenda by filling the void left by the state's relative absence. Two processed enabled NGOs to fill the gap that the state could not manage. The first was that international funding helped promote the growth of NGOs. The second was that the government also changed the law, making it easier to be officially recognized as a nonprofit group.

One major consequences of transnational funding for environmentalism was that it had an "image" problem. The most important and most influential Ecuadorian organizations were those partnered with transnational actors like USAID. What this meant for environmentalism was that organizations became self-centered, competed for funds, and any "solidarity" or "movement" was weakened. Funds for Ecuador's debt-for-nature swaps were channeled through a single organization – Fundación Natura – and this created friction among competing NGOs. In addition, environmentalists believed that Fundación Natura was too big, too bureaucratic, monopolistic, and unable to manage large sums of money. The bifurcation of groups that was evident in the Origins era prevailed during the boom. The division partly mirrored the mainstream/ecodependents versus radical/ecoresisters dichotomy. Most troubling was that the groups that were most alike ideologically and could potentially work together – the ecodependents – were being divided by the funding structure. The irony of the ecoimperialist-ecodependent relationship is that international involvement intended to strengthen these groups and their work weakened the mainstream movement.

Numerous NGO leaders questioned whether an environmental movement even existed. The public perceived environmental NGOs negatively. Ecuadorians began viewing environmentalists as people who "just want to make money," thus leading to distrust. Though Ecuadorians cared about their environment, they did not respect the ecodependent organizations that had formed privately to protect it. There was no consensus among organizations with regard to the "big picture." Instead of uniting against the system, Ecuadorians critiqued NGOs and environmentalism and skepticism of foreign environmentalists grew.

I recently learned that the United States is not as charitable as it may seem. I did some digging and found an article published in April of 2017 breaking down the statistics for how much foreign aid the US actually spends. Of the entire yearly US Budget, about 4.15 trillion dollars, only less than one percent of that goes to foreign aid annually, about 43 billion dollars (Tremblay-Boire, 2017). And the top five countries receiving the most of that small percentage in 2015 were Afghanistan ($886 million), Kenya ($763 million), Ethiopia ($650 million), Nigeria ($646 million), Tanzania ($633 million) (Tremblay-Boire, 2017). "The United States spends very little on foreign aid relative to the size of its economy, particularly compared with other rich countries. The U.S. spent about 0.17 percent of its GNI [gross national income] on ODA [official development assistance] in 2015. By comparison, Sweden, the top contributor by this metric, gave 1.4 percent of its GNI in overseas development aid that year" (Tremblay-Boire, 2017). And just to wrap things up on a wonderful note (sarcasm): President Trump's 2018 budget proposal would slash funding for foreign aid even more, for example, the State Department and U.S. Agency for International Development (USAID) would be cut to $25.6 billion, which would be down 28 percent from the current level" (Tremblay-Boire, 2017).

Bibliography:

Tremblay-Boire, J. (2017, April 06). US foreign aid, explained. Retrieved September 19, 2017, from https://theconversation.com/us-foreign-aid-explained-74810