

## Map of Ecuador

How many have been to Ecuador?

How many have been outside the U. S.

How many have been to South America?

Classic microcosm of globalization and the power of the GCE

Ecuador split into 3 regions

Coast, Sierra & Oriente

Created the great Cultural diversity

More indigenous groups in fewer miles

## Waurani Man

Amazon side never conquered by the Spanish

Inhabited by the [Waurani \(Auca\)](#) & [Schuar](#) (Jivaro)

Peter Mathiessen's *At Play in the Field of the Lords*

People had gotten over the mountains

But never penetrated the jungle

## Evangelicos

Although oil was discovered out there in the 1920s & 30s

It was not until WWII missionaries from Wycliff Bible Translators

& Summer institute of Linguistics penetrated the jungle

[Rachel Saint](#) oversaw

Dropping trinkets to the Indians until they could safely enter

[Oil Company Logos](#) Once the indigenous population was pacified

Oil companies came in and started pumping oil out in 1972

## Toxic Pollution

Huge oil spills

When Texaco left in 1993

Left behind 1,000 open toxic waste

dumped more than 18 billion gallons

of toxic and highly saline "formation waters

a practice outlawed in major US oil producing states

Cause for a huge lawsuit

Cancer & rashes

## Pipeline

Pipeline 1972

Everywhere the pipeline and oil industry goes

The colonists go

## Pipeline map

One pipeline not enough for all the oil they wanted to take out of the Amazon

Two routes

Originally through Santo Domingo

In 2002 right down the NW Pichncha Road

OCP (Alberta, Occidental, Kerr McGee, AGIP, Rexol, Techint)

## Mindo slide

Off the beaten path

Bypassed by the colonist herd

Mindo- Nambillo Preserve (54,000 acres)

This pristine reserve encompasses a highly bio-diverse cloud forest

450 species of birds,

Birdlife International has declared the most important bird sanctuary in Latin America..

## Pipeline construction in Mindo

Pipeline goes right through Preserve,

Sign on side says that preserve is a protected area

Utter destruction of landscape

## Junin Another environmental disaster unfolding

Copper mine

Overview of the ecological disaster of corporate globalization

## PART 2 – ECONOMIC CHANGES

## Christmas Tree Slide

Do you know what this is?

Christmas tree decorated with credit cards

Symbol of the world's economic problems

& Ecuador Experience with globalization is classic

## Hacienda

### Traditional Ecuadorian Political Class

Sierra landed aristocracy from Spanish colonial times, Serf system

Coastal cash crop plantations - 1880's cacao

Power went back and forth between the Aristocracy in the Sierras & the Coast

## Oil Economy

Industrialized jungle

Pumps & distribution plants

500,000 barrels per day (bbl/d) of petroleum ,

3<sup>rd</sup> biggest in Latin America

Brought the competing political classes together  
To exploit economic potential of Ecuador's Oil  
Brought Billions of Dollars into the economy  
Ecuadorian Political class responded with delight

### Organization of Petroleum Exporting Countries

They joined OPEC  
Cartel of Oil producing countries  
Created in the 70s  
Creating gas lines in the seventies  
& higher prices  
Doing monopoly capitalism  
Brought hoards of cash into the OPEC sovereign treasuries  
Creating a financial power base in the Middle East  
Instigated the beginning of what we now call corporate globalization.  
Here is the standard history  
Western powers worried about independent money base in the middle East

[John J McCloy](#) To understand we have to look back to the end of WWII & John McCloy

He has quite a resume  
After he engineered West Germany's reintegration into the West  
Handled diplomatic problems for US around Israel & the Middle East  
As President of Chase Manhattan & the Council on Foreign Relations  
State Department dealt with Israel,  
McCloy dealt with the Arab countries

### Chase & Citibank symbols

That close Relationship led OPEC countries to Deposit \$ in Big Banks  
  
Banks had to find a way to invest the money  
They went back to the sovereign govts around the world  
Lent them money for development projects

### [Confessions of an Economic Hitman](#) /NED

Two critical Programs of this Imperial Effort  
Perkins Trained by the NSA  
To convince govt to do expensive development projects  
Borrow from big Banks

To drag these economies into the global commercial empire  
Intermediary strategy before military intervention

### NED/

Converted CIA program to create regime change around the world  
Funded with Federal Dollars  
Active in Ukraine

### Electricity/ Mall Picture

Ecuadorian political class used future oil revenues as loan collateral  
So the govt. started borrowing money for all kinds of projects,  
Roads, electrification  
But also projects  
Benefited the wealthy  
Benefited big business  
Never created the economic returns to pay off the loans  
At least benefited the govt. contractors

### Chart of Debt

Follow GNP, Debt & Interest since 1970  
Interest payments rise in the 80s  
Crisis by 1999, debt repayment is 40% of economy  
Ecuador & many other countries were having a hard time paying debts  
When countries had trouble paying off private banks  
Banks turned to the IMF & Changed historic role

IMF slide Mid 90's IMF changed its mission  
stepped in Bailing out govts with Structural Adjustment loans

### Structural adjustments

Austerity measures- Structural adjustment programs  
Prohibited Price Subsidies  
That were providing necessities to the poor  
Adjusted govt spending away from providing services  
And toward paying off the loans  
Both Medical and educational expenditures were reduced  
Between 86-99 Education reduced by 25% & Agricultural assistance cut  
by 80%  
Industries are privatized  
Electrical & Phone

Expand cash crops

beatings of workers at the hands of Bonita thugs

IMF loans bought Brady bonds that restructured sovereign debts

So the govts could pay back the big banks

At the same time the World bank concentrated on lending for projects that would enhance the cash crop economy

## Dollar slide

Crisis in 1999

Banks closed

Ecuador goes broke on the Brady bonds

Most heavily indebted of any LA country

\$14 billion

Global financial powers decreed that Ecuador would dollarise

## Dollarisation

International Financial leaders

convinced Ecuador they had to drop their national currency

& adopt the US Dollar as their national currency

Raised prices, caused liquidity crunch

Exchange rate was the worst impact

25ECS=\$1.00 1970

25,000ECS=\$1 late 1999

Middle class really suffered, losing most of their savings

elites had dollar accounts,

middle class & peasants were broke

## Trade Agreement Logos

Next thing to come down on Ecuador

Free trade agreements get rid of restrictions on capital

Foreign capital Threatens loss of local business, services and land

Argument is not against trade – civilizations have always traded

Free Trade Regime started with NATA & WTO

Words of Renato Ruggerio:

“We are writing the constitution of a single global economy

WTO stalled after 1999 & Seattle

[FTAA](#) developed as a runaround  
Protests defeated it in 2003  
Miami

### [TRIPS & GATS SLIDE](#)

Other problems with the trade agreements

Under WTO

Secret trade tribunals can nullify nation, state & local laws

Under Chapter 11 NAFTA, Corps can sue

[Investor to State Dispute Resolution](#) Overthrowing all laws that impinge  
on corporate profits

Now corporations are equal to nations

Dealing with [intellectual property rights](#)

Protecting corporate patents

Facilitating theft of indigenous knowledge

### [General Agreement on Trade & Services](#)

threatens to spread privatization into spheres of public trust like water  
and the justice system

Free trade agenda not about free trade

About controlling cheap labor and giving free range to capital

### Migration 1 slide

Devastation of Ecuadorian Economy causes one more disaster

That we are seeing all over the World - migration

Caused by massive debt and dolarisation

that wiped out middle class savings

Mural at the school in Los Bancos – read slide

2<sup>nd</sup> biggest economy is remittances from abroad

Biggest is oil revenues and they go to pay off the debt.

[Everybody leaving to go to US or Spain](#)

Horror stories of paying \$10,000

## PART 3 HOPE

### HOPE

Unbelievable political transformation of society

Made the most disenfranchised parts of society  
Into powerful political characters  
Shuar picture with cell phone  
Evo Morales – Bolivian President

### Peasants or campesinos

Historically did not participate in politics  
Oppressed & Divided  
Early 1970s this started to change  
Bishop in Riobamba ala Paulo Freire  
Shuar in the Amazon

### Conaie Poster

In mid 80s [CONAIE](#) began organizing indigenous communities  
Educating them on International economy  
How austerity measures robbed their social programs  
How free trade policies robbed their futures

### Indigenous women with signs

#### Blanca Chancosa

Minister of International Relations of CONAIE  
Otovalo Indian  
January 2000 Dollarisation became the symbol of the corruption  
CONAIE called for a general strike  
Shut down the country

### Blocking the roads

People would stay up all night discussing  
International Financial world  
and then go out and  
Blocked roads  
Then walked to Quito  
Continued these tactics  
300 leaders assassinated

### Besieging the legislature

[1/23/2000](#)  
Joined by middle class that lost savings  
70% of the pop supported the strikers

Shuar picture with cell phone  
Evo Morales

## Women with Brazilian flags

FTAA meetings in Quito people came from 4 directions  
Lula just elected  
Flags symbol of solidarity

## Another America is possible poster

People coming from all over Latin America  
Alberto Acosta – Plan by Latin Americans  
Evo Morales  
Others from Latin America

## Shuar at toxic dump

Taking on other issues  
In conjunction with colonists in the Amazon  
[Suing Texaco](#)  
18 billion gallons of toxic wastewater,  
spilled roughly 17 million gallons of crude oil  
left hazardous waste in hundreds of open pits  
The lawsuit, first filed in 1993 in New York,  
was refiled in 2003 in a Lago Agrio  
In successive rulings in 2011 and 2012, judgment against Chevron:  
\$19 billion clean up contamination &  
provide health care and potable water to area residents.  
Huge fight back & forth, witnesses bribed, lawyers discredited  
2015 Canadian Supreme Court said Ecuadorians could seize \$10 billion

## [Tree sitters & Jenny at gate](#)      Meanwhile back in Mindo

International effort to stop the OCP  
organized by Accion Ecologica  
All of NW pichincha opposed  
    Because of it imposition on bird Sanctuary  
    & threat of spills  
Went after German financing  
    Violated World Bank guidelines  
Tree sitting demonstration  
Blocked truck  
Fighting to the end  
Like all the Ecuadorians  
Corporate engagement  
    Free Prior & informed consent  
        Before corporations can go on property



## Junin & Javier Ramirez

Javier's House in 2016

[Burned down camp of Bishi metals](#)

Fought off Ascendent para-military squads

Facing down ENAME & CODELCO

## Javier Con I INTAG

Javier became national political figure

Jailed for 10 months

[Documentary about the fight in Junin](#)

## ASSOCIATION FOR THE FIGHT FOR LIFE & Talleres Del Gran Valle

:

All of the communities working together with the state of Imbabura and the county of Cotacachi, DECOIN, Intag, businesses of the great valley and other organizations. We are proving with words and actions that we are united to defend the rights of our communities to a dignified, ecological and peaceful future

## Talleres Del Gran Valle

Started in 2002 with a lufa Co-op

Created a 11 new economic coopertives that are thriving of economic cooperatives

Along with a savings bank, a women's empowerment program

The only place I saw women driving motorcycles

A pre school and many other programs