On Sunday 4 February 2018, President Lenín Moreno continued one of Ecuador’s most prominent political rituals of recent times: the consulta popular. The popular consultation is a country-wide survey administered by the National Electoral Council (CNE) and intended to gauge the views of citizens on a range of possible constitutional amendments. It requires citizens to vote ‘yes’ or ‘no’ in response to a series of questions pertaining to key governance issues – from bureaucratic corruption to indefinite presidential terms. Consultas and referenda have been performed repeatedly over the past decade by the country’s ruling leftist party, Alianza País (AP). The survey in February 2018 was the first to be overseen by the new government – a government that although formally affiliated with AP hoped to use the survey to solidify its distance from some of the more problematic policy tenets of former president Rafael Correa.

The citizen’s revolution was a thoroughgoing project of socio-economic transformation initiated by Correa in 2007. After years of neoliberal rule that had driven the country to economic collapse in 1999, the revolution aimed to radically reorient the productive matrix of Ecuadorian society, reassert national sovereignty in the face of destabilizing foreign influences, reject unequal terms of trade with the Global North and move decisively away from the kind of reliance on oil exports that had marked some of the darkest chapters of the country’s history (Sawyer 2004). A key cornerstone of the project, as Pablo Andrade (2013) has recently noted, was the substi-
tution of ‘representative liberal democracy for a participatory democracy’ – the latter being most evidenced by direct weekly television broadcasts from the former president, significant civil society involvement in the re-writing of the 2008 constitution and repeated invitations to the Ecuadorian public to vote on key governance questions as part of constitutional referenda like that which took place in February. However, as Conaghan and De la Torre (2008) have pointed out, this sort of democracy in practice looks more like a ‘plebiscitary democracy’ than a participatory one – a form of democracy in which the primary aim is to reaffirm the government’s legitimacy through recurrent popular consultations.

For the first time since AP’s 2007 ascent to power, however, the referendum of February 2018 included questions that asked about the protection of ecosystems endangered by mining and oil exploration – extractive activities that, as many scholars have noted (Bebbington 2010; Escobar 2010; Gudynas 2009; Acosta and Martínez 2011), underwent significant intensification during the administration of Correa and proved to be considerably socially destabilizing. During the decade of Correa’s rule (2007–2017), the country opened itself to large-scale metal mining for the first time, intensified agribusiness and other large-scale industrial activity, and further deepened its engagement with oil extraction in areas of the Amazon previously free of drilling. The results of the February fourth consulta, however, seemed to suggest a promising shift away from this much-critiqued extractive development model. Two questions in particular focused on a possible slowing of the country’s hitherto aggressive investment in non-renewable resources. Despite hesitations about the carefully evasive wording of these questions, communities who had long been persecuted by Correa endorsed the results of the consulta as evidence that Lenín Moreno was no longer ignoring the voices of the opponents of extractive development. Despite Correa’s broad appeal to large segments of the working and lower-middle classes as an ostensibly ‘populist-socialist’ president committed to a wholesale rejection of what he famously termed the ‘long dark night of neoliberalism’, many opponents of his development model had experienced the ten years of the ‘citizen’s revolution’ as actively hostile to the needs of rural, campesino (peasant farmers) and indigenous communities directly affected by large-scale development projects. In fact, Correa was regularly accused by both national and international human rights groups of using egalitarian discourses of wealth redistribution and poverty reduction to criminalize defenders of ecosystems, to divide communities on the frontlines of extractive projects and to otherwise repress social protest (Becker 2013; Dávalos 2013; Martínez 2013).

If Correa had become synonymous with an oversized state bureaucracy, a highly centralized political structure, an authoritarian approach to the wielding of executive power, and an aggressive intolerance of dissent,
Moreno and his more environmentally friendly consulta seemed to suggest a return to a softer and more centrist position. Even though he was downsizing the state bureaucracy in accord with classically neoliberal tenets and actively courting international capital investment in mining, aluminium and agro-industry – policy moves that by early 2018 were already beginning to earn him the title of ‘traitor’ among supporters of AP – Moreno presented a significantly calmer and more inclusive public persona. His ‘government for everyone’ seemed at least on the surface to pay considerably more lip service to broad-based public participation than had that of his predecessor – a transformation welcomed by large numbers of Ecuadorians who had regularly experienced their voices demeaned and dismissed by the previous administration.

Critically reflecting on this moment of transition from Correa’s strong-armed and heavily centralized state to Moreno’s more conciliatory, more explicitly participatory but also more classically neoliberal state, in this chapter we begin to take stock of the ambiguous legacies of Correa’s ‘citizen’s revolution’ in the context of intensifying extractivism throughout the country. More specifically, we look back at the regionally uneven ways in which Correa’s promises of a more socially and economically egalitarian future were imagined, implemented, justified and resisted in two historically, culturally and socio-economically distinct regions of Ecuador. Focusing on two of the country’s most important development projects – a refinery and petrochemical complex known as the Refinery of the Pacific in the western coastal province of Manabí and the Loma Larga gold mine in the southern highland province of Azuay (Figure 4.1), we illustrate how the Ecuadorian state under Correa’s leadership deployed powerfully egalitarian discourses about new forms of material redistribution that would finally and fruitfully respond to the ‘people’s interests’. After years of neoliberal rule, his self-consciously egalitarian efforts to stand up to the power of global financial elites – particularly in Washington – represented a sustained assault on entrenched political forces in the country that had broken the banking system in the late 1990s and left millions in dire and deepening poverty. At the same time, however, in sharp contrast to the powerfully nationalist, anti-imperialist discourse that characterized all of the government’s major planning documents (e.g. PNBV 2013–2017), his administration financed his ‘strategic development’ projects by drawing the country into closer and more debt-driven relationships with capital coming from the BRICS (Brazil, Russia, India, China and South Africa), particularly China and Brazil. The result was a state discourse that repeatedly emphasized the need to protect the country’s national interest but a practical commitment to capitalist modernization that was always significantly oriented toward the interests of foreign investors – albeit different investors than those upon whom previ-
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Figure 4.1 Map of the location of the case studies. Cartographer: Diego Andrade – Drone & Gis.
ous neoliberal administrations had relied. How were these contradictions – between material redistribution, new forms of social inclusion, deepening reliance on Chinese investment and increasingly restricted spaces for public contestation of the extractive development paradigm – experienced by those living in closest proximity to the ‘strategic projects’ that made the revolution possible?

To answer these questions, we draw on 6–9 months of ethnographic fieldwork in each location conducted in 2012–2013 and 2016 respectively. Comparing local responses to these projects, we show how communities in their direct ‘areas of influence’ understood, negotiated and challenged the vision of development propagated by the state’s central development agency, SENPLADES (the National Secretary of Planning and Development): development as compensation. Specifically, we show how these communities responded to the ‘social compensation’ that Correa made a cornerstone of his development policy, supposedly prioritizing communities in regions long neglected by the state and those suffering the direct effects of extractive activity. A central actor in both projects was Ecuador Estratégico (EE) – a public company founded by the government in 2011 and tasked with providing compensation to communities in the direct ‘areas of influence’ of strategic projects. After a toxic thirty-year history with companies like Chevron-Texaco, who had extracted oil from the country without providing any direct benefits to affected communities, EE was created with the explicit aim of avoiding some of the worst effects of the resource curse (Auty 2003). ‘Resources construct happiness’ was its animating slogan – one that appeared on banners and billboards across the country intended to showcase the infrastructural fruits of extraction. However, in the case of both the Refinery of the Pacific and the Loma Larga project, this resource-driven ‘happiness’ has yet to materialize. Instead, the story is one of growing disappointment with the ‘citizen’s revolution’ and the egalitarian dreams of AP.

Unravelling the different origins, engines and temporalities of this sense of disappointment allows us to tease out the regionally uneven ways in which Correa’s ‘twenty-first century socialism’ was experienced, embraced, challenged and, by substantial sectors of the population, ultimately rejected. Our argument is that these struggles are driven by ongoing processes of state corporatization that have significant resonances elsewhere in the hemisphere (Kapferer and Gold 2017, 2018; Zagato 2018). As the Ecuadorian state reconfigured itself in alliance with Chinese capital to address historically long-standing inequalities in the world system (particularly vis-à-vis the United States) as well as to advance a powerfully materialist vision of wealth redistribution, it simultaneously diminished and exacerbated a range of interlinked inequalities, intensifying regional, class and rural/urban cleavages. By means of EE, foreign companies from Brazil, Canada and China were
provided lucrative investment opportunities that were sold to residents in the ‘areas of influence’ as evidence of the government’s commitment to social compensation and *buen vivir* (good or harmonious living). In Manabí, these projects were widely supported until a series of corruption scandals began to expose their underlying architecture. In Azuay, on the contrary, they were rejected right from the start because they were seen as signs of the government’s duplicity and inattention to local demands for different forms of egalitarianism, including participation in decision-making and self-defined development trajectories. Thus, while we do not see in Ecuador the ‘constant level of internal warfare’ described by Zagato in his description of processes of state corporatization in Mexico (Zagato this volume), we do see sharply intensifying struggles between competing understandings of egalitarianism, with *campesino* and indigenous visions of less hierarchical socio-natural relationships still being consistently sidelined in favour of the narrow egalitarianism of material redistribution. The result has been a considerably polarized political landscape.

To lay the conceptual groundwork for our case studies, we first consider Correa’s development paradigm and its articulation at the national level as part of major planning documents from SENPLADES and EE.

**Extractive Rents and Development as Compensation**

Ecuador is one of a number of countries in Latin America currently suffering from what Eduardo Gudynas has called *neoextractivism* – (Gudynas 2009; Gudynas and Acosta 2010) a term used to refer to the wave of large-scale natural resource exploitation that has been pursued by progressive governments throughout the region since the early 2000s. The neo- in *neoextractivism* is intended to underscore differences with the extractivism of previous export-oriented administrations, both nationalist and neoliberal. Unlike these predecessors, the governments of the so-called Pink Tide have worked to ensure considerably stronger state participation in the regulation and oversight of extractive projects, with the explicit aim of securing higher taxes and royalties. These funds are then earmarked for redistribution to the poorest sectors of society via direct cash transfers or investments in health, infrastructure and education. These governments – including Bolivia and Venezuela – have consistently praised extractive projects as engines of development capable of generating significant revenues for the redistribution of wealth if overseen by a robust centralized state free of the shackles of Washington Consensus orthodoxy. The aim is not, they insist, to reject extraction as a mode of development but instead to engage in ‘responsible’ extraction guided by intelligent, state-led insertion into the global market in ways that
avoid historically entrenched relationships of subservience to the policy whims of the Global North. As the PNBV 2013–2017 puts it: ‘The neoliberals believed in free trade, while we have sought intelligent insertion in global markets. They demanded that political power be concentrated in the hands of just a few, while we have imposed the people’s interest as the supreme standard’. And again, triumphantly: ‘Now social investment is a higher priority than servicing the foreign debt’ (SENPLADES 2013).

This development strategy – explicitly driven by anti-colonial, anti-imperialist and anti-Washington policy imperatives – is one that has had considerable success, at least by many socio-economic measures. Indeed, though the case is not as straightforward in Venezuela, independent economic reports on Bolivia and Ecuador have confirmed that over the past decade there has been both a substantial reduction of extreme poverty and a decline in socio-economic inequality. According to Ecuador’s former planning and development minister, Pabel Muñoz, between 2007 and 2014 overall poverty rates in Ecuador dropped from 37.5 per cent to 25.5 per cent. Not dissimilarly, the ECLAC (Economic Commission on Latin America and the Caribbean) reports that Ecuador significantly reduced both poverty and inequality during the period 2007–2014, with Ecuador assuming the leading position on both measures among its regional neighbours. According to SENPLADES, the Gini coefficient for income declined from .55 in 2014 to .46 in 2017. And in addition, under Correa, Ecuador had the highest public investment rate in Latin America, at 15 per cent of the GDP.

These represent enormous social gains that we do not want to downplay. However, particularly in the Ecuadorian case, this highly resource-dependent development strategy has been implemented amidst increasingly strong societal demands for a post-extractive economy – one that might better incorporate more expansively egalitarian relationships with the natural world as well as respect for processes of local decision-making. Long before the election of Correa in 2007, indigenous and socio-environmental movements had worked to extend projects of egalitarian transformation both across species and into the future, insisting that improved poverty measures be formulated always in relation to broader concerns with ecological justice and intergenerational wellbeing over the longue durée. In large part because of the work of these movements, the now widely diffused notion of *buen vivir* became the conceptual cornerstone of the Ecuadorian development model as enshrined in the 2008 national constitution. Along with four landmark articles that grant ‘rights’ to nature, *buen vivir* has animated all of the country’s national development plans since.

Despite this explicitly post-colonial and even post-humanist rhetoric, a decade later growing numbers of observers have pointed out that the language of *buen vivir* seems to be used most frequently by the government to
both justify deepening extractivism and otherwise dismiss the concerns of indigenous and environmental organizations – practices widely experienced by these movements as ideological betrayals, appropriations and distortions of indigenous values (Escobar 2015). While Correa rejected the austere neoliberal state that had privileged international debt repayment over social welfare, he never seriously questioned the ecologically violent foundations of ‘accumulation by dispossession’, which he saw as necessary to the financing of the revolutionary project.

‘Accumulation by dispossession’, as Zagato (2018) has recently pointed out, has characterized processes of state corporatization in many parts of Latin America over the past few decades. In Ecuador, however, this state-led ‘strategic extractivism’ was repeatedly defended by the administration as a necessary intermediary step along the path toward a more genuinely post-extractive economy (Acosta and Martínez 2011; Escobar 2010). This transition is again explained in the PNBV 2013–2017, which outlines the temporary strategy to be pursued until 2030, based on:

[A] new model of accumulation, distribution and redistribution ... that aims to turn an economy based on finite natural resources into one based on infinite resources ... This transition means that our current dependence on extracting non-renewable natural resources will be temporary and decreasing, apace with the requirements to finance the emergence of a new, sustainable socio-economic configuration, which will assure a steady, sustainable improvement and Good Living for all Ecuadorians. (Emphasis in the original, SENPLADES 2013: 37–38)

From the perspective of SENPLADES, extraction was necessary to finance the poverty alleviation and capacity-building that would eventually allow for the creation of a sustainable ‘knowledge economy’. Anyone who suggested otherwise, as Correa repeatedly insisted, was a ‘full-belly environmentalist’, a special interest, a reactionary, or an elitist woefully blind to the urgent needs of the poor. He consistently rejected more radical visions of community self-determination because his commitment to the abolition of all privileges – in a sense, his radical economic egalitarianism – meant that he most often read critics of his regime as representative of dangerous ‘special interests’. As again outlined in the PNBV 2013–2017: ‘In an egalitarian, equitable society ... privileges, hierarchies and forms of subordination must be eliminated; this will permit more fluidity in social relations’ (SENPLADES 2013: 22).

Despite this strong rhetoric about the importance of ‘more fluidity in social relations’, social movement efforts to push for recognition of more egalitarian social relationships – particularly relationships that transcend narrow species boundaries – were routinely mocked and discounted by Correa, who systematically prevented their uptake by the central planning and develop-
ment agencies. As Carlos de la Torre has rightly observed, the Ecuadorian administration regularly ‘undermine[d] contestation while simultaneously increasing the material inclusion of the poor and the excluded’ (2013: 29). And again, as Mudde and Kaltwasser have put it, writing about Latin American populism more generally, these are administrations that ‘increase participation by the inclusion of marginalized groups in society, but limit (the possibilities for) contestation’ (Mudde and Kaltwasser 2012: 20).

As the two case studies that follow demonstrate, however, these tensions between material inclusion and discursive exclusion were very differently experienced in different parts of the country. There is no doubt that Correa’s redistributive project took the primary form of ensuring that profits from extractive projects were reinvested in highly visible ways in schools, hospitals and roads in the direct ‘areas of influence’ of those projects. However, this redistributive strategy sharply intensified core periphery dynamics within the country, creating relations of extreme dependence on the state (which mirrored those between core and peripheral countries in the world system) and actively preventing the penetration of the more expansively egalitarian visions of ‘peripheral’ communities into the decision-making ‘core’ of the central planning agencies (Andrade 2013). Attention to these regional dynamics allows us to better understand the uneven ways in which the national project of ‘egalitarian transformation’ has played out – inadvertently amplifying long-standing regional differences and coming into conflict with diverse understandings of the various dimensions and meanings of egalitarianism.

To illustrate these dynamics in greater detail, we now move to our two case studies of extractive development projects, the first the Refinery of the Pacific and the second the Loma Larga gold project.

Refinery of the Pacific: ‘They Promised Us Houses, but We Only See Houses for the Authorities!’

Ecuador has a long history with oil extraction – one that, despite protests to the contrary (Davidov 2013), continued to intensify under the Correa administration, with new concessions opened in the Amazon and in indigenous territories previously free of drilling (Flora, Silva and Valdivia 2016). However, while the country has long been known for exporting oil, it has never had sufficient refining capacity to process its reserves, and as a result it has relied on imports of petrochemical products including high-octane gas, diesel, oil, alcohol and a range of plastics. It was to remedy this situation that in 2007 Correa announced plans for the largest investment project in the history of the country: the Refinery of the Pacific (RDP). The
RDP was one of the very first development projects announced by Correa after his 2006 election – the first complete petrochemical complex in the history of the country that would refine and process more than 300,000 barrels of heavy crude a day. It was, Correa frequently noted, a project critical to the economic health of the country and one that made considerable economic sense. Projected to save the government an estimated USD nine billion dollars annually as it transitioned from being an importer to an exporter of refined products, the RDP was envisioned as the most ‘emblematic’ project on the road to achieving energy sovereignty (*soberanía energética*).

This focus on energy sovereignty was part of a broader commitment on the part of the Correa government to reducing dependence on all kinds of imported ‘products’ – whether neoliberal economic prescriptions from Western Europe, military installations from the United States, or petrochemical products from elsewhere in the world. A key cornerstone of this focus was the building of South-South links (particularly in terms of financing) and regional political solidarity (particularly with Venezuela and Bolivia). Towards that end, the project was formally initiated via a memorandum of understanding between the Venezuelan state-owned oil company PDVSA and the Ecuadorian state-owned oil company PetroEcuador on January 7, 2008. The two joined forces in a highly visible demonstration of regional solidarity to form the RDP Eloy Alfaro in 2008 – a mixed company in which PDVSA originally held 51 per cent of the interest and PetroEcuador 49 per cent. Some six months later, the site planned for the facility was inaugurated at a groundbreaking ceremony featuring Hugo Chávez and Rafael Correa approximately 20 kilometres from the city of Manta in the western coastal province of Manabí. Despite the powerfully nationalist rationale for the project – Correa talked repeatedly about the importance of energy sovereignty for the nation that the refinery would make possible – he was always careful to position it first and foremost as a benefit to the long-neglected province of Manabí. As he explained in 2013: ‘This province, the same as the other 23, will never again be forgotten by the government of the citizen’s revolution.’ And again, in 2016, when support for the project was beginning to flag: ‘Don’t let anyone steal this historic project from you, *this project that will change the reality of Manabí*, and all of Ecuador . . .’

This placement of Manabí before Ecuador in Correa’s 2016 statement was not coincidental. Instead, this provincial focus was very much in line with the development strategy most clearly articulated by EE – to ensure that extractive activities within the ‘strategic’ sectors directly and immediately benefit communities in the ‘areas of influence’ of those activities. In Manabí, this commitment was felt particularly acutely, and as a result the RDP was enthusiastically welcomed – at least in the early days of the ‘citizen’s revolution’. Manabí is the eleventh poorest province in Ecuador, profoundly arid
with periodic droughts and flooding associated with El Niño and some of the worst infrastructure in the country. According to the latest Housing and Population Census, poverty rates hover around 63 per cent in rural areas and 38 per cent in urban areas. Approximately 26.8 per cent of the population receive *bonos de desarrollo* (conditional cash transfers). By comparison, for Azuay, the province in which the Loma Larga project is located, the poverty rate is closer to 18 per cent in rural areas and 9 per cent in urban areas (INEC 2010). It is a part of the country that has long suffered the neglect of the central state and that has felt bitterly left behind by the concentration of political and economic power in the provinces of Pichincha and Guayas, which many in Manabí accuse of monopolizing funds that they believe should be distributed to the rest of the country.

When Correa announced in 2008 that Manabí would become home to the largest investment in the country’s history, the RDP was enthusiastically welcomed. Despite a few pockets of university and NGO-led resistance concerned about the potential environmental impacts of the complex (water contamination, the interruption of migratory pathways, the potential for leakages and fires, and so forth), the majority of residents eagerly awaited the arrival of the petrochemical industries Correa promised would flourish alongside the refinery. A construction boom ensued as the city prepared to house the 22,000 labourers that the government estimated would eventually be necessary to run the facility. Apartment complexes built by local and international developers began to be built along the coast. Heavily backed by Chinese capital, the government improved roads in and out of the area—an infrastructural investment that proved an enormous source of excitement to locals, who prided themselves on now having ‘world-class’ roads. For once, it seemed to residents, Manabí was not only in the government’s sight but even central to its most foundational project of recovering national sovereignty—in this case, energy sovereignty—after decades of ‘the long neoliberal night’ (Fitz-Henry 2015).

The RDP, however, was widely accepted not just because of its symbolic centrality to Correa’s ‘citizen’s revolution’. It was also embraced for more pragmatic reasons. Because of the administration’s commitment to prioritizing communities in the ‘areas of influence’ of large extractive projects, services and investments that had never before been priorities to the central government came to the foreground (if not always to fruition). Particularly notable were the development projects overseen by EE that invested nearly a quarter of its overall national funding in Manabí between 2014–2017, spending approximately 213 million USD dollars between 2014 and 2017. According to EE, in the area of influence of the RDP alone a total of 20.1 million USD dollars on thirty projects have been spent since 2011. The most important of these have been water treatment plants and potable water proj-
ects in some of the rural areas in which they were previously lacking; the construction of houses as part of a programme called ‘Sí Mi Casa’; and rural health centres in El Aromo and Bajos de la Palma. In addition to these major investments on the part of EE, the RDP-Eloy Alfaro – like many private companies increasingly concerned with corporate social responsibility – has directly invested additional funds in organic agriculture projects for elementary school students, support for Panama hat (paja toquilla) production and the training of local agricultural professionals, further filling service provision roles long neglected by the state. By far the most important of these projects has been a 93 kilometre aqueduct that brings water from a nearby dam (La Esperanza) to the city of Manta. The aqueduct carries approximately 4,000m$^3$ per hour, with 2,000m$^3$ per hour being supplied to Manta and neighbouring municipalities. In a province as arid as Manabí, and as historically neglected in terms of urban water infrastructure, such projects are read by many as evidence of a dramatic shift in government policy towards attending to those provinces traditionally only attended to during election cycles.

While these projects remain critically important to maintaining the RDP’s ‘social license to operate’, ten years into the ‘citizen’s revolution’, however, local anticipation of the ‘largest investment in the country’s history’ has begun to dwindle. In 2008, Correa famously exalted the project as pivotal to the country’s ‘great leap toward industrialization’. However, by 2018, this ‘great leap’ looked more like a series of sporadic and desultory jumps. Despite continuing support for the ‘revolutionary’ project of AP (67% of the presidential vote in Manabí went to Lenín Moreno in 2017 – a percentage higher than any other province in the country), by 2018 the mood in relation to the refinery had become one of dim optimism tempered by growing frustration. There were three primary reasons for this frustration: 1) impatience with the ongoing lack of financing; 2) a sense of deepening anger about how little had been rebuilt in Manabí by EE after a devastating April 2016 earthquake; and 3) worries about corruption scandals involving the Brazilian construction company Odebrecht, which had been responsible for the building of the aqueduct. The latter in particular continues to hang over the project as more and more public officials affiliated with the Correa government are charged with accepting bribes from Odebrecht.

Despite promising talks in 2012–2013 with CNPC (the China National Petroleum Corporation) and the ICBC (Industrial and Commercial Bank of China), Ecuador has still been unable to secure sufficient investment capital for the project. To date, every potential partner has either withdrawn from the project or failed to formalize its commitment to it, largely because of the massive size of the investment required (over 15 billion USD) as well as the slump in crude oil prices that began in 2013. While Correa was much
critiqued for looking so heavily to China and other Asian economies for financing the refinery and for thereby intensifying Ecuadorian indebtedness to China (he was frequently accused of ‘mortgaging’ the country to China), in Manabí, such capital would have been warmly welcomed. Despite grumblings about a potential influx of Chinese labourers and paranoid jokes about ‘the Chinese’ more generally, most residents simply wanted the complex to be completed and the 22,000 jobs promised by Correa at the start of the ‘citizen’s revolution’ to materialize. Instead, as late as January 2018, President Moreno was still trying to consolidate financing by opening the bidding process to a wider range of investors. The terrain had been cleared and the aqueduct constructed, but none of the actual infrastructure for the facility had begun to be built. Perhaps most disappointingly to locals, only ninety people still worked on the project, with more appearing to have their contracts terminated by the day.

These facts are only the most recent in a string of accumulating disappointments. On 16 April 2016, the most devastating earthquake in almost forty years hit just off the coast of Pedernales in the northern part of Manabí. Registering 7.8 on the Richter scale, it killed 700 people and injured approximately 16,000 others, causing Correa to immediately declare a state of emergency. In Manta, large sections of the city were demolished. While many had welcomed the RDP at least in part because of the development projects of both the RDP-Eloy Alfaro and EE, in the wake of the earthquake, that sentiment began to shift because of EE’s seeming inability to respond to the magnitude of the disaster. It is the objective of EE to invest in both zones affected by natural disasters and the ‘areas of influence’ of strategic extractive projects. Although it provided more than 400 houses to some of the most affected families, many were critical about the inadequacy of the overall government response. Some three years on, much of the downtown area remains in rubble.

EE’s response to the earthquake was not the only source of local disappointment. Indeed, in the months following the earthquake, corruption scandals related to the now notorious Brazilian construction company Odebrecht began to rock the Correa administration. As was the case in numerous other Latin American countries, investigations by the Contraloría in 2017 confirmed that both the clearing of the terrain for the RDP and the building of the aqueduct were authorized via contracts with Odebrecht that included substantial irregularities. Whistleblowers from Odebrecht later revealed that the company had paid in excess of USD 30 million dollars in bribes to Ecuadorian officials for contracts for major infrastructure projects, including the RDP. To date, numerous high-ranking public officials from Correa’s government have been arrested, including most notoriously the vice president from his final term, Jorge Glas, who is currently serving a six-
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A year prison term for accepting 14 million USD in bribes. As this news began to circulate in Manabí, many began to talk not just about incompetence or inadequacy on the part of EE but wide-ranging corruption that had seeped into the highest levels of the administration. The penetration of foreign corporate interests into the very heart of these development projects began to cast a shadow over Correa’s frequent proclamations of commitment to national sovereignty and ‘the people’s interest’.

Despite these concerns, many residents still hope for the realization of Correa’s hyper-modernist vision of the coast as a pre-eminent industrial centre for the manufacture and export of petrochemical products. After years of neglect by the neoliberal administrations that preceded the ‘citizen’s revolution’, they remain hopeful that this ‘great leap toward industrialization’ will eventually come to pass, creating unprecedented employment opportunities for a whole generation of students who trained in petrochemical engineering. Unlike around the mining project in the southern highlands, which we will explore next, in Manabí there is no substantial resistance to the project on environmental grounds. While many recognize the environmental dangers of refining oil as well as the economic challenges of excessive dependence on fluctuating oil prices and dwindling supplies, there is little coordinated indigenous presence to spearhead a resistance movement based around broader and less extractive-focused conceptions of *buen vivir*. On the contrary, there remains powerful support for the transformative project initiated by Correa, who is still seen as having begun the work of levelling the playing field between provinces historically divided by enormous regional inequality. If, however, in Manabí, Correa is seen as a sort of anti-neoliberal hero who began the redistributive work long promised by previous governments but never delivered, in the southern highland province of Azuay, where the Loma Larga gold mine is planned, he looks more like a fascist dictator. It is towards this project that we now turn.

**Resources that Construct Happiness? Neoextractivism in the Areas of Influence of the Loma Larga Mining Project**

Ecuador has not historically been a mining country. While artisanal mining has been developed since pre-colonial times, large-scale metal mining (that is, industrial mining with daily production volumes of more than 1,000 tons) has just recently been defined as a ‘strategic sector’ for the implementation of the new model of accumulation, distribution and redistribution (SENPLADES 2013). Mining as a strategic sector is articulated to the achievement of the PNBV 2013–2017, which states that in the first stage (2016–2020) the economy of the country will be sustained principally by
extractive activities (Ministerio de Minería 2016). In line with this policy, the government has defined and supported five strategic mining projects for ‘development’, all owned by Chinese and Canadian companies: San Carlos Panantza, Mirador, Fruta del Norte, Rio Blanco and Loma Larga. Just as in Manabí there has been a growing penetration of corporate interests into the centre of ostensibly nationalist development projects associated with the RDP, so too in Azuay we are witnessing ongoing processes of state corporatization (Kapferer 2010; Kapferer and Gold 2017, 2018), whereby mining projects – highly dependent upon foreign and particularly Chinese capital – become financially central to the sociopolitical transformations promised by the ‘citizen’s revolution’. While the state has been strengthened to regain control over these ‘strategic sectors’, it has at the same time granted unprecedented resource extraction rights to foreign companies and interceded to offer convenient conditions for the extractive industry. These include enhancement of the mining sector, laws and social programmes that provide strong support in building community support for mining, legal and fiscal incentives to the industry, and operational advantages including investments in infrastructure and abundant access to water. The Ministry of Mining repeatedly emphasizes these advantages as part of its ongoing efforts to demonstrate Ecuador’s commitment to becoming ‘the new mining frontier of Latin America’ (as the country was presented in the forum ‘Mines and Money – Americas’, held in Toronto in September 2016).

Mining for development is justified through the same redistributive logic explored in the case of the RDP. Specifically, the mining law establishes that ‘60% of the royalties will be primarily invested in social projects to cover unsatisfied basic needs and productive or territorial development . . . in the areas directly affected by mining activity’. Despite these commitments to material redistribution, however, there is – and has been for many years – powerful resistance around Loma Larga to the forms, outcomes and intentions behind these ‘local’ investments.

Loma Larga is located in the southern highlands in the province of Azuay, approximately 30 kilometres south-west of the country’s third most important city, Cuenca. The Canadian company INV Metals has owned the project since 2012, when it acquired it from another Canadian company, IAMGOLD, which had held the mining concession since 1999. INV is currently preparing the feasibility study prior to signing the exploitation contract with the Ministry of Mining. The underground mine at Loma Larga will produce 3,000 tons per day of gold, silver and copper ore over the twelve years that comprise the expected life of the mine (RPA 2016). The mine will be constructed in an exceptionally sensitive ecosystem – the páramo of Kimsakocha, valued for the provision of ecosystem services and as a cultural landscape (Buytaert et al. 2006; Hofstede et al. 2014). It supplies thousands of urban and rural water...
systems and sustains the agro-pastoral livelihoods of the surrounding rural parishes of the cantons of San Fernando, Girón and Cuenca.

In contrast to Manabí, Azuay’s poverty rate is 15 per cent – the second lowest in the country. Only an estimated 5.76 per cent of the population are beneficiaries of bonos de desarrollo (MIES 2017). In this southern highland province, significantly fewer people live within the ‘areas of influence’ of the project than is the case in Manabí around the RDP. Their main economic activity is agriculture and cattle breeding for dairy production. For this reason, people throughout the zone primarily identify as campesinos, and the vast majority of them strongly believe that mining is not compatible with their livelihoods. Based on years of close engagement with these wetlands, they fear for the health of the socio-ecosystem of which they are a part, the sustainability of their lifeways and the wellbeing of future generations. These concerns have fostered a close relationship between local campesinos and urban socio-environmental movements, who question the coherence of a development model based on the redistribution of extractive rents – a form of egalitarianism that is seen by many as perpetuating an inequitable distribution of the burdens and costs of resource extraction.

The mining project has been locally resisted since 2003, largely by the leaders of a community water system that supplies most households in the rural parishes of Cuenca. Open resistance has slowly diminished over time, although concerns over the impacts of mining throughout the páramo have persisted, with community members exhibiting significant levels of anguish and a sense of powerlessness. This effect is directly related to their experience of marginalization by the Correa government, which repeatedly proved itself unwilling to address local worries about how extractivism might negatively affect their lives, their children, their traditions and their futures. According to Pablo Ospina, the population’s demands for participation in environmental decision-making and broader conversations about post-extractive futures came into conflict with Correa’s highly centralized natural resource governance structure and his perspective on social protest as an attempt to challenge his authority. As explained by two citizens from Girón, criminalization of social protest increasingly led to self-censorship:

Woman 1: Almost all the communities here are against [mining], but we have gained nothing after so many demonstrations! We cannot do anything!

Woman 2: The government put in jail a woman that made signs with the finger!

W1: That is scary! Because we truly are poor mice compared to father Correa because he is from the heights doing everything.

W2: He commands alone!

W1: Then, what for? So he crushes us poor.
This vision of the ex-president as an all-commanding figure contrasts sharply with the vision of many in Manabí, for whom instead of an all-commanding dictator, Correa represented a heroic, even quasi-mythical defender of regional equality after years of neoliberal neglect. In Azuay, also unlike in Manabí, there was extensive questioning of Correa’s vision of development, which locals perceived as having been imposed rather than agreed upon in consultation with communities (as required by the constitution). The central points of contention between the communities and the government had to do with 1) the persistent lack of support for the local dairy industry; and 2) the narrow approach to ‘social redistribution’ or ‘development as compensation’ represented by EE.

The province of Azuay is the second largest breeder of dairy cattle after Manabí and the third largest producer by litre of milk (INEC 2016), but it is a sector in crisis. For years, dairy farmers have been demanding government support to solve ‘el tema lechero’ (the milk problem) through better regulation of the importation of powdered milk, enforcement of a minimum fair price per litre of milk so that producers are not forced to sell below market price, and exemption from regulations not suited to small-scale livestock farming. Nevertheless, through participant observation, we corroborated that commissions representing the dairy farmers in several meetings in Quito with the Minister of Agriculture (MAGAP) returned without definite solutions or firm commitments to satisfy the populations’ demands. Most participants argued that the development approach of the government was disengaged from, and inattentive to, local visions of development because it did not envision any financial or technical support for the cattle-breeding sector. For them, it was obvious that one of the most effective ways to promote local wellbeing (buen vivir) was to ensure their insertion into a fairer market and to support agriculture along the specific lines demanded by the area’s residents. The Correa government was not only experienced as having failed to support existing economies but it pushed forward with mining projects that many feared would irreparably damage the water supplies necessary for farming.

Despite these ongoing concerns, the mining project has continued to advance, and since 2015 a new actor has been present in the area: Ecuador Estratégico. To date, 101 projects have been carried out by EE in Azuay, which hosts two ‘strategic projects’: the Chinese-owned Río Blanco mine in nearby Molleturo and the Loma Larga mine in Kimsakocha. During the period 2012–2017, EE invested some USD 29.5 million – an amount that corresponds to only 3 per cent of the total investments of extractive rents across the country (EE 2017). During the same period, Manabí received more than USD 213 million or approximately 24 per cent of the company’s total investments. As elsewhere in Ecuador, EE’s investments for local development
have been accompanied by a strong marketing campaign that explicitly links extractive rents with improvements in local wellbeing (*buen vivir*). However, in Azuay, the intensity of this marketing campaign – through banners outside of schools, health centres and cyber shops built by EE that boldly declare: ‘The strategic projects transform your community!’ or ‘Mining brings education to your community’ and ‘Mining connects you’ – fostered suspicion among many that the communities were not in fact the beneficiaries of a ‘fair redistribution’ of extractive rents. In particular, there are questions about where the money has come from because the mining companies have not yet paid the anticipated royalties that are supposedly responsible for these development projects; instead, to date, royalties from other oil extractive projects in the Amazon have funded them. EE’s marketing of mining as the activity that funds these development investments is thus seen as strategically misleading in ways that it is not in Manabí. As a result, many locals increasingly perceive EE as a generator of little more than state propaganda used to promote passive acceptance of the project and to facilitate its ‘social license to operate’ in a situation in which the affected communities have never been consulted about the project.

Another worry of locals concerning the government’s development vision is the approach chosen for the redistribution of extractive rents and the costs that have figured into those calculations. If employment generated by the mine is essentially negligible given the capital but not work-intensive nature of the mining industry, the only other option for improving the conditions of local inhabitants is the redistribution of rents through social investments. In the case of Loma Larga, the most important of these projects is the Unidad Educativa del Milenio (UEM) in Victoria del Portete. UEMs are education centres built by EE with large investments in infrastructure and advanced technology. Paradoxically, a project such as this one that should have satisfied the communities was again debated and often rejected, with locals raising questions about 1) the percentage of funding used for the UEM; 2) the government’s motivations behind the funding; and 3) the state’s broader approach to education reform, which again seemed to fail to take account of local needs.

While some were supportive of the project – any improvement in education was welcomed – the amount of funding and the ulterior motives behind the building of the school were widely debated. The implementation of the UEM alone cost USD 6.8 million – already fully 45 per cent of the expected advanced royalties from the Loma Larga project. More sustained resistance – led by the former president of the Autonomous Decentralized Government (GAD) of the parish, who identifies himself as an anti-mining ‘water guardian’ – tapped into the growing sense among inhabitants that by accepting the school they would be giving their implicit consent to the
mining project, which they had been resisting since the early 2000s. They perceived the decision to build the school in Victoria del Portete to be motivated by nefarious intentions on the part of the government. Residents suggested that a legitimate, good faith project of trying to improve education in the area would have focused on building new schools in locations previously without schools and increasing quality and coverage by reinforcing the existing ones. Instead, the previous schools were simply abandoned and the students and professors transferred to a better-equipped modern building in the middle of the teaching period, without any process of transition.

Rafael Correa inaugurated the school on October 2015. The following is a fragment of his speech, which summarizes the government’s discourses on the urgent need for resources to alleviate poverty and the inevitability of resource extraction for the national good.

> UEMs are needed in many territories. Why is it the priority to build it in Victoria del Portete? Because here we have an important mining project — ‘Loma Larga’ — and you will say ‘I do not like mining’. Neither do I but that is not the problem. The problem is not if we need mining or not, and of course we do need it. If our natural resources [are transformed] into colleges, into schools, into roads, into health centres, into hospitals, of course we need mining . . . There is not a disgrace anymore to live close to a strategic project, now [those people] are lucky because they know that the territories of influence of the project will be the first in receiving the benefits!

Despite these triumphant proclamations – not dissimilar to those that accompanied the groundbreaking ceremony for the RDP in 2008 – this case study has raised questions about whether economic compensations are enough to build a more ‘egalitarian’ economy. The positions of the inhabitants of the surrounding areas of the Loma Larga project have shown that these compensations are perceived very differently when people feel they are fundamentally losing their sources of subsistence and wellbeing. This influences the trade-offs they are willing to make. As one campesina summarized: ‘Even if they give us a little help for the town, if it is in exchange for life, I do not think it is fair.’ Many of the people in the ‘area of influence’ feel similarly, arguing that they would prefer to maintain their current conditions – impoverished though they may appear – rather than trying to improve their economic status through mining in the páramo. For the surrounding residents, it is not enough to simply ‘participate’ by receiving economic compensations from extractive rents (De Castro, Hogenboom and Baud 2015). More importantly, they demand participation in decision-making about the forms of development most appropriate to their region as well as access to spaces in which to voice their broader concerns about the long-term impacts of mining exploitation. To be heard, the population has increasingly relied on popular
consultations promoted by community organizations such as UNAGUA-Girón, the Union of Community Water Systems of Azuay. After seven years of struggles with the National Electoral Council (CNE) described elsewhere (Rodríguez and Loginova 2019), a referendum in Girón was conducted in the elections of March 2019 with a rotund 86 per cent of responses against mining in the hydrological system of Kimsakocha.

**What Does this Comparison Allow Us to See?**

Read together, our case studies demonstrate a highly fractured regional landscape in the face of deepening extractivism that allows us to offer a few concluding reflections about the intersection of diverse meanings, forms and practices of egalitarianism in contemporary Ecuador.

While the ostensibly ‘post-neoliberal’ state under Correa privileged one important dimension of egalitarianism – the amelioration of historically entrenched material inequalities via projects of state-led and extraction-driven redistribution – it did so by systematically rejecting other dimensions, namely the participation of affected communities in determining development projects and priorities. By prioritizing economistic forms of redistribution heavily dependent on foreign capital, it both inadvertently and quite intentionally sought to curtail the flourishing of differently egalitarian values such as autonomy, self-determination and freedom from state development imperatives. There is no doubt that this powerfully concentrated state was to some degree necessary after years of an austere, anaemic state that maintained intimate connections to the banking sector and that lacked the capacity to stand up to Washington. There is also no doubt that this robust bureaucratic state accomplished some of the most historically significant transfers of wealth in Ecuadorian history. However, this national-level commitment to egalitarian reform was very differently experienced in different parts of the country – sometimes as anything but egalitarian.

In Azuay, as we have seen, where mining is a relatively new and particularly anxiety-producing form of extraction that many fear will damage their material and cultural subsistence, the rejection of alternative forms of development by the central government was experienced as a sustained assault on practices of collective water management and local decision-making, which have long been the norm throughout the region. Unlike in Manabí, the Loma Larga project has been fiercely resisted since the beginning – even before Correa came to power; but that resistance took a more difficult turn under his government. Local responsibilities to land, water and other-than-human species meant that Correa’s heavily centralized approach to ‘development as compensation’ for large-scale extraction was experienced as brutally in-
attentive to other, less ecologically invasive forms of egalitarianism – forms of equality between human and other-than-human communities that were regularly derided by Correa as ‘infantile’. Instead of being perceived as a paternal provider (as he was in Manabí), Correa was rather seen as a semi-fascist dictator no longer concerned about ‘his children’ and even invested in mocking, vilifying and criminalizing those who dared to challenge the government’s vision of *buen vivir*.

Despite significant improvements in poverty rates throughout the country, for inhabitants of the direct area of influence of the Loma Larga project, the dimension of egalitarianism that was both most important and most entirely neglected by the state was broader participation in decision-making beyond the institutional ‘core’ and ‘semi-periphery’ of Correa’s post-neoliberal natural resource governance model – participation in deciding the most important development priorities for the region (support for dairy farmers), in determining the best way of addressing educational deficits (community schools), and in moving beyond extractivism (through eco-tourism and other non-ecologically invasive alternatives to mining). From Correa’s perspective, acknowledging these communities as equal interlocutors in a broad-ranging conversation about less ecologically and socially disruptive forms of development would have meant falling victim to the whims of ‘special interest groups’ and thus betraying the national project of post-neoliberal economic reform to which his administration had committed itself. In other words, his commitment to something like radical material equality meant that he simply refused to attend to the needs of local communities if they challenged the extractive projects that he saw as necessary to financing his *national* revolution. This was because he saw himself and his administration as the only authentic voice of the Ecuadorian people as a whole.

If in Azuay the desire was for smaller-scale and more ecologically sustainable projects, in Manabí, on the contrary, the desire for large-scale development largely resonated with Correa’s modernist visions of industrial transformation. Because Manabí was on the receiving end of EE’s largest investments anywhere in the country, it saw rapid investment in a range of projects – particularly those focused on much-needed infrastructure around water – that it did not read as an unfair bribe to generate consent for the presence of the RDP. Quite the contrary. After years of neglect by the central government, the RDP was enthusiastically embraced because it represented a highly visible material investment on the part of the government in Quito unlike any they had ever seen before. Both symbolically and materially, the RDP was structured to respond to long-standing regional grievances and long-simmering wounds generated by the narrow bi-polarity of Ecuadorian political and economic power.
However, after nearly ten years of anticipation, the RDP has also come to be widely perceived as yet another project for which the community has waited and waited, only to be told that it might not materialize for lack of foreign investment – an experience that suggests to growing numbers that they are as likely to be as disappointed by the promises of AP as they were by the previous neoliberal administrations. Just as in Azuay there are questions about where the funding is coming from to support the local development projects that EE says are coming from the mining companies, so, too, in Manabí, there are growing questions about where the capital investment will eventually come from to make their industrial dreams come true. Despite significant investment on the part of EE, the visceral experience of growing dependence on the whims of Chinese investment banks and the corruption scandals that have accompanied Odebrecht have led to a kind of quiet discouragement that is further compounded by the dramatically declining number of jobs.

Nevertheless, this is a profoundly different sort of disappointment than that in Azuay. Around the Loma Larga project, there is a deep-seated and long-running rejection of the government because it has neglected to properly consult communities and failed to honour local understandings of more genuinely egalitarian relationships with a range of ecosystems. There has never been such resistance to the RDP, and there is little doubt that if it were to receive the foreign investment it requires, it would again be welcomed in Manabí, where the need for jobs for a generation of petrochemical engineers remains acutely felt. Despite growing frustration that there is never enough development, there has never been any widespread questioning of the model of development. In Manabí, Correa’s approach to something like egalitarian reform – again, his prioritization of areas long neglected by the state and outside the narrow orbit of power historically concentrated in Quito and Guayaquil – has continued to have very wide resonance.

As Moreno continues his presidency, it will be interesting to watch how these intersecting and differently egalitarian projects are transformed, particularly around the strategic projects overseen by EE, most likely generating further regional tensions and urban/rural cleavages. If his first year in office is anything to go by, he may privilege dimensions of egalitarianism long neglected by his predecessor, particularly in terms of citizen participation and intercultural dialogue. However, paradoxically, he may also represent a disappointing return to precisely the kind of austere state that created the socio-economic inequalities Correa did so much to rectify. He will likely do little to challenge the anti-democratic architecture of the extractive development model, which has for so long defined Ecuadorian politics.
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NOTES

1. Question 5 asked voters if they ‘agreed with amending the constitution to prohibit without exception metal mining in all of its stages, in protected areas, in intangible zones, and in urban centers’ and was approved by 68.62 per cent of the vote. Question 7 asked whether they agreed with ‘increasing the intangible zone in Yasuni National Park at least 50,000 hectares and reducing the area of oil exploitation from 1,030 hectares to 300 hectares’. It was approved by 67.31 per cent of the vote.


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