Creating a Social Wasteland? Non-traditional Agricultural Exports and Rural Poverty in Ecuador

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Poverty is often seen as associated with a lack of economic growth. But economic growth itself may create new forms of poverty even more difficult to deal with than the old ones. Conducting research in Chile, a country with some of the highest economic growth rates in Latin America, Tironi, with tongue in cheek, proposed to replace the old ‘sociology of modernization’ with a new ‘sociology of decadence’ (cited in Zermeño 1997, 127). A recent expansion of non-traditional agricultural exports (NTAE) is a case in point. Over the 1980s, the value of NTAE increased twofold in Central America and almost threefold in South America (Thrupp 1995, 5). The export of cut flowers, one of the most lucrative and labour-intensive types of NTAE, has been growing especially fast. Colombia is now the world’s second largest flower exporter, after the Netherlands. Ecuador’s flower exports increased from approximately US$ 2,000 in 1988 to almost US$ 300,000 in 2002 (BCE 2002). Cut flowers are exported on an increasingly large scale by Mexico, Costa Rica, Honduras, Peru, and Bolivia, as well as various African and Asian countries.

What are the social implications of this agricultural export expansion? To what extent has it benefited impoverished peasant families? This paper addresses these questions with a focus on the social dynamics in Ecuador’s flower-growing areas. It argues that under present conditions Ecuador’s flower export production hampers, rather than helps, the efforts to alleviate poverty. This happens for two reasons. First, even though the cut flower industry creates rural employment, it does not allow the workers to raise themselves above the poverty level. Second, it undermines the pre-existing support networks and community organizations that, in the absence of viable institutional and organizational alternatives, provide rural families with a minimum of security and access to the processes of decision making. To use the terminology of the World Bank (2001), it generates some limited economic opportunities for the rural poor, but it also increases their levels of insecurity and powerlessness, obstructing any meaningful progress in terms of long-term rural development.

The fieldwork for this study was conducted in 2001 and 2002 by the author and a team of five local residents with experience of community work, in the Canton of Pedro Moncayo, one of Ecuador’s two major flower-growing cantons, with a population of 27,000.²

Agricultural export expansion and new faces of poverty

Rural income and employment

Poverty in Latin America is concentrated in rural areas where it is closely related to the crisis of peasant agriculture and the semi-proletarianization or, more generally,
depeasantization of rural labour. In 1999, 55 per cent of Latin America’s rural population had access to less than five hectares of land, and 65 per cent lived below the poverty line (Garcia Pascual 2003, 5, 20; López and Valdés 2000, 203). With the rise of economic neoliberalism, the promotion of non-traditional agricultural exports (NTAE), as a way to alleviate rural poverty, acquired a significant appeal in international development circles (Barham et al. 1992; Gutiérrez de Piñeres 1999; Stanley and Bunnag 2001). With the land reform policies on the back burner, development agencies concentrated on training, micro-credit, and job creation. While much of the funding for job creation initiatives came from public and non-profit organizations, private agribusiness was also expected to play a role. In Latin America, international support for the NTAE strategy came mostly from the US Agency for International Development (USAID), and much of it was directed to the Latin American Agribusiness Development Corporation (LAAD), a private entity formed by several multinational companies and banks (Thrupp 1995, 20; Clark 1997, 76; Ross 2000, 24-26). The World Bank also provided funding for agribusiness development, even though its officials have been recently less sanguine about both the advantages of agribusiness for small farmers and its effects on economic growth. Thus, the 2003 sector report points out that agribusiness cannot be expected to automatically benefit the poor or create a solid basis for national economic development. The report calls for more participatory public action, an action that would allow growth to be reconciled with equity and short-term gains with structural change (World Bank 2003).

These mounting doubts are fuelled by ambiguous social outcomes of the NTAE expansion. Carter et al. (1996) suggests that crops with high levels of interactive labour intensity (an intensity in terms of both manual labour and attention or care) may give better results on small farms. In Guatemala for example, snow peas and broccoli are often produced by small-scale contract farmers, many of them indigenous peasants, who as a result have been able to reap substantial economic benefits. Labour-intensive NTAE, however, are not always grown by family farmers. Export fruit in Chile and export tomatoes in Baja California, for instance, are grown mostly on large farms (Murray 1999; Martínez Novo 2004). Indeed, there are indications that peasant participation in contract farming, apparently typical of the early stages of NTAE expansion, is on the decline. Hamilton and Fischer (2003, 98) point out that the much-praised small-scale vegetable farming in Guatemala has been increasingly replaced by large-scale operations. David et al. (2001, 1685) write about a general regional trend toward the marginalization of small farmers in agribusiness areas.

Carter et al. (1995) admit that, despite the small farmer involvement in NTAE production, it is often corporate farmers who have the advantage because of their higher levels of price risk tolerance as well as better access to information, capital, and technology. This is especially so if, as in the case of Brazilian grape growers, they manage to introduce ‘artisan’ elements into their production process (Collins 1995). Ecuador’s cut flower industry is a good example. Export flowers in Ecuador are grown in corporate-owned greenhouses where each company worker is assigned an individual area. The worker is responsible for this area during the entire production cycle, from planting to harvesting.

In cases where labour-intensive NTAE production is organized along corporate lines, the major benefits for the rural poor are associated with job creation. These benefits, however, should be re-assessed in the light of a growing international
competition at the low end of international market and a regional tendency for the stagnation of real minimum wages (Vega Ruiz 2001, 44). The Chilean case is instructive. The military government’s agricultural policies were generally praised for their contribution to rural employment: by the early 1990s between 250,000 and 300,000 seasonal jobs had been created in the country’s fruit sector (Petras and Leiva, cited in Barrientos et al. 1999, 87). As for the benefits in terms of rural incomes, they seem to be less impressive. In the 1980s, agricultural wage rates in fruit growing areas were slightly above the official minimum rate but below the basic needs requirements (Leiva and Agacino, cited in Barrientos et al. 1999, 104). After the return to democracy, Chile’s agricultural wages experienced a modest improvement. Nevertheless, according to Schurman (2001, 20-23), this improvement may be difficult to sustain because of growing international competition. Low wages and increasing competitive pressures are also typical of Ecuador’s cut flower industry. CEA (1999) points out that, with the entry of new Latin American, African, and Asian flower exporters, international flower markets seem to have reached a plateau. This means that Ecuador’s flower companies are increasingly forced to cut their already low labour costs.

All in all, with the peasant land base in Latin America continuing to shrink, there is a strong need for rural wage income and employment. Labour-intensive NTAE can meet this need, but only to some extent. While they promise to create jobs, more so in the corporate sector than on small farms, the growing levels of international competition are likely to prevent any major breakthrough in terms of the workers’ incomes.

Opportunity, security, empowerment?

It is generally agreed that poverty cannot be seen only in terms of income: it also implies an inadequate access to public services and an inability to influence the processes of decision-making (UNECLAC 2000; Reilly 1998). Sen (1999) conceptualizes poverty as the lack of freedom and points to the importance of capacity building. Similarly, the 2000/2001 World Development Report defines poverty as the absence of economic opportunity in combination with insecurity and powerlessness (World Bank 2001). Accordingly, the Bank’s strategies to fight poverty include three sets of action: (1) increasing economic opportunity, mostly through micro-credit, job creation, and improved access to education; (2) enhancing security by improving the systems of health insurance, old age pensions, unemployment benefits, and cash transfers; and (3) increasing peoples’ participation in the process of decision making through the organizations of civil society.

This definition is used mostly in the Bank’s poverty reduction initiatives. It provides, however, a useful point of departure for an analysis of the relationship between NTAE expansion and rural poverty. At least four problems stand out in this connection: (1) the precarious nature of NTAE jobs; (2) the weakness of state regulatory and social security mechanisms; (3) an erosion of the pre-existing informal support networks; and (4) the uncertain future of community organization. I will discuss briefly each of them.

It is often pointed out that the neoliberal structural adjustment in Latin America resulted in the growth of precarious employment: an employment with short-run contracts, substandard working conditions, and a suppression of labour rights (Infante and Klein 1995; Gwynne and Kay 2000). It is also agreed that this is due, to a
large extent, to the deregulation of labour markets and a growing reliance on flexible labour relations. For decades such relations have been typical of the traditional agriculture, with its seasonal labour force, and the informal urban economy. Now they are also widely used by the corporate sector as a way to boost profits. This change is especially noticeable in the case of manufacturing. What is interesting in the case of NTAE is that their expansion may create year-round agroindustrial jobs in rural areas without changing the precarious nature of agricultural labour relations. Moreover, it may also increase occupational health hazards associated with the increased use of pesticides (Lara Flores 1995; Sanmiguel-Valderrama 2004; Roberts and Thanos 2003; Gómez-Arroyo et al. 2000).

In Europe and North America, similar problems are expected to be taken care of by labour unions and government agencies. Trade union and state action, however, have been notoriously weak in Latin America. The regional trade union movement plunged into a crisis after the beginning of neoliberal reforms (OIT 2001). As for governments’ (generally low) regulatory capacity, it was undermined even further by cuts in public spending (Grindle 1996). Pressure from private lobbies and the ubiquity of corruption made the task of regulatory agencies even more difficult. Some progress in the area of labour standards has been made by non-state actors (NGOs and MNCs), but so far this progress has been limited to a few successful cases, not easy to replicate (Elliott and Freeman 2002).

As for the public system of social services, it is agreed that it badly needs restructuring to meet the needs of the poor (Garland 2000). Targeting is one of the most widely accepted strategies. In low-income countries, however, the sheer scope of poverty makes targeting a challenging task. Moreover, the scope and quality of targeting programs are often compromised by the exorbitant administrative costs of their preparation, implementation, updating, and monitoring (Raczynski 1995). Alarming the slow progress in the area of public services is outpaced by the rapid deterioration of pre-existing security mechanisms. Historically, social security in rural areas has been provided by informal support networks, grounded in families and communities. Typically, these networks have been managed by women as part of their social reproduction activities. In the areas of NTAE expansion, however, women’s ability to carry on these activities is severely curtailed by their inclusion into the wage labour force.

Curiously, the effects of low-wage female employment on social support networks have received little attention in the scholarly literature. These effects are usually discussed in connection with the changes in gender relations (Safa 1995; McClenagan 1997; French and James 1997). It is often argued that access to wage employment leads to women’s empowerment: it increases their decisional autonomy and makes them more likely to participate in the public sphere. Barrientos et al. (1999, 32) suggest, for example, that work in the fruit sector has empowered Chilean women by enhancing their financial autonomy and pulling them out of isolation into a more collective setting. This argument should be taken with caution. In the Andean region, peasant women without access to wage employment may generate a significant cash flow because of their involvement in small-scale commercial agriculture and petty trade. They also may enjoy a substantial amount of decisional autonomy within their families and play an important role in community organizations (Babb 1998; Hamilton 1998; Deer and León 2001). For such women, work for wages does not necessarily imply any empowerment. On the contrary, it may undermine their earlier gains by making them withdraw from commu-
nal organizations without an option to join trade unions, as seems to be the case in the Ecuadorian highlands (Korovkin 2003).

As for the consequences of rural female employment for family and inter-generational solidarity, these are even less fully understood. It is admitted that women’s work for wages, especially in the times of economic crisis, may create marital conflicts and fuel domestic violence, with the affected women turning to their parents for help (Beneria 1992; Pitkin and Bedoya 1997). Safa (2002), for instance, points to a deterioration of marital relations and an increased reliance on mothers’ help among Dominican women employed in labour-intensive manufacturing. This evidence fits in with the argument about an increased reliance on consanguineal ties in times of economic difficulties (Escobar Latapi and González de la Rocha 2002). Generally speaking, however, the importance of consanguineal ties seems to be on the decline. Extended families, once typical of the Latin American countryside, are rapidly disappearing, largely because of the growing importance of non-farm incomes. Thus, Vincent (2000) points out that male migration in Peruvian rural areas has a negative effect on the levels of inter-generational solidarity. It is plausible that female employment in the cut flower industry has a similar effect.

The fortunes of the extended family in Latin America are tied to the evolution of the rural community. Community, along with empowerment, has become a buzzword in development literature (Moore 2001, 322). The rhetorical importance attributed to community action is not always supported by a systematic analysis of the origins and evolution of actually existing rural communities. In Latin America, these were represented historically by indigenous and/or peasant communities. Developed in the context of a highly skewed distribution of local power, these communities nevertheless provided a semblance of rural public space, mediating relations between families and among families and outsiders, as well as providing villagers with at least some access to the local political arena.

Many authors point to a general tendency for the disintegration of community institutions as a result of the process of depeasantization (Bryceson 2000, Martínez Valle 2002; 2004). This disintegration, however, is an uneven process. Semiproletarianized rural communities may ‘reinvent’ themselves as part of their social and political struggles. In Ecuador, this process was associated with the rise of the peasant and indigenous movement, triggered by the land reform, rural development policy, and the process of political democratization. In the 1970s and 1980s, most highland communities obtained legal status as communes, replacing their traditional (hereditary or appointed) leadership with assemblies and elected councils. Some tried to update and institutionalize their customary justice systems, and many created new community-based organizations (such as agriculture and craft cooperatives, potable water associations, and women’s groups) usually in collaboration with governmental and nongovernmental agencies. Finally, many rural communities joined national peasant and indigenous federations that claimed to represent their broader political interests. All these organizations can be seen as part of an emergent rural civil society. Despite their numerous shortcomings and contradictions, they provided the rural poor with at least some access to the processes of decision-making. Will indigenous and peasant communities be able to ‘reinvent’ themselves, once again, in the face of the flower export expansion? Earlier studies indicate that, with the new generation of community members joining the flower labour force en masse, this may be a difficult task (Mena 1999; UNOPAC 1999; Korovkin 2003).
In summary, if we see poverty as more than just low income, the implications of NTAE employment for the rural poor seem to be more problematic than might be expected otherwise. Most importantly, as suggested above and further documented in the following sections, the incorporation of men and, especially, women in the NTAE labour force is likely to weaken informal support mechanisms, in a situation where no public institutions are available to pick up the slack. It is also likely to undermine community-based organizations born out of the peasant and indigenous struggles, the organizations that, in the absence of trade unions, provided the rural poor with a place in the national civil society.

Poverty, old and new, in Ecuador’s flower-growing areas

Land and labour

At the turn of the twenty-first century, over 75 per cent of Ecuador’s rural population lived below the poverty line (SIISE 2001). Four-fifths of all farms were under five hectares in size, with the average size less than 1.5 hectare (Censo Agropecuario 2001, cited in Martínez Valle 2004, 27). Family agriculture accounted for less than half of the family income. The rest came from migratory work for wages, petty trade, and crafts (Hentschel and Waters 2001, 35).

For decades, social dynamics in the Ecuadorian countryside, and especially in the Andean part of the country, was characterized by the twin processes of de- and re-peasantization, resulting in the continuing presence of a large class of semi-proletarianized peasantry. During the oil boom of the 1960s and 1970s, a peasant household typically had at least one male family member working for wages, usually in the construction sector. Female migration took place on a smaller scale: unmarried women worked as domestic servants. Combining work for wages with family agriculture and based on the production of potatoes, corn, and beans for family consumption and sale on the market, these semi-proletarianized peasant households were often able to save part of their income and invest it in land and livestock. This investment was seen by peasants as a way to maximize personal and family security in their otherwise highly unstable economic life. The re-peasantization efforts were helped by land reform that improved, albeit slightly, peasants’ access to land (Carrasco 1990; Martínez Valle 1990).

The situation changed in the 1980s, after the end of the oil boom. Pressed by international financial institutions, the Ecuadorian government embarked on a program of neoliberal structural adjustment. Some of these new policies had a dismal effect on peasant households. For example, the signing of the bilateral free trade agreement with Colombia pushed many Ecuadorian potato producers out of business. The reduction of state subsidies for energy and transportation, along with rising urban unemployment, dealt another blow to the peasant cash economy. To this should be added the climbing cost of living caused by dollarization (Larrea and North 1997; North 2003; Martínez Valle 2003; Larrea Maldonado 2004).

Under these circumstances, the rise of the cut flower industry, boosted by an agreement with USAID and generous state credit (Andrade Almeida 1994; CFN 1997), was seen as a means of salvation by many impoverished rural families. In 2000, Ecuador had approximately 350 specialized farms (plantations), growing roses, carnations, chrysanthemums, and other varieties of flowers for export. They were owned by either Ecuadorian or transnational companies, with each company
usually owning more than one plantation. Overall, the cut flower industry generated roughly 50,000 year-round jobs. This was probably not enough to produce significant changes in national unemployment levels, but it was sufficient to reactivate the sluggish economy in the case of several cantons.

For peasant households, flower employment appeared an attractive alternative to most customary non-farm jobs. To begin with, it did not require migration; flower workers could continue living with their families, saving on housing, food, and transportation. In effect, many companies themselves offered subsidized lunch and transportation to greenhouses. Furthermore, in contrast to the situation in the informal construction sector and domestic service, flower companies paid an equivalent of minimum wages and offered probationary and one-year contracts, which in turn gave workers access to social security. While none of these advantages was without flaw, especially from the workers’ perspective, the flower boom put an end to the process of outmigration in flower-growing cantons and triggered an inflow of migrants from other parts of the country.

Inside the communities, the growth of the cut flower industry weakened even further the already precarious ties with land. In the sample for this study, less than one-tenth of the flower workers owned more than one hectare, as opposed to approximately one-third of the generally older respondents who identified themselves as peasant farmers. Furthermore, flower workers were less willing or able to cultivate their land compared to peasant farmers, who might spend long periods of time outside the communities but usually would come back for the planting or harvesting seasons (Table 1).

### Table 1. Land tenure in rural communities located in flower-growing areas, by occupation and gender (percentage of all respondents)

<table>
<thead>
<tr>
<th></th>
<th>FM %</th>
<th>FF %</th>
<th>PM %</th>
<th>PW %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have access to land</td>
<td>60</td>
<td>51</td>
<td>83</td>
<td>71</td>
</tr>
<tr>
<td>Cultivate all or part of their land</td>
<td>41</td>
<td>39</td>
<td>73</td>
<td>63</td>
</tr>
<tr>
<td>Have livestock</td>
<td>46</td>
<td>64</td>
<td>80</td>
<td>72</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

The size of landholdings:

- <1 ha
  - FM: 83
  - FF: 94
  - PM: 53
  - PW: 78
- 1.00-2.99 has
  - FM: 10
  - FF: 6
  - PM: 35
  - PW: 16
- 3.00-4.99 has
  - FM: 7
  - FF: -
  - PM: 12
  - PW: 5
- Total
  - FM: 100
  - FF: 100
  - PM: 100
  - PW: 100

FM flower company male workers
FF flower company female workers
PM peasant men
PW peasant women

Source: Fieldwork.

There were other ways in which the growth of the cut flower industry reduced the already slim prospects for re-peasantization. Most important, it pushed up land prices. In 1993, one hectare in a peasant community without access to water for irrigation cost between US$ 1,500 and 2,000 (Korovkin 1997, 101). In 2002, a similar plot cost between $ 5,000 and $ 6,000, while the prices of irrigated land suitable for greenhouses sold for up to $ 20,000 per hectare. On the other hand, the
monthly wages paid by flower companies to manual workers were generally close to the official minimum rates. In 1993, these wages were close to US$ 90, while the official minimum rate was $ 85. In 2002, they fluctuated between $ 120 and $ 150, with the official rate at $ 140. In any case, even though flower workers’ earnings were higher than those of unskilled construction workers and domestic servants, they were still insufficient to meet their basic needs: in the early 2000s the cost of a family basket of basic goods and services exceeded the two minimum wages (Fernández Espinoza 2001, 28).

Even so, many workers managed to save, more so than peasant farmers in the same age category (Table 2). However, unlike the older generation of peasants who had invested heavily in the purchase of land and livestock, young workers spent their modest savings mostly on domestic electronics such as CD players, TVs, and refrigerators.

Table 2. Ability to save and the use of savings, by age, occupation, and gender (percentage of all respondents)

<table>
<thead>
<tr>
<th></th>
<th>Over 35</th>
<th>Under 35</th>
<th>Under 35</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PM</td>
<td>PW</td>
<td>PM</td>
</tr>
<tr>
<td>Have managed to save</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Have spent their savings on:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>land</td>
<td>68</td>
<td>76</td>
<td>33</td>
</tr>
<tr>
<td>livestock</td>
<td>38</td>
<td>35</td>
<td>44</td>
</tr>
<tr>
<td>domestic electronics</td>
<td>40</td>
<td>41</td>
<td>55</td>
</tr>
</tbody>
</table>

PM peasant men
PW peasant women
FM flower company male workers
FF flower company female workers

Source: Fieldwork.

While re-peasantization for young cut flower workers was not an option, improving their job opportunities through education, was an equally daunting task. According to Ecuadorian legislation, the legal age for joining the permanent labour force is fifteen years. Most flower companies avoid employing children under fifteen as permanent workers but they do hire teenagers between fifteen and eighteen. This practice reinforces the general tendency among rural youth for dropping out of high school. In effect, while young flower company workers’ educational levels are higher than those of older farmers, they are pitifully inadequate by the standards of a modern urban economy. In our sample, approximately half of the men and almost three quarters of the women employed in the cut flower industry said that they had primary education only. Many expressed a wish to continue their education, and some were actually taking correspondence courses or attending night schools. Nevertheless, those who managed to do so were a tiny minority. This is hardly surprising since the working time in the cut flower industry routinely exceeds the 40-hour work week established by legislation, and management is generally reluctant to provide workers of high school age with the legally mandated reduced working day.

If going to school is a challenge, so too, is keeping a job with a flower company. Ecuador’s flower companies tend to have high levels of labour turnovers, a situation that allows companies to select the most agile and disciplined workers from the vast pool of local and migratory labour. The problem of job insecurity,
associated with labour turnover, is intertwined with occupational health hazards. Most flower companies use fumigation several times a week, using products that have been banned in Europe and North America (Suquilanda 1996; Harari 2004). While some workers in our sample said that their companies do provide them with adequate safety equipment, they were clearly in a minority. Unsurprisingly, more than half of the respondents employed in the cut flower industry said that they had experienced health problems after fumigation. The most frequent complaints included bad headaches, dizziness, nausea, and blurred vision. It should be noted that the most serious pesticide-related health problems cannot be detected among current company workers: those who had become seriously ill usually quit their jobs. Indeed, pesticide-related health problems figured prominently as a reported reason for resignation among former flower workers.

In response to the wave of consumer and trade union activism in Europe, Germany’s Association of Flower Importers and Distributors (BGI) created the Flower Label Programme (FLP), which requires flower growers to meet certain environmental and labour standards in exchange for access to high-priced ‘green’ markets. The participant companies, however, are a small minority, since Ecuador exports flowers mostly to the United States (Muñoz Vélez 2001, 119-121). Environmental health inspections by the Ministry of Public Health are even less common. Typically, these inspections are conducted on request from labour unions, but in the early 2000s only three out of more than 400 Ecuador’s flower plantations were unionized.

The weakness of the system of labour and environmental health regulation is compounded by the failure of the welfare system, represented by IESS (Instituto Ecuatoriano de Seguridad Social), to address the needs of the rural poor. Cut flower workers with formal contracts have access to IESS’s Obligatory Social Security System (Seguro Social Obligatorio, SSO). IESS, however, is severely underfunded. In the early 2000s, the monthly SSO benefits per person were on average only $US 70, with minimum-wage earners getting much less than that (Rofman 2003, 354). Flower workers’ access to the SSO is also limited by the unstable nature of their jobs. If they lose their jobs, they join the ranks of rural dwellers without formal employment who have access only to Rural People’s Social Security (Seguro Social Campesino, SSC). The monthly SSC benefits are even lower than those of SSO: less than $US 5 per person. In 1998 the Ecuadorian government created a new cash subsidy program, known as Bono Solidario. It was targeted at mothers of minor children, the disabled, and low-income persons over 65 years of age. Its benefits, however, are almost as low as the SSC’s: close to $US 10 per person, per month (Rofman 2003, 354). Apart from being severely underfunded, the program was criticized for failing to update its beneficiary base and using inadequate targeting mechanisms (Dulitzki 2003). Overall, it is safe to say that without a major infusion of funds and an effective pro-poor institutional reform, Ecuador’s social security system has little to offer to the rural population that lives close to the poverty line.

*Gender, family and community*

The implications of this state failure look particularly disturbing against the backdrop of the disintegration of family and community institutions. Historically, Ecuador’s Andean society had been organized along patriarchal lines, with older
men playing the important role in family and community decision-making. At the family level, the older women’s power increased in the 1960s and 1970s, after the beginning of male migration. Not only did they do most of the farming but they also marketed their produce, providing their families with a cash income. Young women, previously standing at the bottom of the patriarchal structure, also increased their influence. Young females’ work in the cities as domestic servants supplied them with migratory experiences that put them on a more equal footing with men. Moreover, the national government’s efforts to promote rural education resulted in improved levels of female literacy. Even though on average these rates in Ecuador are slightly lower than those of males, young women in rural communities usually have more years of schooling than old men. This means that both young men and women have an advantage when it comes to the dealings with government agencies and NGOs.

All in all, in the 1960 and 1970s, rural women of all ages acquired a significant amount of power within the loosely patriarchal structures. In the research area of this study, it was usually peasant women over 40 who had the ‘power of the purse’ (Table 3).

Table 3. Married women’s perceptions of who is in charge of family budget, social reproduction, and relations with public institutions, by age and occupation (percentage of respondents)

<table>
<thead>
<tr>
<th></th>
<th>PW over 40</th>
<th>PW under 40</th>
<th>FF under 40</th>
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<tbody>
<tr>
<td></td>
<td>Husb.</td>
<td>Both</td>
<td>Wife</td>
</tr>
<tr>
<td>Who in your family</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>takes care of:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>family budget</td>
<td>-</td>
<td>53</td>
<td>47</td>
</tr>
<tr>
<td>child raising</td>
<td>8</td>
<td>33</td>
<td>58</td>
</tr>
<tr>
<td>domestic chores</td>
<td>6</td>
<td>13</td>
<td>81</td>
</tr>
<tr>
<td>Who in your family</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>is in charge of the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>relations with:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Council</td>
<td>44</td>
<td>25</td>
<td>31</td>
</tr>
<tr>
<td>Potable Water</td>
<td>70</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>Municipal Government</td>
<td>67</td>
<td>11</td>
<td>22</td>
</tr>
</tbody>
</table>

PW peasant women
FF flower company female workers
Source: Fieldwork

Young peasant women had relatively little say in the use of the family budget, largely because they farmed too little land to generate a significant cash flow. Unlike the older peasant women, though, they played an active role in the public realm, petitioning or collaborating with community councils, potable water associations, and the municipal government, something that the older and often illiterate women were reluctant to do. As for the young female company workers, they seemed to be in a worse situation than the women in the other two categories.
the family level they had less say in financial matters than the older peasant women and, in the public sphere, they had less presence than the young ones. The only advantage they had was the greater propensity of their husbands to participate in household activities, such as child-raising and domestic chores.

The largely negative effect of flower employment on women’s social and political status was compounded by the increased instability of marital relations that, with all their problems and limitations, promised women with at least some support in child-raising. Before the arrival of flower companies, peasant households in Pedro Moncayo had been formed mostly by nuclear families based on legal and church marriage. *De facto* divorce and single motherhood were quite common, with no effective enforcement mechanisms available to ensure child support. Even so, the informal communal norm was that, in the case of divorce, *de facto*, the father should provide at least some support for all his children, especially if they lived in the same or a neighbouring community. As for unmarried single mothers, they were expected to be reintegrated into their parents’ households, in a partial reconstitution of extended family networks.

The growth of the cut flower industry has changed these informal norms. To begin with, inside the communities, there is a stigma attached to female employment in the cut flower sector because of the alleged prevalence of sexual misconduct among company workers. This makes the older community members less willing to act in the interests of single women with children. At the same time, marital relations are becoming more fluid. Even though (and contrary to the widespread local belief) the proportion of unmarried single mothers among flower workers is not higher than among peasant women, the incidence of consensual union (*unión libre*) is much higher. Among 26 couples with children where both partners are peasants, only four reported living in consensual union. On the other hand, 10 out of 25 couples with children where both partners are working in the flower industry said that they did not bother to marry. It is plausible that the greater frequency of consensual unions, as opposed to marriage, implies greater economic insecurity for young children, with the burden of child-raising placed on women.

Would women call on their mothers for help in the case of need? They would. However, co-operation among women in flower-growing areas is becoming less common, even though this seems to be mostly a question of age. In our sample, 84 per cent of peasant women over 40 said that they collaborated with other women, usually relatives outside their household. In the case of peasant women and female flower workers under 40, this proportion was, respectively, 64 and 69 per cent. While occupational differences did not matter much in terms of the levels of women’s cooperation, they affected the patterns significantly. While cooperation in the form of food exchange and cash loans was important to all categories of women, peasant women also heavily relied on mutual help in agricultural work. In contrast, flower company workers underlined the importance of the assistance they received in the area of child raising. In other words, in the context of a general decline of women’s cooperation, flower workers found themselves depending on their female relatives to take care of their offspring.

This dependence raises some difficult questions about the quality of childcare in flower-growing areas. Absentee fathers have been common in most communities since the beginning of male migration. With the arrival of flower companies, it was also the women who were absent most of the time. Over 90 per cent of interviewed female flower workers said that they had to work on Saturdays and Sun-
days. During the peak seasons (two or three weeks before Christmas, St. Valentine’s Day, and Mother’s Day), workers showed up at home, as one respondent put it, only to say ‘hello’ to their family members. Even during the non-peak seasons, women working in the cut flower sector spend only two or three hours with their young children, usually while doing domestic chores. Ironically, while most flower companies provide their employees with subsidized lunch and transportation, few have day care centres. To this should be added the virtual absence of either public day care centres or after school programs in rural areas. In our sample, only eight per cent of the female company workers with children of preschool age said that they had access to day care. Most (68 per cent) left their children with relatives. The remaining 24 per cent did not report any arrangements, which means that most probably the children stayed alone.

All this created a widespread sense of unhappiness among interviewed women working in the cut flower industry. Indeed, only one third of them said that they were satisfied with the way in which they raised their children, even though many felt proud that they had company jobs and could take care of their families. ‘I was coming home so tired’, says one of the former flower workers, ‘that I would go straight to bed and fall asleep. I couldn’t even cook ... I had two children when I joined the company. My daughter was one year old, so I would take her to my mother’s house. My older son was six at that time, so he would go to school. On the way back he would pick up his sister and take her home. He himself had to cook, or else they would eat leftovers. Also, he had to do the homework but often he didn’t ... Anyway, he has succeeded in life: he is a bus driver. My daughter goes to school. I feel very proud, as a woman, that I could work and raise my children all by myself’ (field interview, 9 July 2002).

A related problem is the increased incidence of child malnutrition. Our analysis of health data for children under five demonstrated that children of mothers working in the cut flower industry were more likely to suffer from mild forms of malnutrition than children of peasant mothers: 85 per cent of the former were slightly less than normal for their age weight (peso no muy bajo), as compared to 68 per cent of the latter. This higher level of malnutrition can probably be explained in regard to the long working hours in the flower sector and new saving/spending priorities among company workers. But it can also be related to changes in local diet. The main staple in flower-growing areas, despite the slightly improved incomes, was still potato, which virtually all our respondents said that they ate every day. The animal protein intake also remained low: more than half of the respondents in all categories said that they ate meat, fish, or cheese only once a week or less. The main difference between peasants and flower workers was in the access to locally produced legumes high in protein content (beans, peas) and to locally grown grains with a high nutritional value (quinoa). Beans, peas, and quinoa were common in the peasant diet. Flower workers, by contrast, gave preference to rice, inferior in nutritional terms, but easy to cook and readily available at the corner store.

Finally, the growth of cut flower industry was accompanied by the spread of new and, probably, more virulent forms of shadow economy and social violence. Cattle rustling, alcoholism, and wife battering had been common in indigenous and peasant communities for decades. With the rise of the indigenous and peasant movement, many of them tried to address these problems by organizational means. There were also other factors at work. The incidence of cattle rustling decreased along with the decline of extensive livestock production, while communities’ po-
itical campaigns against alcohol-traders (*cantineros*) were helped, unexpectedly, by the spread of Protestantism (Korovkin 1998). As for violence against women, it attracted more public attention because of the increased participation of women in community organizations.

These modest gains, however, have paled in the face of new challenges. Most respondents in this study expressed a feeling that crime and delinquency in Pedro Moncayo were on the rise, and that neither community organizations nor law-enforcement institutions were able to deal with them. Part of the problem was the general growth of organized crime in Ecuador, triggered to a large extent by the escalation of Colombia’s drug war (Rivera Vélez 2005). Partly, however, it was related to the proliferation of urban-style gangs (*pandillas*) among rural youth. The high levels of job insecurity in combination with the weakening of family and community bonds, typical of flower growing areas, were clearly the contributing factors. In the early 2000s, *pandillas* had recruits in virtually all rural communities of the canton. The growth of gangs was accompanied by the rise of organized prostitution. Prior to the cut flower boom, it had not existed in rural areas. Over the past few years, however, four rudimentary bordellos, advertised as night clubs, have sprung up inside rural communities, with male company workers as the main customers.

This snowballing of problems cried out for public action. Historically, most public initiatives in rural areas, be it the maintenance of public order or infrastructure development, have been undertaken by local communities in co-operation with external institutional actors. In fact, Ecuador’s peasant community institutions experienced two waves of resurgence and transformation. The first one occurred on a small scale in the late 1930s and 1940s, after the passing of the national Commune Law which provided indigenous and peasant communities with legal status, instituted communal elections, and gave community councils and assemblies the right to manage their resources under the supervision of the Agriculture Ministry. The second, and much larger, wave took place from the 1960s to the 1980s, in connection with the passing of land reform legislation and the beginning of rural development programs. This second round of communal resurgence was led first by the National Federation of Peasant Organizations (*Federación Nacional de Organizaciones Campesinas*, FENOC) and later by Ecuador’s Confederation of Indigenous Nationalities (*Confederación de Nacionalidades Indígenas del Ecuador*, CONAIE). Both had provincial and cantonal chapters formed by local communities. Community-based political mobilization continued into the 1990s and early 2000s, now in the form of protests against structural adjustment, the elimination of price subsidies for gasoline and cooking gas in particular.

At the same time, many communities developed close ties with governmental and nongovernmental organizations active in rural development. Initially, most support came from the central government. It was destined primarily for rural infrastructure: roads, potable water systems, health centres, and schools. All these were usually built through community work, dubbed *mingas* after the traditional practice of agricultural labour exchange. In the 1990s the focus shifted to micro-credit and education in areas of gender, youth, nutrition, and health. Many of these more recent initiatives were managed by local and international NGOs. Along with some of the earlier projects, they gave rise to issue-specific associations within the communal boundaries. Some of these (e.g., soccer clubs) played a marginal role in local politics and development. Others, such as potable water associations and
women’s groups, were quite influential. To be sure, neither community participation in nationwide protests nor local development efforts were free from political manipulation and/or mismanagement. Urban migration was also a problem. And still, it is safe to say that, over the past decades, Andean Ecuador witnessed the rise of an inclusive and politically engaged rural civil society.

The program of administrative decentralization, started by the national government in the early 2000s, promised to open a new arena for social activism. In effect, Pedro Moncayo was among the few cantons that were rather successful in mobilizing community participation and obtaining access to international resources as part of decentralization strategies. Among other things, it implemented several community-based planning sessions (mingas de planificación) and carried out a community health campaign sponsored by the Panamerican Health Organization. Curiously, none of these events addressed problems associated with the growth of the cut flower industry. Indeed, these problems were seldom discussed in public, even though they were subject to heated private debates. One reason might be a fear of losing the newly gained cantonal source of income and employment, the fear common among both local public officials and ordinary families. Another was probably the absence of flower worker unions, combined with the influence of the flower growers’ association (EXPOFLORES). Over the years of the flower boom, EXPOFLORES acquired significant political weight, lobbying central government and sponsoring some of municipal undertaking.

Table 4. Community leadership experiences, participation in communal mingas and assemblies, and membership in issue-specific associations, by age, gender, and occupation (percentage of respondents)

<table>
<thead>
<tr>
<th></th>
<th>Over 40</th>
<th>Under 40</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PM</td>
<td>PW</td>
</tr>
<tr>
<td>Participated in mingas over the past month</td>
<td>63%</td>
<td>62%</td>
</tr>
<tr>
<td>Participated in assemblies over the past month</td>
<td>70%</td>
<td>64%</td>
</tr>
<tr>
<td>Have leadership experiences</td>
<td>45%</td>
<td>31%</td>
</tr>
<tr>
<td>Are members of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>potable water associations</td>
<td>54%</td>
<td>21%</td>
</tr>
<tr>
<td>women’s groups</td>
<td>-</td>
<td>16%</td>
</tr>
<tr>
<td>soccer clubs</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>music groups</td>
<td>2%</td>
<td>-</td>
</tr>
</tbody>
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PM peasant men
PW peasant women
FM flower company male workers
FF flower company female workers

Source: Fieldwork

Finally, there were signs that local community organization, already under pressure because of urban migration, started to disintegrate, unable to cope with the incorporation of rural youth into the flower labour force. Generally speaking, cut flower employment tends to undermine community members’ propensity to participate in communal activities. In the research area for this study, participation in community mingas did not seem to change much as a result of cut flower employment, even though in other flower-growing cantons it showed a tendency to fall. In the Pedro Moncayo case, the levels of minga participation were relatively low for all young
people, regardless of occupation (Table 4). The main difference between flower workers and peasant farmers was registered mostly in the area of leadership skills. In the age category over 40, 45 per cent of peasant men and 31 per cent of peasant women said that they had community leadership experiences. In the case of peasant farmers under 40, this proportion fell to 32 per cent among men and 22 per cent among women. However, it was even lower in the case of the cut flower workers of the same age: 22 per cent among men and 16 per cent among women. A similar pattern could be seen in the case of participation in communal assemblies. The pattern of membership in issue-specific associations had also changed. Flower workers were less likely to participate in potable water associations or women’s groups, the two most influential types of associations; their expressed preference was for soccer clubs and music groups.

The erosion of communal organization in the absence of trade unions has signalled a weakening of civil society in flower-growing cantons. This is bad news not only for a majority of their population but also for international development officials who expect local communities to play an important role in poverty reduction initiatives or help national governments implement more effective regulatory and welfare policies.

Concluding remarks

Admittedly, life has been never easy for the rural poor. In many respects, however, the new agricultural export expansion has made it even harder. They are still poor, although probably not as poor as before, but they also have to deal with mounting problems of insecurity and the lack of participation. To be sure, the growth of labour-intensive NTAE offered new employment opportunities in impoverished rural areas. However, as the Ecuadorian case demonstrates, these opportunities appear more as a makeshift solution, preventing the ordinary poor from falling into the category of the extremely poor, rather than a solid basis for overcoming poverty.

Significantly, the growth of cut flower exports has boosted profits in the corporate agricultural sector but, so far, has failed to generate a spillover among the local smallholders. Too poor to participate in the export industry as contract farmers, they provide flower companies with a vast pool of cheap, flexible labour. To be sure, job creation is no small feat in Ecuador’s highland provinces, plagued as it is by land scarcity and unemployment. The growth of the cut flower industry turned the tide of rural-urban migration, offering rural youth minimum-wage employment close to their communities. It gave rise to a new agricultural proletariat formed by young women and men with levels of education higher than their parents’. Indeed, many young workers, and women in particular, felt proud of their ability to earn wages and learn new skills.

So far, however, cut flower employment has appeared more as a dead end than as a highway to rural prosperity. For most flower workers, buying farmland is not an option: partly because of land price increases, but also due to new consumption patterns. Unlike their parents, they have effectively broken their ties to land, but most have neither time nor economic resources to complete high school, which would enable them to find a place in the modern urban-industrial world. Similarly, the informal family and community networks that supported previous generations in the time of need, are falling apart, while the heavily underfunded national social security system is unable to fill the void. The failure of public institutions is under-
scored by the growth of pesticide-related health hazards and the spread of urban-style juvenile delinquency. These new problems are added to the old scourges, such as child undernourishment. Indeed, in terms of opportunity and security, Ecuador’s flower company workers seem to be getting the worst of the two worlds.

This situation might change if – to use international development jargon – the rural poor were getting a better chance to have their voices heard, or rather to influence the processes of decision-making. The Ecuadorian experiences suggests, however, that disempowerment may be a more plausible scenario. Over the previous decades, Ecuador witnessed the rise of a powerful indigenous and peasant community movement. In flower-growing areas, however, community organizations are falling apart along with the informal networks on which they are built. Trade unions might provide a new participatory mechanism but, with some notable exceptions, there are no trade unions in the cut flower industry. A result is the decline of civil society and the shrinking of opportunities for social and political participation. In effect, Ecuador’s case points to the yawning gap between the international participatory development discourse and the local reality of disintegrating community organizations and mounting barriers to trade unionism.

Clearly, there is a need to rethink the social implications of NTAE strategies. Substantially greater public involvement seems to be necessary to make them compatible with the long-term objectives of poverty reduction. The questions remain whether, with the local civil society on the decline, such involvement is feasible and, if it were miraculously achieved, how it would affect NTAE producers’ ability to compete on the international market.

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Notes

1. This study was conducted with the collaboration of the Inter-Institutional Committee of the Pedro Moncayo Canton. Special thanks to Fernando Jara and Frank Gualsacuqui, members of the Committee. The author would also like to acknowledge the invaluable contribution made by various people: Santos Pila, who acted as a field coordinator during the field work; Blanca Fernandez, Mauricio Pila, Claudia de la Cruz, and Luz Maria Pazmiño, who worked as interviewers; Tim Clark, who created the database; Liisa North, Luciano Martínez Valle, Raul Harari, and Carmen Martínez
Novo, who provided comments on earlier drafts of this paper; and Carroll Klein, who did the editing. Finally, the author would like to thank all those who agreed to be interviewed for this study, and especially the Cantón’s peasant farmers and cut flower workers. Financial support for this project came from Social Sciences and Humanities Research Council of Canada (SSHRC). An earlier version of this paper was presented at the 2004 World Congress of Rural Sociology in Trondheim, Norway.

2. As part of the fieldwork, we conducted structured interviews in six rural communities, with a total population of approximately 420 families. Among these, we interviewed 350 people over the age of fifteen. Approximately half of our respondents, and especially the older generation, were involved in small-scale peasant farming and migratory work. A majority of the rest were employed by flower companies. To provide a more accurate picture of occupational and gender differences, we used intentional samples, targeting four categories of people: (i) flower company male workers (59 respondents); (ii) flower company female workers (75 respondents); (iii) peasant men involved in seasonal or cyclic migration (83 respondents); (iv) peasant women dedicating a large part of their day to household activities (96 respondents). We did not ask our respondents for information on incomes and expenditures because most people living in this area do not have a habit of personal accounting, and those who do feel embarrassed to share their accounts with outsiders. Instead, we tried to develop a more comprehensive picture of their lives, congruent with the World Bank’s (2001) view of poverty. To get a better understanding of the local social dynamics, we also implemented participatory community workshops and semi-structured interviews with flower company representatives, former company workers, community leaders, government officials, and NGO employees.

3. Bryceson (2000: 2) defines the concept of peasantry with reference to four criteria: (i) reliance on a combination of subsistence and small-scale commodity agriculture; (ii) widespread use of family labour; (iii) subordinate class position; and (iv) residence in villages or communities. For a discussion of the notions of semi-proletarianization and depeasanitization, see de Janvry et al. (1989), Wallerstein and Smith (1992), and Kay (1995, 2000). Attempts at a reconceptualization of the peasantry in the context of globalization and in response to the rise of new social movements are examined by Kearney (1996).

4. Similarly, the Inter-American Development Bank (IDB) identifies five categories of policies aimed at overcoming poverty: (i) sectoral social policies, such as education and health; (ii) support for productive capacity of the poor; (iii) promotion of social organization and training for participation in decision making; (iv) labour and wage policies; and (v) welfare and cash or food transfers (Raczynski 1995: 2). For a discussion of Ecuador’s rural development programs, see Donoso-Clark (2003).

5. Martinez Valle (2002) relates this process to the effects of the Ecuadorian land reform which freed bonded peasants but failed to provide them with a sufficient amount of land for farming.

6. For a discussion of the evolution of Ecuador’s indigenous and peasant movement, see Selverston (2001) and Korovkin (2001), among others. For an analysis of the ‘reinvention’ of the indigenous and peasant tradition in Peru, Guatemala, and Bolivia, see respectively Seligmann (1992), Grandin (1997), and McNeish (2002).

7. According to estimates based on earlier demographic trends, in 2000 Pedro Moncayo was supposed to have a population of 18,000. In 1998, ten years after the beginning of the flower boom, its population exceeded 27,000, which probably means that approximately one third of the population were migrants (SIISE 2000; Municipalidad del Cantón Pedro Moncayo 2003, 33).

8. Flower workers in our sample were, on average, 27 years of age, while the average age among peasant farmers, men and women, was 45.

9. In Ecuador’s urban workforce, a person with a complete secondary education earns almost 50 per cent more than a person without it. The same percentage for university education is over 250 per cent (Lanjouw 1999, 110). Lanjouw also notes that the gains of rural based secondary education are realized mostly in the urban sector, through urban migration.

10. In 2000, the illiteracy rates among men and women age 15-24 are 2 and 3 per cent, respectively, as compared to 7 and 10 per cent among all men and women (World Bank 2002, 98). In our sample, only 3 per cent of men over 35 and 2 per cent of women of the same age went to high school. By contrast, 45 per cent of men under 35 and 22 per cent of women in the same age category had at least one year of secondary education. For a discussion of Ecuador’s system of rural education, see Sanchez Parga 1991.
11. For a study of flower company workers time budget, see Korovkin (2003).
12. The quality of company day care services is rather uneven. One respondent mentioned, for instance that her company used empty flower boxes as cribs, even though eventually it did purchase some furniture. Other company-managed day care centres, however, are reasonably well-equipped.
13. According to national statistics, only 22 per cent of rural children of preschool age have access to day care. This proportion in the poorest quintile of the total Ecuadorian population is 44 per cent, while in the richest quintile it is 86 per cent (Rojas 2003, 271). It should also be mentioned that some women interviewed for this study did not like the idea of institutionalized day care because, in their view, it made the mothers ‘ir desencarnandose de sus hijos’ (lose affection for their children).
14. The analysis was conducted as part of this study upon the request of the PDA-Tabacundo, a local branch of World Vision. According to Parandekar et al. (2002, 138), in 1999 the incidence of stunting (lower than normal height for age) in Ecuador’s highland provinces was 51 per cent.
15. With its population of 27,000, the canton has one police station, located in the capital, and counts nine police officers and four cruisers. Traditionally, rural communities relied on the practice of customary justice, including shaming and physical punishment, but this practice has fallen into disuse over the past decades.
16. One of them was built in the middle of a peasant community located in the vicinity of a few flower companies. This caused an outrage among the community dwellers, who organized, in their own words, an ‘uprising’, chasing away the bordello staff, and pulling out and burning the mattresses. The bordello was closed only to reopen, a few months later, in a different community.

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