

CONTEMPORARY CONQUEST: AN EXAMINATION OF MAXUS
ENERGY CORPORATION'S TREATMENT OF
ECUADOR'S HUAORANI INDIANS

by

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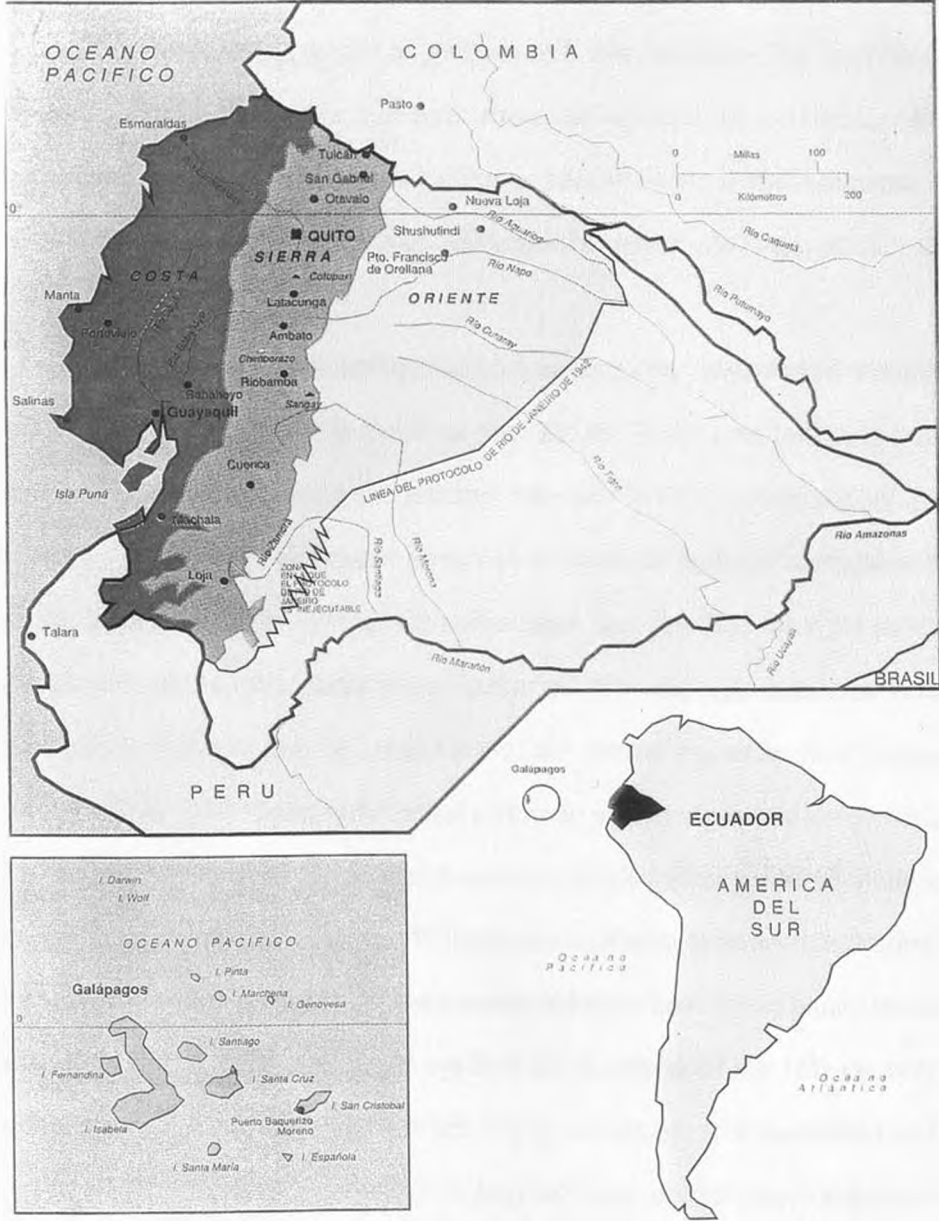

Carlos Aguirre

While conquest in Latin America is often thought of as a thing of the past, the practice has continued well into the twentieth century, with transnational corporations replacing nation-states as key economic exploiters and conquerors. This thesis examines one such transnational corporation, Maxus Energy Corporation, and the company's activities in the Ecuadorian Amazon in the 1990s. In an attempt to explain some of the ways in which a foreign oil company is able to continue procuring lands belonging to Indigenous peoples, and how it can operate within those same peoples' culture with limited conflict, a reconstruction of Maxus' attempt to conquer the Huaorani Indians of Ecuador is presented. The methods used in conquest have changed over time, and as Maxus Energy Corporation attempts to conquer the Huaorani Indians and their territory, it has to bear in mind the changing political and economic scene in Ecuador and worldwide. Maxus has refined the methods used in conquest, using means more "acceptable" in the age of Indigenous self-organizational efforts, human rights organizations, environmental watchdog groups and a critical media.

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MAP I
ECUADOR AND ITS PROVINCES



Source: Judith Kimerling with the Federación de Comunas Unión de Nativos de la Amzonía Ecuatoriana (F.C.U.N.A.E.). *Crudo Amazonico*. Quito, Ecuador: Abya-Yala, 1993.

INTRODUCTION

"Conquest" is not a new experience in Latin America. For over half a millennium, Europeans and North Americans¹ have attempted to exert their control, politically, economically, and culturally, over groups of people living in the Americas. What has changed over the course of the past 500 years, however, are some of the methods used to "conquer" a group of people.

When the Spaniards arrived in the Americas, they discovered a number of strategies to successfully conquer the Indigenous population. They exercised their superior military might over the Indians, using the Indians' religious beliefs to their advantage, and allied themselves with rival Indigenous groups to weaken the Indians' strength and domination over the land and people. Under the assumption that they had the right to take over and exploit areas whose inhabitants were "barbaric," they did not respect the autonomy of the native inhabitants, nor did they make use of the natural resources in a "proper" manner.

Following the Spaniards' initial efforts to conquer parts of the Americas and their Indigenous inhabitants in the sixteenth century, further attempts were made and continue to be made in the twentieth century. While many of the conquerors' ideologies have remained similar to those of the Spaniards, their methodologies have undergone considerable changes. A conqueror today might not find the strategies of the 16th century Spanish *conquistadores*² particularly useful; hence new tactics have been devised and executed.

In order to evaluate the methodology of twentieth century conquerors, it is important to understand what is implied by the term. "Conquer" is a word with various implications, from acquisition by force of arms to gaining or winning by effort. For the

¹ The general term "North Americans" is used here to describe United States citizens.

² *Conquistadores* refer to the Spanish conquerors of the late 15th and 16th centuries.

purpose of my research, I will define "conquer" as coming to dominate a region, its peoples, and its resources against the will of the original inhabitants. While conquerors can be states or representatives thereof, it is important to identify other entities as possible conquerors as well. For example, the twentieth century has witnessed the emergence of transnational corporations as key economic exploiters in the Americas. These companies have worked in conjunction with their governments to dominate regions, peoples, and resources. They operate independently as well, taking advantage of the numerous economic opportunities existing in Latin America in order to increase their capital gains and profits.

Many of the new conquerors in Latin America originate, not only from Europe, but also from the United States of America and other parts of the world. As Latin American countries gained their independence from Spain throughout the 19th century, the United States gradually began to increase its economic and political presence in the region. By the first half of the 20th century, the United States had firmly established itself in Latin American economies and politics, and many Latin American countries soon became dependent on U.S. capital. The increasing dependence on U.S. investments allowed the United States government to influence Latin American politics; instead of being dominated by the Spaniards, Latin Americans now face the emergence of a new conqueror and a new type of conquest. Presidents Taft, Roosevelt, and Wilson realized the influential role that the United States played in Latin America, and, as part of their "Dollar Diplomacy" policies, the three presidents and their respective administrations began manipulating Latin American politics through economic means in the first part of the 20th century. U.S.-based businesses expanded their markets in Latin America, and they gradually began to play more significant roles in U.S.-Latin American relations, as well as in the domestic politics of their "host" countries.

Latin American leaders did not passively watch the United States step in and take over where the Spanish *conquistadores* left off. Policy makers experimented with import substitution industrialization (ISI) policies to advance their economic independence during the first half of the 20th century, but the program did not ultimately succeed. Latin American countries continued to import machinery and technology from the United States in order to produce their goods domestically. A period of crisis and stagnation followed the ISI policies of the 1930s-1960s; in response, many Latin American countries adopted neoliberal policies in the late 1980s and 1990s. Neoliberalism discourages government involvement in the economy, and it allows for increased foreign investment. North American, and other foreign companies, have taken advantage of the expansion of Latin American markets, and once again, they have increased their activity in the region. Banana, mining, telephone, and oil companies, to name a few, are all transnational companies which have taken part in the conquest of the Americas. They have involved themselves in the economic and social exploitation of another people, hence gaining a certain degree of control over those people. In addition, they have exercised considerable political power and have greatly influenced governmental policies.

One group that has come under attack by environmentalists and Indigenous rights leaders in recent years, and has been, arguably, referred to as a group of conquerors, is the oil industry operating in Ecuador. Oil companies owned and operated by corporations based in the United States and elsewhere, often of transnational character, have a significant impact on the Ecuadorian economy, environment, and people as they explore and exploit oil in the region.

While perhaps all Ecuadorians have felt the effects of the oil industry in one form or another, the Indigenous inhabitants of the eastern Amazonian region, where a majority of the drilling takes place, have witnessed the oil companies' increasing presence in their homelands. These Indigenous groups have often protested the oil companies' presence,

and have made efforts to halt the development of the industry in the region. In order to continue their activities, oil companies have had to alter their methods of dealing with these Indigenous groups, and have had to devise innovative and specialized tactics to aid them in their conquest of Indigenous lands, resources, and peoples.

Just as conquest in the Americas is not a new phenomenon, the study of conquest is not new material for historians. However, while conquest has traditionally been studied as a political, and sometimes as an ethnic topic, studying it as an ecological event is a more recent trend amongst scholars.³ The conquest of the Americas, beginning in the 16th century with the Spanish *conquistadores*, has nearly always been motivated by the search for and hope of obtaining additional lands and natural resources. In the process of conquering lands and resources, conquerors disrupt the lives of the human inhabitants of the desired territories. In studying conquest, the ecological element should not be ignored, nor should it be studied separately from the social, cultural, political, or economic aspects. As Richard White points out in an article on the development of environmental history, "Historians must find some way to fix with care and precision the causes and consequences of the changes that they study. Necessarily, this will mean interdisciplinary research."⁴ The fairly recently developed field of environmental history incorporates a number of elements as it attempts to evaluate the past. The conquest of the Ecuadorian Amazon exemplifies the need for an interdisciplinary approach to historical study. My research on the oil industry in the Ecuadorian Amazon incorporates social, cultural, environmental, economic, legal, religious, and political elements, and it might be classified best as an ecological/cultural history.

The research presented in this thesis focuses on some of the ways in which a foreign oil company is able to continue procuring lands belonging to Indigenous peoples,

³ Donald Worster, "History as Natural History: An Essay on Theory and Method," *Pacific Historical Review* 53, no. 1 (February 1984): 18.

⁴ Richard White. "Historiographical Essay, American Environmental History: The Development of a New Historical Field," *Pacific Historical Review* 54, no. 1 (1985), 336.

and how it can operate within those same peoples' culture, with limited conflict.⁵ My study concentrates on the relationship between U.S.-based Maxus Energy Corporation and the Huaorani Indians living in Ecuador's Oriente region. I have chosen Maxus as an example of a transnational corporation/conqueror primarily because of the company's very recent entrance into the Ecuadorian Amazon. Maxus entered the region in a social, political, and economic context significantly different from that of its predecessors. And, while Maxus was not the only international oil company to enter the Oriente in the 1990s, it offers a unique case-study in that its primary concession, Block 16, is located almost entirely within the Huaorani Indians' territory, and within a national park.

My study of the Maxus-Huaorani relationship presented here attempts to answer the following questions: What is Maxus' attitude regarding Huaorani culture and what the sources of it? What steps has Maxus taken to ensure its success (control of land, natural resources, and, to some extent, peoples) in Huaorani territory, and how have they done so with minimal conflict? How have the Huaorani responded to Maxus' entrance into their traditional homelands? To answer the questions I have posed, I provide a reconstruction of Maxus' attempt to conquer the Huaorani Indians of Ecuador. My analysis includes the examination of a publication that Maxus Ecuador Incorporated provides for its employees who work in or visit Huaorani territory, and I have also consulted the secondary literature to draw questions to the broader context in which the Maxus/Huaorani relationship takes place.

My thesis presents a critical explanation of Maxus' attempt to exert its control over the Huaorani Indians. Maxus uses a new and refined form of conquest in which the conqueror (Maxus) does not use overt violations against its subject (Huaorani), but instead

⁵ The use of "limited conflict" does not suggest that controversies do not arise, but rather it reflects a theoretical goal to minimize conflict (image-damaging protests and other forms of peaceful opposition, as well as violence).

uses insidious means more "acceptable" in the age of Indigenous self-organizational efforts, human rights organizations, environmental watchdog groups, and a critical media.

-I-

TRADITIONAL HUAORANI

To understand how oil companies and other outsiders have affected the Huaorani peoples' way of life, it is necessary to understand how the Indians lived and interacted with one another prior to their contact with the outside world, and how the Huaorani Indians fit into the overall political, economic and societal structure of the Republic of Ecuador. This chapter will provide background on the Huaorani people by discussing their traditional territory, culture, and society.

Ecuador, positioned at zero degrees latitude, is one of South America's smallest republics with a land area of 272,045 square km. The country is situated on the northern Pacific coast between Colombia and Peru. The Andes mountains run lengthwise down the center of Ecuador and divide the country into distinct geographic regions. (See Map 1) The low-lying areas and marshlands comprising the majority of the Costa region contrast sharply with the mountainous Andean region of the centrally located Sierra. The Oriente, lying on to the east of the Sierra, presents still another distinct climatic region. The Oriente is Ecuador's Amazonian jungle region; the area forms the western edge of the Amazon Basin and encompasses over 13 million hectares of tropical rain forest.¹ The Ecuadorian government claims another 175,000 square km of Amazonian territory, but the area was invaded by Peru in 1941. Ecuador does not recognize the treaty signed in Rio de Janeiro in 1942 which gives Peru legal rights to the territory.

The Oriente is a valuable region, thought by many biologists to be perhaps the richest biotic zone on the earth, due to the high levels of biological and animal species

¹ Judith Kimerling with the Natural Resources Defense Council, *Amazon Crude* (Natural Resources Defense Council, 1991), 31.

diversity. The forest has as many as 12,000 plant species, and probably more species of birds than any area of similar size. The Oriente is home to the parrot, macaw, falcon, owl, spider monkey, and woolly monkey, as well as such endangered species as black caiman, howler monkey, harpy eagle, jaguar, and tapir.²

The Indigenous group which is the focus of this study, the Huaorani, is among the eight Indigenous groups located in the Oriente region. The Quichua and Shuar are the two largest Indigenous groups in the Oriente; these two groups, along with the Achuar, Cofán, Shiwiar, Secoya, Siona and Huaorani account for 25-50 percent of the region's population, or 90,000-250,000 Indigenous people.³

Huaorani Territory

The Huaorani people live throughout the provinces of Napo and Pastaza, between the Napo and Curaray Rivers, in the Ecuadorian Amazon. Their traditional territory covers some two million hectares, however, since the 1980s when Amazonian lands became recognized as potentially valuable economic resources, the Ecuadorian government has legally defined and restricted Huaorani lands. On April 13, 1983, the government of Doctor Osvaldo Hurtado gave title to 66, 570 hectares to the Huaorani. The Protectorate, as the designated lands were called, were bound by the Nushino and Manderoyacu Rivers.⁴ Huaorani territory was augmented in April of 1990 when President Rodrigo Borja ceded an additional 612,560 hectares of land to the Huaorani; their territory now comprises 679,130 hectares. Huaorani lands extend 170 miles from east to west, and 100

² Grolier Educational Corporation. *Indigenous Peoples of the World: Huaorani* (Danbury, Connecticut: Grolier Educational Corporation, 1995), 17.

³ Kimerling, *Amazon Crude*, 34.

⁴ Randy Smith, *Crisis Under the Canopy: Tourism and Other Problems Facing the Present Day Huaorani* (Quito, Ecuador: Ediciones Abya-Yala, September 1993), 8.

miles from north to south. (See Map 2) About ten percent of the Huaorani Indians live outside these protected lands, including five groups who live in Yasuni National Park.⁵

Yasuni National Park was designated as a Biosphere Reserve under UNESCO's Man and the Biosphere Program and a world center for plant diversity and endism under the joint IUCN-WWF Plants Conservation Program and the IUCN Threatened Plants Unit. The park is located within traditional Huaorani territory. Protection of the park, and similarly of the Huaorani people, is nominal. The government claims all subsurface minerals as property of the state; under the directive of the 1990 Huaorani land title, the Indians may not "impede or obstruct" oil or mining activities in their lands.⁶ In other words, prior claims of legitimacy by right of occupancy are ignored by the national government.

Huaorani People

The Huaorani Indians have been coined "Auca" by their Quichua neighbors, as the Huaorani were once known for killing any outsiders daring to enter their territory. The translation for the name "Auca" is savage; it is a name commonly accepted and used by outsiders of the Huaorani Indian group. The Huaorani, however, dislike the term "savage." They prefer to call themselves "Huaorani," a term translated into English as "people." The language spoken by the Huaorani people is called Waodadi Apaedeka.

According to anthropologist James Yost, the original number of Huaorani Indians could be as high as 20,000; however, there were only about 500 when missionary contact was established in 1958.⁷ The number of Huaorani people inhabiting the Ecuadorian Amazon today lies somewhere between 1200-1300; numbers vary from census to census.

⁵ Judith Kimerling, "Dislocation, Evangelization, and Contamination: Amazon Crude and the Huaorani People," in *Ethnic Conflict and Governance in Comparative Perspective* (Washington DC: Woodrow Wilson International Center for Scholars, no. 215, September 1995), 85.

⁶ *Ibid.*

⁷ Smith, *Crisis Under the Canopy*, 15.

These Huaorani Indians live in eighteen separate communities dispersed throughout the designated Huaorani Protectorate and beyond. The eighteen distinct groups of Huaorani Indians are: Toñampari, Quenahueno, Tihueno, Quihuaro, Damuintaro, Queremeneno, Dayuno, Huamono, Ahuencaro, Acaro, Dicaron, Aguemuro, Queheire Ono, Cacataro, Ñonaeno, Cauhue, Baumeno, and Bataboro. Each of the Huaorani communities is autonomous of the rest, but many groups will now join together to collaborate on issues affecting the Huaorani people as a whole; such has been the case in negotiating with oil companies and missionaries.

While their population remains small, the Huaorani numbers appear larger due to their dispersion throughout the Amazon and because of their mobile lifestyles. The jungle is important to Huaorani survival, as the Indians depend on their natural environment to meet all of their needs. Traditionally, the Huaorani have survived as semi-nomadic hunter-gatherers. They also practice slash and burn cultivation, growing yuca, plantains, bananas, peanuts and corn. The Indians' primary food source, however, comes from their hunting and fishing practices.⁸ The Huaorani's close relationship with their natural environment is summarized by the independent scholar, Judith Kimerling, as she describes groves of peach palm or chonta trees marking previous generations of Huaorani settlements. The Huaorani visit the chonta groves of their ancestors annually. Kimerling points out that,

For the Huaorani, a symbiotic relationship unites people, the chonta trees, and the animals that fatten themselves with the fruit of the trees (and then reproduce). That relationship ensures the renewal and growth of important food supplies and, together with the continuity of the family groves, links past and future generations.⁹

Joe Kane, a journalist who has spent extended periods of time amidst the Huaorani Indians, concurs with Judith Kimerling's stress on the Huaorani people's close relationship

⁸ Giovanna Tassi, *Naufraugos del Mar Verde: La Resistencia de los Huaorani a una Integración Impuesta* (Quito, Ecuador: Ediciones Abya-Yala y la Confederación de Nacionalidades Indígenas de la Amazonía Ecuatoriana, January 1992), 129.

⁹ Kimerling, "Dislocation, Evangelization, and Contamination," 73.

with the jungle. He claims that the Huaorani of today maintain the same type of close relationship with their environment as did the traditional Huaorani described by Kimerling.

After spending several months amongst the Huaorani, Kane says,

I was coming to understand that for the Huaorani, hunger defines life. You are hungry or you are not; all else flows from that. From this point of view, I could see why the Huaorani so value self-reliance, and why their culture revolves around food, ritual sharing, feast and famine. However illusory it might be at times, the notion of *abundancia*- of the forest as ever fruitful and providing- is absolutely critical to their ability to survive. Without such faith, one would feel terrified of the forest, terrified to the point of paralysis. It was easy to see, too, why all the money in the world would never compensate them for the destruction of their land.¹⁰

Huaorani Society

Traditional Huaorani society characteristically lacks established towns or villages, and the Indians do not have a central governing figure. They do not place borders between their lands, nor do they follow written laws or the orders of police. The Huaorani live in families, independent of the rest of the community.¹¹

The eighteen groups of Huaorani peoples are divided by family and kinship ties. The families comprising each of the separate groups of Huaorani live and work independently of others, and sometimes live miles away from one another because of the scarcity of wild animals and fertile soil. The family unit consists of a husband, his wife or wives, their unmarried children and their married daughters' husbands, all of which account for 10-35 occupants of a single household. The matrilineal structure of Huaorani families, allows for a young couple to remain amongst their larger family, living and working as a unit. Once the couple's first child is born, the new family builds a house of its own.¹²

Gender roles do not vary greatly amongst Huaorani people. Both men and women hunt and gather as well as maintain the family's gardens. Other household tasks are shared

¹⁰ Joe Kane, *Savages* (New York: Vintage Books, 1995, 1996), 54.

¹¹ Grolier, *Indigenous Peoples of the World*, 18.

¹² *Ibid.*, 21.

by men and women alike, and there exists no ideological representation of male-domination. Generational differences are minimal and do not impede the younger family members from contributing to the family's subsistence. Children, beginning at age seven, are taught to hunt, fish, gather vegetables and other foods and cook. Independence and self-sufficiency beginning at a very young age are greatly valued. It is considered honorable for children to be able to share the food they secure with older members of their family; this practice allows children to relate on an equal level with the older members of their families.¹³

While Huaorani families function as autonomous units, they do come into contact with other members of their larger group. They share the hunting grounds of the jungle, and are therefore in contact with other groups of Huaorani. Their tradition of intertribal marriage also mandates Huaorani communication and exchange among families and groups. In the course of a lifetime, however, a Huao usually comes into contact with no more than eighty other Huaorani Indians.¹⁴

The close Huaorani kinship ties are illustrated by the terms used to identify one another. Huaorani children call their mothers and their maternal aunts all as "mother." They identify their fathers and their paternal uncles all as "father." Likewise, a Huaorani child's cousins are his "brothers and sisters." On the other hand, maternal uncles and paternal aunts are not even considered relatives to the Huaorani children. This is important, as it allows Huaorani children to marry the sons and daughters of their maternal uncles and paternal aunts. The Huaorani then can look to their own group for potential partners in marriage or they can seek marriage with Huaorani Indians from one of the other groups.¹⁵

As traditionally semi-nomadic peoples, the Huaorani are constantly in motion. They move about the rainforest for a number of reasons. The primary reason for such

¹³ Tassi, *Naufragos del Mar Verde*, 131.

¹⁴ *Ibid.*, 138.

¹⁵ Grolier, *Indigenous Peoples of the World*, 22-23.

motion relates to Huaorani cultivation practices. Huaorani families usually maintain more than one plot of land where they harvest a variety of crops. A family moves often to tend to the mature crops. Also, the gardens use up available nutrients, and the Huaorani are forced to seek virgin lands to plant new crops every five or six years. The Huaorani also move to avoid being detected by their enemies.¹⁶

Huaorani enemies usually result from one group's animosity toward a rival group which results in conflict and feuding. Feuds involving rival Huaorani groups usually arise when one group seeks revenge on another after a member of one group has killed a member of the other. Once a man has been killed, his relatives hold the offender and his family responsible and they pursue revenge through retaliation. These feuds can last many years, sometimes resulting in a peaceful settlement and other times in death.¹⁷ Feuds amongst the Huaorani are feared and often discouraged, as they affect an entire family and often lead to fatal results. To avoid such conflict, members of a Huaorani clan may pressure an individual who begins to involve himself in a fight, and conflicts are sometimes resolved before they escalate into situations which could lead to a feud.¹⁸

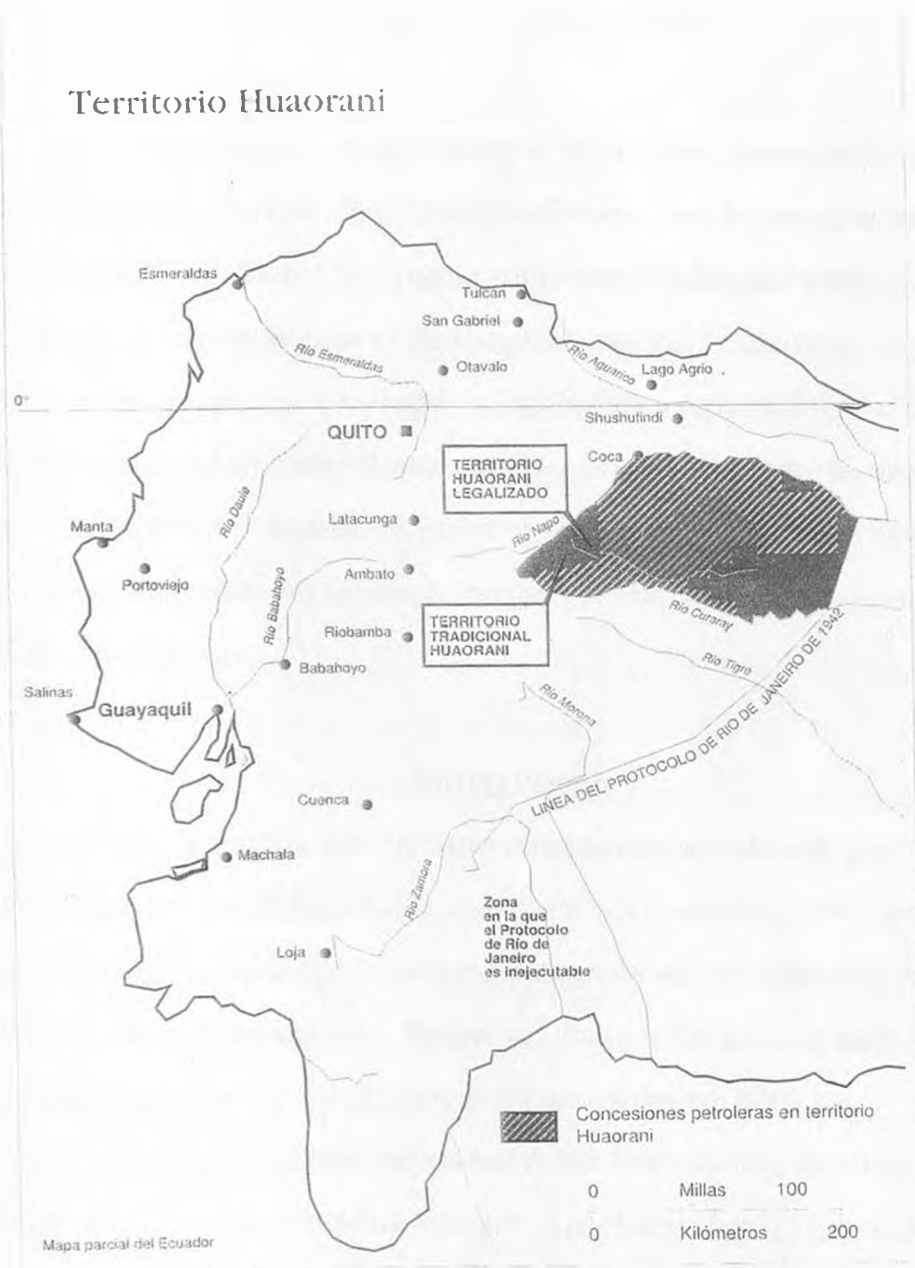
The Huaorani Indians, while small in number, occupy a large area where they live, hunt and grow crops. The Indians depend on the jungle's natural resources for their survival. Their traditional territory in the Amazon has been decreased as the Ecuadorian government begins to realize the economic potential of the land, and changes in the Huaorani's lifestyle are already being detected as they are forced to inhabit a smaller area of the Amazon jungle, restrict their traditional activities and confront and adapt to the increasing presence of outsiders.

¹⁶ *Ibid.*, 22.

¹⁷ *Ibid.*, 26-27.

¹⁸ *Ibid.*, 27.

MAP 2

HUAORANI TERRITORY

Source: Judith Kimerling with the Federación de Comunas Unión de Nativos de la Amzonia Ecuatoriana (F.C.U.N.A.E.). *Crudo Amazonico*. Quito, Ecuador: Abya-Yala, 1993.

-II-

CONTACT WITH *COWODE*

The Huaorani Indians' traditional way of life has been threatened by their increasing contact with *cowode*¹ or outsiders. The self-sufficiency and autonomy of the Huaorani people has historically limited their contact with people outside their eighteen groups, and while the Spanish *conquistadores* of the sixteenth century did make some contact with the Indians, outsider influence did not largely affect their lives until the late nineteenth and twentieth centuries when rubber planters, missionaries and oil companies entered the region. This chapter will discuss the impact of outsider contact with the Huaorani, and it will provide a background on the events that precede Maxus Energy Corporation's entrance into Huaorani territory.

Rubber Planters

One of the Huaorani's first extensive contacts with *cowode* took place in the late nineteenth and early twentieth centuries when the world demand for rubber motivated European (predominantly British) *caucheros* (rubber planters) to explore the Amazon basin in search of rubber producing trees. Rubber was found in the Amazon basin, and the resource was tapped into by the *caucheros* who soon arrived in full force.

Just what effect the rubber tappers had on the Huaorani has, according to Miguel Angel Cabodevilla in his study of the Huaorani, Los Huaorani en la Historia de los Pueblos

¹*Cowode* is a Huaorani term meaning "outsider." The Indians use the term in reference to anyone who is not Huaorani. The Huaorani Indians do not consider themselves Ecuadorian citizens, hence Ecuadorian people are classified by the Huaorani as *cowode* along with foreign nationals.

del Oriente, not been systematically studied or documented.² Some general observations have been made, however, which indicate that the *caucheros* brought diseases from Europe; not having been previously exposed to such diseases, the Huaorani had no immunity to them. The European *caucheros* also attempted to enslave the Huaorani, use them as laborers on their *haciendas*³, and they sometimes killed uncooperative Indians. In one case, in 1920, rubber tappers killed 80 Indians.⁴ The Huaorani resisted the rubber planters and sought refuge deep in the jungle.

Illustrating the *caucheros'* persistency and the Huaorani's resistance is the case of one *hacendado*⁵, Señor Santova. Santova used forced laborers on his *hacienda*, and he was so pleased with their work that he tried to bribe other Huaorani to come work for him. He offered them money and pleasant working conditions in return for their labor. The Huaorani refused Santova's offerings, "wishing to remain independent and said they wanted nothing to do with the white man's world."⁶

The European *caucheros'* presence in Huaorani territory was short lived, as the price of rubber was driven down due to oversupply and as the British established plantations in their Asian colonies.⁷ The entire duration of the rubber trade extended fifty years from 1875 to 1925.

Missionaries

Another *cowode* group participating in the conquest of the Huaorani Indians are missionaries. Christian missionaries, interested in the Indians' "savage" nature and

² Miguel Angel Cabodevilla, *Los Huaorani en la Historia de los Pueblos del Oriente* (Coca, Ecuador: Cicame, 1994), 143.

³ *Haciendas* are large estates which emerged as agricultural production and social centers as well as living quarters for wealthy elites in colonial and later Latin America.

⁴ Grolier Educational Corporation, *Indigenous Peoples of the World: Huaorani* (Danbury, Connecticut: Grolier Educational Corporation, 1995), 38.

⁵ An *hacendado* is the owner of an *hacienda*.

⁶ Randy Smith, *Crisis Under the Canopy: Tourism and Other Problems Facing the Present Day Huaorani* (Quito, Ecuador: Ediciones Abya-Yala, September 1993), 13.

⁷ Grolier, *Indigenous Peoples of the World*, 39.

complete unfamiliarity with the teachings of the Bible, made their entrance into Ecuador soon after Christopher Columbus and the Spanish *conquistadores* set foot in the Americas. The Jesuits arrived in Quito, Ecuador in 1603 and soon made their way into the Oriente. These first missionaries spent over sixty years attempting to convert the Indigenous people of the Oriente region. They made progress in contacting the Indians, founding missions and even converting small groups of Indians, but the missionaries encountered constant resistance. The Indians' attacks on the Jesuits discouraged the missionaries, but they did not drive them out of the Oriente; rather the decision made by Charles III of Spain to expel the Jesuits forced them to leave the area.⁸

Ecuador's Indigenous peoples did not see the missionaries again until the 1950s when a new proselytization attempt was undertaken. The Summer Institute of Linguistics (SIL), a North American fundamentalist Protestant group including Wycliffe Bible Translators (WBT) and Jungle Aviation and Radio Services (JAARS), led the renewed conquest attempt in the Oriente. The SIL, founded in 1934, arrived in Ecuador in 1952 just when President Velasco Ibarra ceded his power to Galo Plaza. The institute did not claim official association with any one religious sect or church, instead it presented itself as a scientific organization. In reality the SIL worked on a program of translating the Bible into Indigenous languages rather than pursuing academic or anthropological goals.⁹ The SIL secured a contract with the Ecuadorian government in 1953 whereby it could work in Ecuador to investigate Indigenous languages, study folklore, study the Indians' traditional medicines and aid the Ecuadorian government as needed. The contract did not mention the institute's evangelical intent; however, the Ecuadorian government offered no objections to the institute's Bible translation work amongst the Cofán, Siona-Secoya and Huaorani Indians.¹⁰

⁸ *Ibid.*, 36.

⁹ Cabodevilla, *Los Huaorani en la Historia de los Pueblos del Oriente*, 343.

¹⁰ Alvin M. Goffin, *The Rise of Protestant Evangelism in Ecuador, 1895-1990* (Gainesville, Florida: University Press of Florida, 1994), 58.

The Summer Institute of Linguists' work with the Huaorani began in 1955 when a group of missionaries including Nate Saint, Jim Elliot, Ed McCully, Jr., Roger Youderian and Peter Fleming attempted to make contact with the Indians in a venture known as "Operation Auca." The operation began with the missionaries learning the Huaorani language and exchanging gifts with the Indians. The missionaries provided the Indians with an aluminum kettle, buttons, rock salt, and machetes; the Huaorani, in return, gave the missionaries feathered headbands, parrots and cooked fish. All gifts were exchanged without the missionaries making physical contact with the Huaorani. Pleased and motivated by the Huaorani's cooperation, the five men proceeded by landing a plane at a place called "Palm Beach" along the Curaray River in Huaorani territory and establishing contact with the Indians.¹¹ Peter Fleming recorded the incident in his journal.

This is a great day for the advance of the gospel of Christ in Ecuador. Ed was at one end of the beach, Jim on the other and Roger, Nate and I in the center near the shack- all of us shouting phrases periodically. Suddenly from directly across the river a strong masculine voice began jabbering at Ed and immediately three Aucas stepped out into the open on the opposite bank, two women and a man. My heart jumped, thumped wildly as we walked slowly to join Ed and to shout phrases with him. We shouted "puinani" (come) and he replied lengthily, pointing frequently to the girl (of about 15-16) as perhaps willing to trade her for some knives. Jim started wading across the shallow, 20 yard wide river.

The Aucas were a little afraid but as Jim gradually approached them, the girl began to edge toward the water and stepped off a log into the water with the fellow following her slowly and last of all the other woman. Jim caught them by the hand and began leading them across to our side. They were uneasy but did not seem terrified as they stepped out on our side and we all laughed, smiled and told them they had come well and not to be afraid. The man was a young fellow of 20 or so, the girl younger and the woman perhaps 30 or so. They were completely naked except for a G-string worn around the waist. We walked toward the plane and showed it to them, explaining by sign language how the propeller worked. By then the Aucas were relaxed and showed no signs of fear, jabbered happily to themselves and to us, seemingly with little idea that we didn't understand them. The young girl was still childish though physically mature, seemed dreamy, rubbing her body against the plane and waving her hands in the air imitating the plane's movements. Soon the fellow began to show interest in the plane and we guessed from his talk that he was willing to go to his house to call his comrades. We put a shirt on him and he climbed in the plane with no sign of any emotion except eagerness to do his part. Nate

¹¹ *Ibid.*, 59.

taxied down the strip and took off while the fellow shouted all the way. After circling and shouting briefly Nate landed again, thinking to give the fellow a rest before making the flight to Terminal City. Nothing doing! He was ready to go right then- I guess he shouted all the way over and back and thoroughly enjoyed his trip.

My theory is that he had been sent with the girl and her mother (?) to give us the girl in exchange for paring knives and beads. We are praying the others will come over and invite us to go over to their place- this fellow has seemed reluctant whenever we mentioned the subject and it may be he lacks the authority to invite us on his own.¹²

Three days after the missionaries made initial contact with the Huaorani, in 1956, their bodies were found along the Curaray river; it appeared that the missionaries had been massacred with spears and machetes.¹³ The incident called worldwide attention to the "savage" Huaorani Indians, who, presumably, were responsible for the killings, and it inspired Rachel Saint, late missionary Nate Saint's sister, to continue her brother's mission. Under the authority of the Summer Institute of Linguistics, Rachel Saint pursued the evangelization of the Huaorani.

Rachel Saint was not unfamiliar with the Huaorani people prior to her brother's murder. She had heard descriptions of the people from her brother when she visited with him in 1949 on her way to Peru where she would begin her own career with the SIL. Nate described the Huaorani to his sister as "mythical savages," and Rachel came to think of the Huaorani as "her" people. She was "convinced that God had chosen her to be the only one to work with the Huaorani."¹⁴ This belief formed in Rachel's head prior to her brother's expedition into the jungle, and it drove her to devote her life to "saving" the Indians after her brother's death.

When Rachel Saint arrived in Quito to begin her work with the Huaorani, she immediately identified herself with Dayuma, a Huaorani woman who had fled her home in the jungle when her parents were both killed by a rival Huaorani group. Dayuma was the

¹² Peter Fleming, quoted in *The Rise of Protestant Evangelism in Ecuador, 1895-1990*, Alvin M. Goffin, (Gainesville, Florida: University Press of Florida 1994), 59-60.

¹³ Goffin, *The Rise of Protestant Evangelism in Ecuador, 1895-1990*, 60.

¹⁴ *Ibid.*, 58.

first Huao to leave Huaorani territory and turn to the outside. She worked as a slave on Carlos Sevilla's *hacienda*, located near Huaorani territory. Saint sought out Dayuma at the *hacienda*, and the two quickly became friends. They helped one another to learn lessons which would later prove extremely valuable to Saint's work with the Huaorani Indians. Dayuma taught Rachel to communicate in Huao language while Rachel familiarized Dayuma with the teachings of the Bible.¹⁵

In 1958, Carlos Sevilla permitted Dayuma and her son Samuel Caento Padilla to leave his *hacienda*, allowing them the opportunity to accompany Rachel Saint back into the forest to seek out Dayuma's relatives. The group reached Huaorani territory by foot, and established a settlement on the western edge of the Huaorani territory near the Tihueno River.¹⁶ Rachel gathered radios, machetes, clothes and food all of which lured the Huaorani Indians to the settlement. Once Dayuma and Rachel had captured the Huaorani's attention and gained their support, the women attempted to evangelize the "heathens." They taught the Indians that in the Lord's eye, nomadism was not proper; the Huaorani should settle down, erect permanent villages and cultivate garden crops. The Indians were also told that sexual license, non-religious chanting, and polygamy were not permitted.¹⁷

Saint and Dayuma, who became thought of as "sisters" amongst the Huaorani people at Tihueno, gradually gained power and influence within the settlement. Their gift giving continued to attract increasing numbers of Huaorani to Tihueno, and they succeeded in "pacifying" and "Christianizing" large numbers of Indians. (Joe Kane says that when he asked one of the Huaorani what Rachel Saint did, the Huao answered, "She asks God for things"¹⁸). In ten years, a new era of "primitive Christianity" developed amongst the Huaorani people. In this era, the SIL introduced new progressive techniques of hunting

¹⁵ Cabodevilla, *Los Huaorani en la Historia de los Pueblos del Oriente*, 344-345.

¹⁶ Judith Kimerling, "Dislocation, Evangelization, and Contamination: Amazon Crude and the Huaorani People," in *Ethnic Conflict and Governance in Comparative Perspective* (Washington DC: Woodrow Wilson International Center for Scholars, no. 215, September 1995), 76.

¹⁷ Joe Kane, *Savages* (New York: Vintage Books, 1995, 1996), 86.

¹⁸ *Ibid.*, 89.

and gathering, clothed the Indians, built homes for nuclear families, and introduced non-traditional medicine to the Indians. Problems emerged as rival clans intermixed at Tihueno, and the number of inhabitants rose to over 500 people. Insecurity and dependency, concepts previously unknown to the Huaorani, were introduced in Tihueno. The Huaorani, however, tolerated the SIL's actions and the Indians' sometimes difficult living situations while the SIL provided them with food and medicine.¹⁹ A vicious cycle began in Tihueno in which the Indians became increasingly dependent on U.S. goods and increasingly resentful of their dependence on such goods.

One group of Indians successfully resisted the SIL's program. The Tagaeri Indians migrated southward and continued to live in isolation in the near the Shiripuno and Curaray Rivers. The Tagaeri managed to resist peaceful contact with the missionaries and later with the oil companies when they first entered Huaorani territory. Another group of about fifty Indians living in Tihueno fled the settlement and, like the Tagaeri, migrated southward to resist the missionaries' activities.²⁰

Rachel Saint and the Summer Institute of Linguistics' involvement in Huaorani society persisted in the years following their entrance into the Amazon. The institute was officially expelled from Huaorani territory in 1981 as their activities were deemed "incompatible with the priorities of development in the Ecuadorian Amazon and with national scientific investigation".²¹ Despite the institute's legal expulsion, however, Rachel Saint's presence and influence remained. As oil companies followed Saint's lead into the jungle, they were aided by the SIL's "pacification" program. The oil companies, in fact, worked with the SIL and later with Rachel Saint independently as they developed their

¹⁹ Giovanni Tassi, *Nafragos del Mar Verde: La Resistencia de los Huaorani a la Integración Impuesta* (Quito, Ecuador: Ediciones Abya-Yala y la Confederación de Nacionalidades Indígenas de la Amazonía Ecuatoriana, January 1992), 138.

²⁰ Kimerling, "Dislocation, Evangelization, and Contamination," 79.

²¹ Goffin, *The Rise of Protestant Evangelism in Ecuador, 1895-1990*, 74.

oil fields. Together, missionaries and oil companies forced drastic and lasting changes in the Huaorani people's traditional way of life.

Oil Companies

The conquest of Ecuador's Amazonian lands and peoples has been expedited by one of the principal actors in the conflict, namely, the oil industry. According to Judith Kimerling, "the oil boom in the Oriente has greatly accelerated the conquest of Amazonía, and indigenous peoples and cultures are now seriously threatened."²² While the oil industry's entrance into the Ecuadorian Amazon is comparatively recent, it has left its mark on the people native to the region. The Huaorani Indians are no exception; while they did not come into contact with the oil companies until the oil industry had firmly secured itself in the Oriente, they have not escaped the damaging consequences of oil development as it alters their traditional lifestyle and threatens their survival.

Oil exploration in the Ecuadorian Amazon began in 1921 when Leonard Exploration Co. of New York obtained rights from the Ecuadorian government to study, explore and exploit 25 thousand square km. of land. The concession was canceled 16 years later when the company neglected to pay a debt it owed the state.²³

A second attempt was made in 1937 when Shell Oil was granted the right to initiate exploration.²⁴ Shell was not successful in its attempt, and no further efforts were made until 1964 when Texaco, a U.S.-based oil company, discovered oil in the region. Texaco's discovery initiated the company's extensive involvement in Ecuador's new oil industry. In 1967, the Ecuadorian government granted mineral use rights to five million

²² Judith Kimerling with the Natural Resources Defense Council, *Amazon Crude* (Natural Resources Defense Council, 1991), 39.

²³ Petroecuador, *La Industria Hidrocarburifera en el Ecuador* (Unidad de Relaciones Institucionales, March 1996), 6.

²⁴ Kimerling, *Amazon Crude*, 43.

acres of rainforest to the consortium Texaco-Gulf. The consortium discovered crude oil deposits in Lago Agrio, and it initiated the installation of U.S. prefabricated refinery to process the oil and to extend its operations to the deposits also discovered in Shushufindi and Sacha.²⁵

The region in which Texaco discovered oil soon became commercially valuable, and in 1972, the company entered into a contract, whereby the Ecuadorian government granted it, and its passive investment partner, Gulf Oil, a virtual monopoly over oil production. (With a foreign debt of \$217 million, the country itself could not finance the infrastructure needed to expand oil production activities). The contract was to extend this privilege to Texaco for the next twenty years.²⁶

The Texaco-Gulf consortium expanded its activities in the Oriente and in 1972, it constructed SOTE (Sistema del Oleoducto Trans-Ecuatoriano), a 498 kilometer Trans-Ecuadorian Pipeline. The pipeline traversed the country from the Oriente, over the Andes, to an oil refinery on the Pacific coast at the port city Esmeraldas.²⁷ SOTE aided Texaco's production capacity, and in the next fifteen years, it would enable the oil industry to expand its activities in Ecuador.

Recognizing the importance of Texaco's discovery, and noting the economic potential of the Oriente's oil reserves, the Ecuadorian government determined to become more directly involved in the oil exploration and exploitation process. In 1971, President Velasco Ibarra proposed the Law of Hydrocarbons which determined the maximum areas in which foreign oil companies could operate in Ecuador, and required that the companies revert all other sectors to the state. Also furthering the Ecuadorian government's participation in the oil industry was its partial nationalization of the oil industry. On June

²⁵ Elena L. Quintana, "Deforestation in Ecuador with Special Attention to Land Tenure Systems and Oil Development" (Master's thesis, State University of New York, October 1994), 68.

²⁶ Glenn Switkes, "The People Vs. Texaco," *NACLA Report on the Americas* (September-October 1994), 6.

²⁷ Kimerling, *Amazon Crude*, 43.

23, 1972, the government created CEPE (Corporación Estatal Petrolera Ecuatoriana), a state-run oil corporation charged with controlling each stage of the national petroleum industry.²⁸ In 1974, CEPE joined Gulf and Texaco, forming the new consortium Texaco-Gulf-CEPE. Together, the three companies dominated the Ecuadorian oil industry and forced other oil companies out of the country.

Ecuador's participation in the oil industry increased and evolved in the years following CEPE's creation. In 1982, the government reformed the Law of Hydrocarbons, and from 1982 to 1994, it appropriated an additional 1.7 million hectares of Amazonian territory to private firms in a series of six bidding rounds. The land was sectioned off and contracts granting the companies rights to designated blocks were sold during the bidding process. In 1994 further reforms were applied to the Law of Hydrocarbons. The new law provides a "Contract of Participation" which guarantees fixed revenues for the state while the financial risks involved with oil exploration are assumed by the state or foreign oil company.

Another development made by the Ecuadorian government was the restructuring of the state oil corporation. On September 26, 1989, CEPE was dissolved and a new state-run oil company called Petroecuador was created to take its place. Petroecuador was created as an entity with its own patrimony and with administrative, economic, financial, and operative autonomy, with the faculties to cover its own administrative costs, return 90% of its earnings to the state treasury, and invest the remaining 10% in development, especially in the area of exploration.²⁹

Petroecuador is divided into three branches, each with its own set of responsibilities. The first branch, Petroproducción, is the national oil exploration and production company. Its mission is to exploit the sedimentary river basins, operate the hydrocarbon fields assigned to Petroecuador, and transport the petroleum and gas to the

²⁸ Petroecuador, *La Industria Hidrocarburífera en el Ecuador*, 10.

²⁹ Petroecuador, *La Industria Hidrocarburífera en el Ecuador*, 13.

main storage tanks. The second branch, Petrocomercial, is the national commercialization and oil transportation company. Petrocomercial is entrusted with the sale of oil. The third branch within Petroecuador, Petroindustrial, is the national oil industrialization company. It controls the refinery and industrialization of the oil extracted from state-owned territory.³⁰

Ecuador's state-owned oil companies control a large portion of the country's oil industry, but they have shared the country's natural resources and access to oil reserves with foreign oil companies. Texaco's initial discovery of oil in the Oriente and its involvement in Ecuador's oil industry paved the way for other oil companies to tap into Ecuador's wealth of exploitable petroleum reserves. Among the first companies following Texaco's lead were Chevron, Amoco and Grace.³¹ Scores of foreign oil companies soon followed suit, and within seven rounds of bidding for oil field concessions, thirteen contracts were sold to companies including Occidental, Arco, Oryx, Tripetrol, Elf, Braspetro and Maxus. These companies have discovered 650 million barrels of new oil reserves as of March 1996, and with the exception of Braspetro, all have entered the exploitation phase.³²

Many of the blocks of oil concessions rented by foreign oil companies are located within Indigenous territories in the Oriente. Several of the companies' exploration and exploitation activities have affected the region's Indigenous populations, all of which have now been contacted by one or more oil company. One of the last Indian groups in contact with the oil companies is the Huaorani. Oil exploration and exploitation in Huaorani territory lagged behind the industry's development in other parts of the Amazon, due, in part, to the violent confrontations early oil hunters encountered while attempting to establish themselves in the territory.

³⁰ *Ibid.*, 14.

³¹ Kimerling, *Amazon Crude*, 43.

³² Petroecuador, *La Industria Hidrocarburifera en el Ecuador*, 21.

One group of Huaorani Indians resisting the oil industry with violence is the Tagaeri. Just as the Tagaeri clan avoided the pacification efforts of the SIL, they also avoided efforts by the oil industry to contact them. The Tagaeri leader, Taga, was killed by an oil worker in 1984, and his clansmen determined to fight to keep Texaco out of Huaorani territory. The Indians migrated still further south when they found armed resistance insufficient to fend off the oil company.³³

Oil companies, along with the missionaries, pursued their efforts to contact the Tagaeri. Capuchin missionaries, working on behalf of the Brazilian oil company Petrobras, entered Tagaeri territory in order to establish peaceful contact. The Capuchin missionaries were defeated when in 1987 the Indians killed Monsignor Alejandro Labaca, the Roman Catholic bishop of Coca, and Sister Ines Arango.³⁴

Before his death, Labaca wrote a letter requesting that no violent repercussions be taken out on the Tagaeri if he were killed. Apparently, Labaca understood that the Tagaeri were fearful of the missionaries' "attack" on the clan, and the Indians were predisposed to fight to ward off such aggression.³⁵

Petrobras suspended its oil activities in the territory occupied by the Tagaeri Indians, but later resumed its activities, using three to four times the standard number of workers as well as arms, floodlights and guard dogs at the work site. The company, along with the missionaries and other Huaorani groups cooperating with the oil industry, made further attempts to establish peaceful contact with the Tagaeri. The Tagaeri resisted contact by fleeing further into the jungle, and by killing their pursuers. Their way of life has changed significantly since oil industry developers and the missionaries have entered Tagaeri territory. They now live far away from their traditional lands, under stress and in fear of discovery.³⁶

³³ Kimerling, "Dislocation, Evangelization, and Contamination," 91.

³⁴ *Ibid.*, 92.

³⁵ *Ibid.*

³⁶ *Ibid.*, 94.

In other parts of the Oriente, oil development is well under way. Several oil companies, including Petroecuador, Oryx, and Maxus have begun developing oil fields located in the Napo and Pastaza provinces. Conoco, a U.S.-based subsidiary of DuPont, was the first oil company to devise a plan to exploit the oilfields located within Huaorani territory. The Ecuadorian government supported Conoco's plan and hoped to expand the nation's oil industry. The Ecuadorian government anticipated \$3 billion in foreign investment by the end of the twentieth century, as it saw Conoco as they key to opening up large sectors of the Oriente to oil exploitation.³⁷

Conoco never began oil exploitation in Huaorani territory, as it chose to leave the area, citing "economic reasons" for its departure.³⁸ Conoco did, however, acknowledge that other important factors, such as pressures imposed by the Natural Resources Defense Council (NRDC), an environmental organization opposing the company's proposal to exploit oil within parts of Yasuni National Park, influenced the company's decision to abandon its operations. Conoco's decision to leave Huaorani territory did not put an end to oil development in the area. In 1991, Maxus Energy Corporation, a Dallas-based oil company, purchased the concession for the oilfields known as Block 16 from Conoco. Maxus also purchased concessions for the Tivacuno and Borgi-Capiron oilfields; all are located in the Amazon jungle.³⁹

Maxus has proceeded with its plans to exploit oil in Block 16, an action that has aroused concern and contempt within human rights organizations and environmental protection groups and, most importantly, amongst the Huaorani Indians. Maxus Energy's activities in Huaorani territory have already proven destructive to the natural environment and to the Huaorani peoples' traditional culture and way of life. A new phase of oil

³⁷ Kane, *Savages*, 71.

³⁸ Judith Kimerling with the Federación de Comunas Unión de Nativos de la Amazonía Ecuatoriana (F.C.U.N.A.E.), *Crudo Amazonico*, (Quito, Ecuador: Abya-Yala, 1993), 95.

³⁹ Mario Gonzalez, "Maxus, a Risky Experiment by the New President?" (<http://forests/org/forests/ecuador.html>) August 27, 1996.

development has emerged, and Maxus has altered its methods of dealing with the Indigenous peoples, devising innovative and specialized tactics to aid them in their conquest of Indigenous lands, resources, and peoples.

-III-

THE EFFECTS OF THE OIL INDUSTRY ON THE LAND
AND PEOPLES OF THE ORIENTE

The discovery of oil in Ecuador's Oriente region initiated a new chapter in the country's economic, political, and environmental history. Within years of its discovery, oil quickly became Ecuador's leading export, and in recent years, oil exploration and exploitation have sparked new debates among environmentalists and policymakers. Issues relating to the damage caused by oil companies to the land and peoples of the Amazonian region, as well as the continued efforts by the Ecuadorian government to attract foreign investors in the oil industry, are the focal points of such recent debates.

In the initial stages of oil development in the Oriente, little attention was given to the possible ramifications of such activity on Amazonian lands and peoples. The oil exploration and exploitation of the first companies to enter the region were carried out with virtually no environmental regulations, and without taking measures to protect the health and livelihood of the Indigenous peoples living in the affected areas. Indigenous people, along with Ecuadorian and North American environmental organizations, have protested the unrestricted and unregulated activities of the oil industry in the Ecuadorian Amazon. They have identified increased colonization, due primarily to the construction of roads, deforestation, and the contamination of the environment as principal factors leading to the destruction of the natural environment and the traditional lifestyles of the Oriente's Indigenous population. This chapter will examine the effects of oil development on the land and people of the Oriente, and it will outline the legal framework that both legitimizes and outlaws the oil companies' activities in the region.

Colonization, Contamination, and Deforestation

When petroleum companies enter a region, they not only bring company-employed workers, they also attract and enable scores of opportunity-seekers to migrate into the vastly resourceful developing area. In the Oriente, limited access to the dense jungle existed prior to the entrance of oil companies. The first road allowing access to the Oriente opened in 1947; it was one of very few roads leading into the region prior to the construction of roads by the oil companies.¹ In the years that followed, oil companies constructed new roads to install their exploratory and drilling equipment and to transport the oil from wells to refineries. The new roads made possible the immigration and settlement of Indians and *campesinos* (peasants) from the Sierra region. Jaime Yost, an anthropologist hired by the Summer Institute of Linguistics to investigate the organization's activities in Huaorani territory, describes the interrelationship between oil development and colonization. He says,

...petroleum is discovered, resulting in the need for wells; and, with wells, comes the need to transport the petroleum outside the area. In the case of the Huaorani, the petroleum is transported by a system of piping, but [the piping] has to be constructed and maintained. This means a road, the greatest source of possible problems for the Huaorani.²

The problems Yost refers to are many. Road construction disrupts natural ecological stability and the Indigenous way of life. The roads being built in the Oriente often pass through and destroy Indians' gardens. They also cause the destabilization of soils, which can lead to landslides.³ Additionally, road construction leads to colonization. A 1982 census taken by the U.S. Agency for International Development estimates that the 500 kilometers of road built by the oil industry in Ecuador's Amazon have resulted in the

¹ Jaime A. Yost, *El Desarrollo Comunitario y la Supervivencia Étnica: El Caso de los Huaorani, Amazonía Ecuatoriana*, Cuadernos Etnolingüísticos, no. 6 (Merida, Yucatan, Mexico: Summer Institute of Linguistics under the Ministry of Education and Culture of Ecuador, 1979), 15.

² *Ibid.* (my translation)

³ *Ibid.*

colonization of nearly 1 million hectares of rain forest.⁴ Colonization, in turn leads to the displacement of the Indigenous inhabitants, the introduction of new diseases, and increased tension and conflict between the Indians and colonists.⁵ The tension is exacerbated by politicians who claim that Indian organizations want to remove all colonists from the territory and establish an autonomous Indigenous state. The accusations are erroneous, as the Indians do not wish to remove the colonists already living in the Oriente or establish an independent state. Rather, the Indigenous organizations oppose further colonization of their traditional lands, and they seek their own self-determination.⁶

Many of the colonists migrating to the Oriente are poor *campesinos* who, coming from the more populated Andean region, see the jungle as an opportunity to improve their social and economic well-being. The colonists' settlement has been encouraged by measures taken by the Ecuadorian government. Three basic concerns have shaped the state's policies regarding the Oriente: to ease the land shortages in other parts of the country by encouraging the colonization of the Oriente, to exploit the rich natural resources of the region, and to defend the country's territory from further Peruvian invasion.⁷ After the 1941 war with Peru, the Ecuadorian government began to take note of the Oriente's political importance and economic potential. The state began focusing its efforts on developing the area. Also, as the result of agrarian reform, the Ecuadorian government began to view the Oriente as an "escape valve" for the more densely populated areas of the

⁴ Judith Kimerling, *Amazon Crude*, (Washington: The Natural Resources Defense Council, 1991), 75.

⁵ Since the discovery of oil in the Oriente, 250,000 settlers have moved into the Oriente and displaced Indigenous peoples from their traditional lands. Center for Economic and Social Rights (CESR), *Rights Violations in the Ecuadorian Amazon: The Human Consequences of Oil Development*, (New York, March 1994), 11.

⁶ Kimerling, *Amazon Crude*, 40.

⁷ David Corkill and David Cubitt, *Ecuador: Fragile Democracy*, (London: Latin America Bureau (Research and Action), 1988), 110.

country. Colonization programs, then, became an important goal in the government's socio-economic policies.⁸

In 1977, the government issued the Law of Colonization of the Amazon Region, which established that land titles could only be granted to agricultural cooperatives of colonists.⁹ As it appears on paper, the law promotes sustained development based on economic stability, social equality, and environmental balance. In all practicality, however, The Law of Colonization has not met its objectives. Little attention has been paid to environmental stabilization, and the land rights of the Indigenous inhabitants have been overlooked. Indigenous territories have been granted to oil companies for exploration and extraction, and to aid agricultural settlement.¹⁰

The increasing loss of land and the competition for natural resources that the Indians now experience results in a new scarcity of food, medicine, and wood that they depend on for their survival. The Indians' survival is further threatened by the introduction of new diseases against which they have no immunization.¹¹ Despite recent attention to the damaging effects of road construction and colonization on the Amazonian land and people, the Ecuadorian government consistently fails to regulate migration to the Oriente. The country's economic instability and the ceaseless dispute over the southern border restrict the government's efforts to control colonization and protect those affected by it.

Oil companies, like the Ecuadorian government, have made minimal efforts to regulate migration to the Oriente. The companies further disrupt the traditional lifestyle of the Indians as they explore potential drilling sites and begin the process of extraction.

⁸ Elena L. Quintana, "Deforestation in Ecuador with Special Attention to Land Tenure Systems and Oil Companies" (Masters thesis, State University of New York, 1994). 75.

⁹ *Ibid.*

¹⁰ *Ibid.*, 77.

¹¹ The introduction of new diseases is one of the many ways in which the oil companies' conquest of the Amazonian peoples parallels the 16th century *conquistadores'* conquest of the Indians of the Americas. While there is no proof that in either case diseases were intentionally introduced as a form of biological warfare, the results were similar. In both the 16th century and the 20th century conquests, outsiders' diseases weakened and killed the Indigenous peoples, aiding the conquerors' attempts to dominate those peoples.

From its initial stages, oil exploration negatively impacts the natural population of the affected area. In her book, *Amazon Crude*, Judith Kimerling explains the process of oil exploration. She says that the first step in identifying a potential oil source involves seismic studies. Carried out over a one to two-year period, seismic studies involve gridding a piece of land with trails and heliports and detonating underground explosives along the trails.¹² Geologists employed by the oil companies track the movement of the resulting sound waves, and they can detect the potential presence of sub-surface oil reserves.¹³ The seismic studies impact the natural environment in several ways. The equipment and crews needed to conduct the studies are flown into an area in noisy helicopters that scare away animals. The studies also require the clearing of trees and brush for trails and helicopters; they involve the destruction of crops, drilling of holes and employment of explosives, often without regarding the presence of homes, gardens, streams, lakes, or sacred areas.¹⁴

Oil exploration continues after the initial seismic studies with the drilling of exploratory wells. In order to construct an exploratory well, two to five hectares of rainforest are cleared to build an exploratory platform, and construction timber is taken from another fifteen hectares.¹⁵ Around each platform, oil companies construct a large hole or "pond", which serves as a waste collector. Oil is then extracted from the wells and tested to determine if commercial levels of petroleum exist.¹⁶ If sufficient levels of petroleum are detected, drilling equipment is brought in and the process of extraction begins.

¹² Kimerling, *Amazon Crude*, 55.

¹³ *Ibid.*

¹⁴ *Ibid.*

¹⁵ Douglas Southgate and Morris Whitaker. *Economic Progress and the Environment*, (Cambridge: Oxford University Press, 1994), 80.

¹⁶ Kimerling, Judith with the Federación de Comunas Unión de Nativos de la Amazonía Ecuatoriana (F.C.U.N.A.E.), *Crudo Amazonico*, (Quito, Ecuador: Abya-Yala, 1993), 35.

A host of environmental hazards have been associated with unregulated oil drilling. From the initial stages of oil exploration to the later stages of oil extraction, wastes containing toxic components are dumped into unlined reserve pits. The wastes can overflow and spill into the environment, polluting nearby rivers and streams. The wastes that remain in the pits can seep into the soil and pollute the sub-surface freshwater reserves. The Oriente's water is further threatened by oil development as the wastes have a high biochemical oxygen demand, and they utilize the oxygen that aquatic organisms need to survive.¹⁷ Rain also becomes contaminated in the process. Rain passes through landfills, which some companies have opted to use instead of the open pits¹⁸, and the rain becomes contaminated by the toxic wastes. The polluted water affects the organisms living in the water, damaging a vital link in the food chain. The water can also seep into drinking water wells and affect the health of the human population.¹⁹

Another damaging consequence of oil extraction is the process of burning oil and gas. In the process of separating the petroleum from the other components of the crude oil, gases are burned. About 53 million cubic feet of "waste" gas is burned daily.²⁰ Spilled oil often catches fire as well. The burning oil and gas emit oxides of nitrogen, sulfur, carbon heavy metals, hydrocarbons, and soot into the air. The rains that follow such burning are known by colonists as "black rain," and the colonists report that the rain leaves ash on crops, animals, and clothing.²¹

Once the oil is extracted from the drilling site, it is transported to one of Ecuador's five oil refineries.²² The oil is transported via a series of pipelines which connect the

¹⁷ Kimerling, *Amazon Crude*, 61.

¹⁸ Judith Kimerling points out that the landfills lack pretreatment, liners, a leachate collection system, monitoring, cap design, and maintenance. *Amazon Crude*, 61.

¹⁹ *Ibid.*

²⁰ *Ibid.*, 63.

²¹ *Ibid.*, 67.

²² Three of the five refineries, Refineria de Lago Agrio, Refineria Amazonas and Planta de Gas de Shushufindi, are located in the Oriente region. The other two, Refineria De Esmeraldas and Refineria La Libertad, are located on the coast.

refineries in the jungle to refineries and distribution sites in the mountains and on the coast. The pipelines, as most are constructed above ground and are subject to damage by rivers, heavy rains and volcanic activity, spill oil and toxic waste into the environment. The Ecuadorian government has registered approximately 30 major spills from the Trans-Ecuadorean pipeline, SOTE, at an estimated loss of 16.8 million gallons of petroleum.²³ The severity of this leakage becomes more clear when compared to the highly publicized Exxon Valdez oil spill. The Exxon Valdez spilled nearly 11 million gallons of oil into the Prince William Sound, off the coast of Alaska.²⁴ While the leakages in the hundreds of kilometers of secondary pipelines have not been systematically measured, Indigenous community members have reported that spills from the pipelines have contaminated the land and water in surrounding areas as well. The damage caused by oil pipelines spills is magnified by the fact that the technology necessary to mitigate or clean-up the spills simply does not exist.²⁵ Clean-up efforts are made, but the oil usually seeps into the soil and contaminates the environment before the spill is attended to.

The damaging effects of oil development on the environment clearly affect the Oriente's Indigenous population. Researchers have only recently begun evaluating the impact of ecological destruction and oil development on the human population of the Oriente. In a report by The Center for Economic and Social Rights (CESR), researchers claim that, "Local reports that oil contamination has damaged people's health, poisoned their water, and deprived them of fish, game, and crops have been supported by observations made by health workers in the region."²⁶ Other health problems noted among the Indians are rises in child mortality, birth defects, child diseases, skin rashes, and malnutrition.²⁷ Another study of oil exposure and health was recently conducted by

²³ Kimerling, *Crudo Amazonico*, 50.

²⁴ *Ibid.*, 53.

²⁵ *Ibid.*, 50.

²⁶ CESR, *Rights Violations in the Ecuadorian Amazon*, 9.

²⁷ *Ibid.*

the Ecuadorian Union of Popular Health Promoters of the Amazon. The study examined residents of both oil-contaminated areas and non-contaminated areas throughout the Oriente, and found that, "Those exposed to the oil had a higher occurrence of abortion, elevated rates of fungal infection, dermatitis, headache, and nausea."²⁸

The Legal Setting

One of the fundamental elements in the controversy surrounding oil companies' activities in the Ecuadorian Amazon is the question of legality. The Ecuadorian government has never defined specific policies for the protection of the Indigenous people of the Amazon, as it considers the Indians Ecuadorian citizens who need to assimilate into Ecuadorian society.²⁹ As Ecuadorian citizens, however, the Indigenous people of the Oriente are guaranteed the basic rights dictated in the country's Constitution. Article 19(2) of the Constitution of the Republic of Ecuador guarantees environmental protection. The Article provides,

The right to live in an environment free of contamination. It is the duty of the State to be vigilant so that this right should not be affected and to guard nature's preservation. The law will establish the restrictions to exercise certain rights or liberties so as to protect the environment.³⁰

The international community has recently begun to recognize the demands of Indigenous peoples, including the legal right to their lands, respect for their cultures and traditions, and protection of their environment.³¹ The Indigenous people of the Ecuadorian Oriente are entitled to the protection of international laws regarding human rights and environmental protection which have resulted from the attention recently afforded such issues³² Two noteworthy examples of international commitment to the protection of

²⁸ *Ibid.*

²⁹ Corkill, *Fragile Democracy*, 110.

³⁰ Center for Economic and Social Rights (CESR), *Rights Violations in the Ecuadorian Amazon: The Human Consequences of Oil Development*, 58.

³¹ *Ibid.*, 11.

³² A listing of the provisions of international laws relating to the protection of human rights and environmental protection are provided in the appendix.

Indigenous rights and the environment are the 1993 Convention on Biological Diversity and the 1992 Rio Conference on Environment and Development. Ecuador is committed to the Convention on Biological Diversity, which recognizes the need to preserve and promote Indigenous lifestyles linked to the sustainable use of natural resources.³³ The Rio Conference on Environment and Development, likewise, emphasized Indigenous peoples' rights. Principle 22 of the Conference stresses the Indigenous peoples' "vital role in environmental management and development."³⁴ Under the provisions of international legislation and the Ecuadorian government, then, the state is responsible for taking precautions against the contamination of the environment which could potentially endanger human health, regulating actors whose activities could contribute to such contamination, and provide the potential victims of contamination with the information and legal means to prevent the harmful effects of environmental contamination.³⁵ While the Ecuadorian government has begun to comply with its legal responsibilities, researchers with the CESR argue that it has failed to meet its minimum obligations³⁶.

It is difficult to ascertain the Ecuadorian government's success in meeting the obligations spelled out in its Constitution and in the provisions of international laws, as the documents lack specific measures necessary for the state's fulfillment of its responsibilities. Examining the enactment and enforcement of laws and regulations sanctioned by the state, and reviewing the activities of government-run environmental protection agencies, allows for a more concrete analysis of the Ecuadorian government's role in preserving the natural environment and in protecting the rights of the native Amazonian peoples.

Identifying the need to regulate oil companies' activities and their effects on the environment, Ecuador's Law of Hydrocarbons requires that Petroecuador and foreign oil companies develop "plans, programs and projects and the respective financial backing" in

³³ CESR, *Rights Violations in the Ecuadorian Amazon*, 11.

³⁴ *Ibid.*

³⁵ *Ibid.*, xii.

³⁶ *Ibid.*

order to protect the natural resources and prevent adverse social and economic impacts on local communities.³⁷ In a publication produced by Petroecuador's Institutional Relations department, the company claims accordance with the principles of the Law of Hydrocarbons. The state-owned oil company maintains that,

Among the most visibly concrete activities of the Petroecuador System in the environmental field are: the campaign to educate the personnel of the company about the importance of the environmental component of petroleum activity; the standardization of the methodologies of the work; the realization of studies on the environmental impact in the developmental areas of the petroleum companies.³⁸

Other regulatory actions Petroecuador claims to have taken include: coordination of environmental activities with foreign oil companies, better management of waste disposals at the refineries and production wells, rehabilitation of oil plants, cleaning and treatment of local "ponds" and oil wells, reforestation, and modernization of the technologies used in the exploration and extraction of oil.³⁹ If properly implemented, Petroecuador's directives would provide some degree of environmental protection and regulation of oil activities in the Oriente. The companies' activities have gone virtually unmonitored, however, and the Law of Hydrocarbons has not been successfully enforced.

Other environmental measures have been taken by the state. In 1984, for example, an environmental agency, the General Direction of the Environment (DIGEMA)⁴⁰ was created under the Ministry of Energy and Mines. The agency was seriously limited, as it lacked the political support of the ministerial authorities; its activities were restricted by its lack of resources, technical equipment and authority to impose regulations.⁴¹ Six years after the formation of DIGEMA, in 1990, the Ministry of Energy and Mines attempted to increase its environmental efforts. It created a new environmental department, the

³⁷ Kimerling, *Crudo Amazonico*, 79.

³⁸ Petroecuador. *La Industria Hidrocarburifera En el Ecuador*, Unidad de Relaciones Institucionales. (Quito, Ecuador, March 1996), 50. (my translation)

³⁹ *Ibid.*

⁴⁰ Dirección General de Medio Ambiente

⁴¹ Kimerling, *Crudo Amazonico*, 79.

Undersecretary of the Environment (SMA).⁴² DIGEMA was, in turn, transferred to the department of the SMA and it was renamed the National Direction of the Environment (DINAMA).⁴³ The restructuring of the state's environmental division was done primarily for appearance. The new agency suffered the same limitations as its predecessor, and in fact, was required to work on a budget of only 10,000 dollars for its entire first year.⁴⁴

The SMA enacted a series of directives in August of 1990, which became known as the "gentlemen's pact."⁴⁵ The agreement, signed by the SMA, Petroecuador, and foreign oil companies operating in Ecuador required that a commission review the participating oil companies' activities over the course of two years to determine whether or not the companies managed their operations in an environmentally responsible manner.⁴⁶ The pact proved useless, in part, because participation by oil companies was voluntary, and also because it did not consider how the commission would operate, how the commission would determine if an infraction had been committed, what the consequences of an infraction would include, or if the decisions of the committee had to be unanimous.⁴⁷ Years after the SMA's failed attempt to regulate oil development with the "gentlemen's pact," the department, in conjunction with Petroecuador and the Environmental Committees of the oil companies: Elf Aquitaine, Maxus, Occidental, and Oryx, developed a new program of environmental protection. The new program, enacted in 1992, aims to regulate all phases of exploration, exploitation, transportation, industrialization, and commercialization of crude oil and natural gas which could potentially impact the environment and the Indigenous populations.⁴⁸ The 1992 initiative provides the

⁴² Subsecretaría de Medio Ambiente

⁴³ Dirección Nacional de Medio Ambiente

⁴⁴ Kimerling, *Crudo Amazonico*, 81.

⁴⁵ "pacto de caballeros"

⁴⁶ Kimerling, *Crudo Amazonico*, 83.

⁴⁷ *Ibid.*

⁴⁸ Gina Chávez, "Algunas Leyes e Instituciones que Regulan la Actividad Petrolera en el Ecuador," in *Amazonía por la Vida: Debate Ecológico Sobre el Problema Petrolero en el Ecuador* (Quito, Ecuador: la Campaña por la Vida, 1993), 47.

framework for environmental regulation, but again, it faces practical problems. Several of the companies that the legislation targets are the same companies involved in its enforcement; conflicting interests clearly exist.

Protecting the environment and the Indigenous population of Ecuador's Oriente through legal means has, historically, done little to minimize the damaging effects of oil development. The increasing pressure of Indigenous peoples, mobilized Indigenous groups and non-governmental organizations, along with the recent attention called by the media to such environmental and cultural degradation is, however, increasing the demand for the responsible management of the region's natural resources.⁴⁹

Motivation for the Continuation of Oil Development

The companies involved in the commercialization of Ecuador's petroleum reserves desire to continue their activities in the region. The companies' motivation for the continuation of oil development is self-evident--the practice yields commercial profits.⁵⁰ Why the Ecuadorian government would allow for the continuation of unregulated oil development by foreign oil companies, a practice that has proven destructive to the country's land and people, merits further explanation.

The Ecuadorian government's recruitment of foreign oil companies and foreign investment in recent times can be explained best by looking back through the country's economic history since the discovery of oil. Ecuador's practice of import substitution industrialization, which began in the early 1960s increased with the discovery of commercially valuable oil reserves in 1967.⁵¹ Oil production increased, and Ecuador soon

⁴⁹ The challenges posed by the Indigenous peoples, along with the non-governmental organizations, will be discussed in chapter five.

⁵⁰ Although, as Judith Kimerling points out, "at the current production rate of approximately 100 million barrels of oil per year, all of Ecuador's oil could be exhausted by the year 2005," suggesting that the duration of the oil industry's profit-earning activities is limited. *Amazon Crude*, 44.

⁵¹ Toni M. Nelson. "Economic Development in Ecuador's Amazon Region: The Need for an Indigenous-Oriented Approach" (Masters thesis, University of Oregon, 1994), 14.

became the second largest exporter of oil in Latin America.⁵² The country's economic situation was further improved as the 1973 Middle East oil embargo caused the world price of oil to increase. In anticipation of further profits from its oil sector, Ecuador began borrowing large sums of capital to finance its less prosperous industrial sector. The country accrued a significant foreign debt, which it had difficulty financing after the world recession of the 1980s. The recession caused a dramatic increase in interest rates and a drop in world oil prices.⁵³ Ecuador was hit again in the 1980s when, in 1987, an earthquake caused oil exports to decline by 35%.⁵⁴ Ecuador's debt crisis, and the failure to diversify the country's export economy, has forced a dependence on oil revenues to finance the external debt. The country is vulnerable to fluctuations in world oil prices, and as they decline, Ecuador has expanded oil production in parks and protected areas.⁵⁵

The Ecuadorian government then, in an effort to pay the interest on the enormous foreign debt it has accrued over the past thirty years⁵⁶, depends on the investments of foreign oil companies, and on the revenues of the national oil company. While the country may take steps toward the protection of its natural resources, it must do so without alienating the interests of the foreign oil companies with investments in the region.

Case Study: Texaco

The effects of oil development on the land and people of the Oriente have gained international recognition in recent years, due, largely, to the events surrounding Texaco's activities in and departure from the region. As the pioneer of oil development in the Amazon, and as a long-standing participant in Ecuador's oil industry, Texaco has played a

⁵² Kimerling, *Amazon Crude*, 43.

⁵³ *Ibid.*, 46.

⁵⁴ Nelson, "Economic Development in Ecuador's Amazon Region," 17.

⁵⁵ Center for Economic and Social Rights, *Rights Violations in the Ecuadorian Amazon: The Human Consequences of Oil Development*, 8.

⁵⁶ According to the CESR, "the national debt rose from \$200 million in 1970 to over \$12 billion [in 1994]." *Rights Violations in the Ecuadorian Amazon*, 8.

fundamental role in the development of Ecuador's policies on oil exploration and exploitation. Upon Texaco's exit from the Oriente in 1992, environmentalists and leaders of Indigenous organizations began calling attention to the damage it effected in the rainforest. The debate about Texaco's liability in Ecuador brings into question the government's commitment to the protection of its land and people, and the international community's commitment to guaranteeing human rights and environmental protection. The controversy also creates a new awareness of the environmental and human consequences of unregulated oil development.

After Texaco abandoned its operations in Ecuador in 1990, several efforts were made to quantify the damage it caused in the Oriente. Judith Kimerling and the Natural Resources Defense Council initiated the investigation. They found that the oil company's activities caused profound environmental damage, including the abandonment of 1,000 uncovered oil waste ponds and four million barrels of untreated drilling mud, as well as the discharge of 20 billion gallons of toxic production waters.⁵⁷ Kimerling's study was followed by what has been referred to as an "environmental audit" by the Canadian environmental consulting firm HBT Agra. The audit was proposed by the Manuel Navarro, director of the Environmental Protection Unit of Petroecuador, and it was funded by the Ecuadorian oil company along with Texaco. The HBT's study found results similar to Judith Kimerling's,⁵⁸ and it also determined that "Texaco's operations were potentially not in compliance with the Ecuadorian law."⁵⁹ The HBT study was followed by the New York-based Center for Economic and Social Rights (CESR) report on "Rights Violations in

⁵⁷ Glenn Switkes, "The People vs. Texaco," *NACLA Report on the Americas* 8, no. 2 (September 1994), 7.

⁵⁸ The study "confirmed that 41% of Texaco's well sites have a 'high environmental liability' and that 60% of the company's waste pits have not been able to contain oil wastes." Switkes, "The People vs. Texaco," 7.

⁵⁹ *Ibid.*

the Ecuadorian Amazon," which found public-health hazards caused by Texaco's pollution.⁶⁰

Indigenous rights leaders and environmentalists have fought to force Texaco to clean up the mess it left behind in Ecuador. The activists have called for a boycott of Texaco products, and with the assistance of Judith Kimerling and Cristóbal Bonifaz, a lawyer with the Philadelphia law firm Kohn, Nast, and Graf, they filed a class-action lawsuit. The suit, filed in 1993, was to be tried in a New York federal court; the lawyers sought \$1.5 billion in damages to be used to clean-up the contamination caused by Texaco.⁶¹ The lawsuit was contested by the Ecuadorian government, which maintained that it was a violation of the nation's sovereignty. The government shares liability with Texaco, as the national oil company (then CEPE) worked in consortium with Texaco.⁶² The government, therefore, disputes the lawsuit for the sake of its own economic interests. Texaco also refutes the allegations. In response to the challenge, Texaco sent out a letter claiming that the company,

'complied with the prevailing laws and regulations' of Ecuador and 'followed international oil field standards and practices.' 'It was the government of Ecuador,' the letter argues, 'that chose to develop the country's natural resources to improve the economic well-being of its people, and actively encouraged resource development and colonization of the Amazon basin.'⁶³

The lawsuit was dismissed in New York federal courts by judge Jed Rakoff, who maintained that it did not belong in United States courts because the resolution would not be enforceable and it would summon "an open invitation to an international political debacle."⁶⁴ Rakoff continued his explanation of the lawsuit's dismissal by stating,

While the parties dispute whether the courts of Ecuador can provide them with an adequate remedy, it is patently clear that the courts of the United

⁶⁰ *Ibid.*

⁶¹ *Ibid.*, 8.

⁶² Rainforest Action Network, "Action Alert #102." (<http://www.ran.org/ran/>) November 1994.

⁶³ Switkes, "The People vs. Texaco," 10.

⁶⁴ Pratap Chatterjee, "Environment: Ecuador Communities Suffer Major Setback in U.S. Courts." *InterPress Third World News Agency (IPC)*, November 15, 1996.

States cannot...United States courts are courts of limited jurisdiction. While their power within those limits is substantial, it does not include a general decision to right the world's wrongs.⁶⁵

The responsibility of trying Texaco for the environmental damages it caused in the Oriente was left up to the Ecuadorian state. The government proposed an informal agreement with Texaco to clean up the company's damages, but Indigenous rights leaders have denounced the vague verbal accord. They say that they cannot accept an informal agreement which fails to specify costs, a time frame for clean-up efforts, or the forms of reparation.⁶⁶

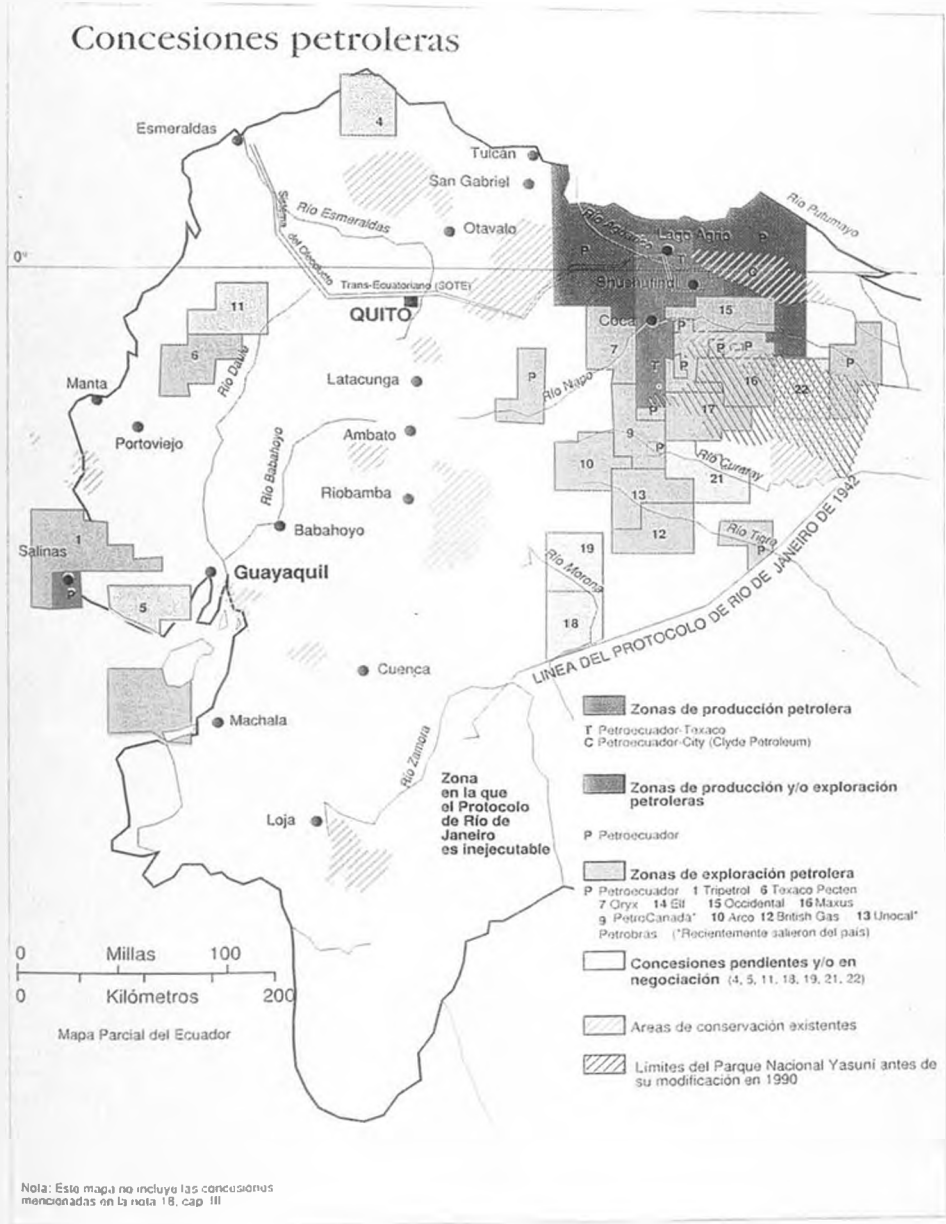
Debate continues on whether or not Texaco has made satisfactory efforts to clean-up the mess it left behind in Ecuador's Oriente region. The recent attention drawn to the dispute has challenged existing standards of oil exploration and exploitation, and it has changed the politics of oil development in Ecuador. The oil companies entering the Ecuadorian Amazon after Texaco's departure have had to do so with caution. Special care has needed to be taken so as not to stir up additional controversies. The more recent arrivals are much more closely scrutinized by the Indigenous groups and by the various Ecuadorian and foreign-based environmental and human rights organizations observing the situation.

⁶⁵ *Ibid.*

⁶⁶ Switkes, "The People vs. Texaco," 10.

MAP 3

OIL CONCESSIONS IN THE ORIENTE



Source: Judith Kimerling with the Federación de Comunas Unión de Nativos de la Amzonía Ecuatoriana (F.C.U.N.A.E.). *Crudo Amazonico*. Quito, Ecuador: Abya-Yala, 1993.

-IV-

MAXUS AND THE HUAORANI

Maxus Energy Corporation joined a number of other foreign oil companies in following Texaco's lead into the Ecuadorian Amazon. Maxus, along with ARCO, Occidental, Braspetro, Mobil, Elf-Aquitaine and Oryx entered the Oriente in the 1990s, just as the Texaco controversy began to draw international attention to the environmental and cultural devastation of oil development in the region. In view of the different circumstances associated with Maxus' entrance into the Oriente, it is clear that the company has had to use a different type of approach in dealing with the Indigenous groups and in addressing environmental issues. Rather than advancing the company's goals without addressing the possible damage to the environment or to the lives of the Indigenous peoples, Maxus has invested in a program whereby company-employed anthropologists, sociologists, and public relations specialists have identified tactics "helpful" in mediation between Maxus and the Huaorani. While the company has made "improvements" in the Huaorani way of life, the results of their exploration and extraction practices are much the same as those of the company's predecessors. This chapter will trace the brief history of Maxus' involvement in the Ecuadorian oil industry, and it will examine some of the new approaches Maxus has employed to minimize any possible criticism or conflict directed toward the company.

Maxus' Development of Block 16

Until 1987, Maxus was known as Diamond Shamrock Corporation. The company was dedicated to the exploration, production, refinement, and commercialization of petroleum. Internal problems forced the Diamond Shamrock Corporation to split. Maxus

was created to control the exploration and extraction of oil, while Diamond Shamrock continued to refine and commercialize the petroleum.¹ It was after this separation that Maxus became involved with oil development in Ecuador.

Maxus announced in 1991 that it would take over Conoco's operations in Block 16 of the Oriente. (See Map 3) From the outset, Maxus faced harsh criticism from both environmental organizations and Indigenous groups, as much of the area of its concessions is located within Indigenous territories.² Block 16, a 200,000 hectare concession, is located almost entirely within Huaorani territory; furthermore, it is situated in the center of Yasuni National Park. In response to critics' concerns, The President and General Manager of Maxus, Charles L. Blackburn, indicated in a press release that the company was aware of the extremely sensitive environment of the Oriente region. He promised that Maxus would develop a plan for responsible petroleum exploration and exploitation.³ Blackburn's announcement has not reassured environmentalists who vividly recall similar promises made by the Conoco-Maxus consortium, prior to Maxus' takeover. Before leaving the Oriente, Conoco affirmed that it would not repeat the patterns established by Texaco and the first petroleum companies in the Oriente. Conoco also maintained that it would develop its concessions without adversely affecting the Huaorani.⁴ However, as Judith Kimerling points out,

...the Conoco-Maxus consortium would be the first to carry out exploitation activities in a national park. Other companies will be able to utilize the consortium's infrastructure to exploit concessions further into the jungle. Moreover, the exploratory methods of Conoco-Maxus have not differentiated greatly from other petroleum companies.⁵

¹ "Hojas de Vida," in *Amazonia por la Vida: Debate Ecológico Sobre el Problema Petrolero en el Ecuador* (Quito, Ecuador: la Campaña por la Vida, 1993), 33.

² Mario Gonzalez, "Maxus, a Risky Experiment by the New President?" (<http://forests/org/forests/ecuador.html>) August 27, 1996.

³ Maxus Energy Corporation, *Boletín de Prensa*, (Dallas, October 21, 1991), quoted in Judith Kimerling with F.C.U.N.A.E., *Crudo Amazonico*, (Quito, Ecuador: Abya-Yala, 1993), 95.

⁴ Judith Kimerling with F.C.U.N.A.E., *Crudo Amazonico*, (Quito, Ecuador: Abya-Yala, 1993), 102.

⁵ *Ibid.* (my translation)

After being cited for illegally discharging drilling wastes and contaminating nearby streams, Conoco finally agreed to prepare a study of the environmental impact (EIA)⁶ of its planned extraction activities in the Oriente, as ordered by the Ministry of Energy and Mines. The study, however, omitted certain plants and animals, and it provided only a general overview of the more obvious environmental impacts that the company could have in the region. Conoco concluded in the study that most of its impacts would not be severe, and that they would be reversible.⁷ While the study did admit that the petroleum exploitation in Block 16 would destabilize Huaorani society and intensify the "acculturation, detribalization, marginalization, and dependency"⁸ of the Huaorani, it minimized such impacts.⁹

Conoco hired anthropologist Jaime Yost (formerly with the Summer Institute of Linguistics) as its consultant on the company's possible effects on the Huaorani people. Yost warned that if the Huaorani are forced to integrate into the accepted Ecuadorian culture and are denied their traditional subsistence, they will be "trampled" and "forced to the bottom of the heap."¹⁰ The Huaorani will no longer remain autonomous; instead, they will be integrated into Ecuadorian society where they will occupy the lowest level of the Ecuadorian social hierarchy.

Despite the negative publicity and the pressure environmentalists placed on Conoco, influencing Conoco's decision to abandon its operations in Huaorani territory, Maxus decided to forge ahead with the project. Maxus has made considerable efforts to avoid the confrontation that its former partner encountered. Maxus' investment in and focus on a friendly relationship with the Huaorani people, and on an environmental management program, has resulted in the development of various new institutions and practices. The

⁶ estudio de impacto ambiental

⁷ Kimerling, *Crudo Amazonico*, 102.

⁸ Conoco, *Declaración de efectos ambientales*, (Quito, 1990), quoted in Kimerling, *Crudo Amazonico*, 103.

⁹ Kimerling, *Crudo Amazonico*, 103.

¹⁰ Kimerling, *Amazon Crude*, 91.

company has actively sought the cooperation of the Ecuadorian government, missionaries, and the Indians themselves in order to advance its own agenda more peacefully and successfully.

In an interview with William Hutton, the General Manager of Maxus Ecuador Incorporated, the Ecuadorian branch of Maxus Energy Incorporated, he acknowledges that the surface area within Huaorani territory does, legally, belong to the Indians. He points out, however, that the subsurface rights belong to the Ecuadorian government.¹¹ Hutton and Maxus have taken advantage of the Ecuadorian government's claims to the subsurface minerals in Yasuni National Park. Maxus has worked with the government to secure the company's rights to extract the oil in the area, and it has involved representatives of the Ecuadorian government in most phases of the extraction process. Alicia Durán Ballén, the daughter of Sixto Durán Ballén, Ecuador's President from 1992-1996, has served as an advisor to the President, and has accompanied William Hutton to the Oriente to aid in negotiations with the Huaorani, Maxus, and the Ecuadorian government.

Maxus has worked with other government officials as well, and has gained the support of those officials. Jorge Barba, Ecuador's National Parks Director, says that the national parks need to be protected, but at the same time, the country needs the resources that lie within the parks.¹² He says,

My opinion is that Maxus is doing a very good job on the environment and social questions...If the oil is there, the situation of the country demands that we get it all out. There is no alternative income that satisfies the needs of the country.¹³

With the Ecuadorian government's aid and consent then, and with the approval of the National Parks Director, Maxus began the process of developing Block 16 in 1992.

¹¹ Christopher Walker, *Trinkets and Beads*, 52 min. First Run/Icarus Films, 1996. Videocassette.

¹² *Ibid.*

¹³ Michael Scott, "U.S. Oil Firm Seen Threatening Amazon Tribal Ways," *Reuters North American Wire*, September 6, 1993.

One of the first steps Maxus took upon entering Huaorani territory involved establishing a peaceful relationship with the Huaorani people. The company had previously witnessed the outcomes of its predecessors' activities, and had heard tales of the Huaorani who had avoided contact with the oil companies more than any other groups of Indians in the Oriente. Hoping to avoid a fate similar to Texaco or Conoco, Maxus launched a campaign to establish friendly relations with the Huaorani.

One of the methods Maxus Ecuador uses to gain the trust of the Huaorani is to work with a preexisting institution in the Oriente, namely the missionaries. Since Maxus has entered Huaorani territory in 1992, it has worked closely with Rachel Saint and other missionaries working with the Huaorani people. The missionaries have already begun to "pacify" the Indians; as one Huaorani Clan Leader, Babae, says, "...Rachel Saint came and civilized us."¹⁴ Maxus shares the missionaries' goal of pacifying the Huaorani. While the missionaries' objective is to teach Christianity to the Indians, Maxus aspires to pacify them in order to extract oil from their land without facing a backlash. The close relationship between Rachel Saint and Maxus is further aided by the fact that William Hutton shares many of Saint's religious views. Father Jose Miguel, a Catholic Priest, comments on this relationship saying,

Rachel Saint now has a strong relationship with Maxus. The President of Maxus, William Hutton, is also an evangelist from the same church. And now the company is coordinating education, health, and communications with the evangelists, as a means of controlling the Huaorani.¹⁵

In working with Rachel Saint and the missionaries, Maxus helps finance education and health care projects, and gives the Indians material gifts. In a travel account by Marc Becker of the University of Kansas, the author notes some of the "contributions" that Maxus has made in one Huaorani community. Becker says, "Maxus has built the community a school (although they don't have a teacher yet), and gave everyone green

¹⁴ Walker, *Trinkets and Beads*.

¹⁵ *Ibid.*

'Maxus- Huaorani amigos' t-shirts."¹⁶ Becker's observations lead to the belief that by providing education and giving gifts, especially gifts that state "Maxus- Huaorani [friends]," Maxus is attempting to create an air of friendliness and trust amongst the Huaorani toward the oil company. With the trust that the missionaries and the oil company establish amongst the Huaorani, Maxus can develop Block 16 without fearing violent protest from the Indian community.¹⁷

Another one of Maxus' important new practices involves the company's disregard of the Ecuadorian law which prohibits foreign oil companies from negotiating directly with the country's Indigenous groups. The law was originally enacted because it was thought that direct contact between the Indians and the oil companies would jeopardize the Indians.¹⁸ Maxus has, instead, dealt directly with the Huaorani. Manuel Navarro, Petroecuador's executive who is charged with overseeing the relationship between the Indians and the oil companies says that Maxus doesn't like the law, and so it doesn't apply to them.¹⁹ Disregarding the law prohibiting direct negotiation does, in fact, jeopardize the Huaorani. This new method of negotiation limits the number of checks and balances normally provided by outside actors (lawyers or advisors), and thus gives Maxus the upper hand in negotiations. Representatives from Maxus have made it clear that they will consult the Huaorani on proposed projects and plans. Maxus has indeed consulted the Huaorani, but as the Indians are not accustomed to outsider politics and do not traditionally unite for political purposes, Maxus can easily manipulate individual Indians to achieve the company's desired goals.

Maxus has dealt directly with the Indians on a number of occasions, signing agreements and holding ceremonial meetings. It is difficult to determine the Huaorani's

¹⁶ Marc Becker, "World Peace Through Frisbee," (marc@ukanaix.cc.unkans.edu) April 1994.

¹⁷ Although, as will be discussed later, Maxus was not completely successful in establishing a sense of trust amongst the Huaorani. The Indians have protested the company's activities and have threatened company employees.

¹⁸ Joe Kane, "With Spears From All Sides." *The New Yorker*, (September 27, 1993), 77.

¹⁹ *Ibid.*

initial thoughts on the Maxus-Huaorani negotiations, as the Indians did not record the encounters or comment on them. What can be deduced from past events and more recent interviews, however, is that Maxus negotiated with only a select few of the Huaorani, while other members of the group protested the company's activities. For example, when the company announced in 1992 that it would begin drilling in Huaorani territory, Huaorani Indians took to the streets of Ecuador's capital, Quito, to protest. They picketed Maxus' headquarters, and camped in the city's largest park across the street for a week. While these Huaorani protested in Quito, another group, those living at Rachel Saint's settlement, began negotiating with Maxus personnel.²⁰ In 1993, an agreement was signed by Maxus and the Huaorani which permits the company to drill in Huaorani territory. There has been a lot of speculation regarding the signing of this agreement. In Joe Kane's article "With Spears From All Sides," the journalist suggests that Enqueri, the Huaorani Indian who signed the agreement, was bribed to do so. Maxus-employed sociologist Rossana Faieta had been meeting with Enqueri during the weeks prior to the signing of the treaty, and, as Kane indicates, Enqueri did not have an independent advisor to help him analyze the "involved" document.²¹ When asked about the agreement, William Hutton replied, "...It's a very one-sided agreement. The Huaorani are receiving educational and other benefits from Maxus, and the only obligation they have is to let us come into their land."²² Hutton then went on to say that, with the Ecuadorian government's permission, Maxus had the right to exploit Huaorani land, without the Indians' consent, but that the company would like to be "a good neighbor."²³

In attempting to be a "good neighbor," Maxus proposed a friendship agreement, which was signed by both Maxus and the Huaorani in August of 1993. "The Agreement of

²⁰ "Ecuador-Indigenous: Amazon Tribe's Fight Against Oil Companies." *InterPress Service*, January 5, 1997.

²¹ Kane, "With Spears From All Sides," 78.

²² *Ibid.*

²³ *Ibid.*

Friendship, Respect and Mutual Support" was signed in the presence of President Sixto Durán Ballén, Ministries of State and delegates of various institutions. The agreement is to last twenty years, and it provides for an assessment of the company's operational plans every two years by a commission and by Huaorani delegates.²⁴ In addition to proposing a friendship agreement, Maxus has spent \$50 million on environmental protection, a tree-planting program, a scientific research station, and checkpoints on the access road to keep out colonists and loggers.²⁵

William Hutton has announced another effort that the company will promote in order to protect its activities in Block 16. Hutton has put forth that all Maxus employees will be accountable for a certain degree of environmental awareness; this awareness, along with education regarding traditional Huaorani lifestyles and customs, is supposed to guarantee that the rainforest and its people will not suffer from the company's operations.²⁶

Procedural Manual for the Waorani Territory

In order to educate Maxus employees on the Huaorani Indians' culture and to give them a better understanding of how they, as Maxus representatives in the Oriente, are required to respond to the Huaorani people, the Community Relations department of Maxus Ecuador Inc. has published a manual for all of the company's employees. The "Procedural Manual for the Waorani²⁷" or the "Manual de Procedimientos en Territorio Huaorani" is the title of the manual that Maxus Ecuador Inc. has published. It is written in both English and Spanish, and its objective, as written in the introduction, is as follows,

This Manual does not pretend to be a scientific treaty or an exhaustive sociological study on Waorani culture. It only wishes to provide a general

²⁴ Maxus Ecuador Inc. "Manual de Procedimientos En Territorio Huaorani." Programa de Orientación, Relaciones Comunitarias, [1994 ?]

²⁵ Scott, "U.S. Oil Firm Seen Threatening Amazon Tribal Ways."

²⁶ *Ibid.*

²⁷ "Waorani" is another less commonly used spelling of the word "Huaorani."

and objective overview of this culture and it is based on Maxus Ecuador Inc.'s policy of respect and friendship towards the Waorani, who have allowed us to work in their territory.

An examination of Maxus' Procedural Manual provides insight into the company's views of and biases toward the Huaorani Indians. The manual is divided into four chapters and contains an introduction and appendix. We can study each section and learn something about Maxus' policies in the Oriente. The language used in the manual, as well as the practices and attitudes the company promotes, aids our understanding of Maxus' objectives and methods employed to attain those objectives.

In addition to clarifying the purpose of the manual, the introduction presents a metaphor that will appear throughout the manual, that of Maxus as a "guest" in Huaorani territory. The first paragraph of the introduction states,

*Welcome to Block 16. Your work is very important for our project. Depending on our work, oil operations can be carried out efficiently. We are giving you this Manual precisely in order that your work may be performed under the best possible conditions. Please keep it and read it constantly. You must learn and implement the rules set out here because your stay as an employee or contractor of Maxus Ecuador Inc. will depend upon them.*²⁸

Presenting Maxus as a guest in Huaorani territory suggests that the company was actually *invited* by the Indians to enter the Oriente and to begin extracting oil from the region. Available evidence leads one to believe that the Huaorani did not invite Maxus into their territory, and that, as in the case of the 1992 protest in Quito, some Huaorani actually protested the company's entrance into the region.

Chapter one of the manual titled "Men of the Forest: The Waorani," gives an overview of Huaorani history and general information on Huaorani culture. Included in the information provided in Chapter One is the emphasized statement, "*The Waorani and the forest are one and the same.*" The section reads on saying, "The Waorani have developed a culture that is perfectly coupled with the forest, with its rivers, and with its flora and

²⁸ Emphasis mine.

fauna." Emphasizing that the Indians and the forest are "one and the same" might imply that Maxus employees should respect the people of the forest just as they respect the forest itself, but if the people and the forest are "one and the same," it would seem that altering, and most likely damaging, the forest by extracting its natural resources would also alter or damage the livelihoods of the people of the forest. The manual does not address this concern, but rather continues to describe the Huaorani's traditional way of living. The issue is addressed later in the chapter, but only in reference to the rubber planters. It reads,

Rubber exploitation in the Amazon Region brought about destruction for the Waorani; their huts, their land and especially their families suffered greatly. This, naturally, resulted in marked feelings of mistrust and suspicion towards strangers.

Maxus' contact with the Huaorani is addressed in chapter two. The chapter's title reads, "Waponi, amigos Waorani, boto Maxus. Greetings, Waorani friends; I am Maxus. Maxus, ONHAE and the Waorani Peoples." The chapter begins with a quote by Ehuenguime Enqueri, the Huaorani Indian who signed an agreement allowing Maxus to drill in Huaorani territory. Enqueri says,

"...And then came Maxus...Maxus was the first company that respected our peoples and that wished to dialogue with our organization (ONHAE)²⁹. We talked with them during five or six months until our leaders had studied carefully their plans and we knew them well. Maxus has dealt with us respecting our culture."

Enqueri's words suggest that the Huaorani were, in fact, fully aware of the implications of allowing Maxus into their territory to begin oil development. Looking back on the discussion surrounding the agreement's signing, however, reveals that Enqueri and the Huaorani might not have had advisors outside of those provided by Maxus Ecuador Inc. with whom they could discuss the possible ramifications of signing such an agreement. Including Enqueri's statement as an introduction to the section on the Maxus-Huaorani relationship provides all Maxus employees reading the manual with the assurance that their company has not violated any of the rights of the Huaorani people, and that the

²⁹ The formation and organization of ONHAE will be discussed in the subsequent chapter.

employees can proceed with their work in Huaorani territory without the perplexing thought of having infringed upon the rights and desires of the Huaorani Indians. Enqueri's statement also suggests that, while the Huaorani were hostile and suspicious of the rubber planters and other previous contacts, the oil company did not arouse such fear and suspicion. Maxus makes this point explicit later in the chapter; it says, "...at the time of the contacts with the missionaries, oil and seismic workers, this mistrust gradually began to disappear."

Chapter two goes on to explain Maxus' policies regarding treatment of the Huaorani people and the environment, and in nearly every subsection, the company underscores its respect toward the Huaorani and their culture. After explaining the signing of the agreement of friendship and respect, the manual states, "Maxus has demonstrated once more, its respect towards [the Huaorani] culture, history, and their territory." As part of the company's emphasis on respect and Huaorani representation in matters affecting their livelihood, Maxus invited various institutions to be part of the plans for the Huaorani peoples. As the manual explains,

On December 3, 1992, delegates of the Presidency of Ecuador (Indigenous Matters Office), Ministries of Education and Health, H.C.J.B. Community Relations Department, IERAC, Armed Forces, Petroecuador and the evangelical and capuchin missions met in order to establish preliminary issues on Health, education and Community Development to be presented to the Ministry of Energy and Mines and to the [Huaorani organization, ONHAE].

It is evident that Maxus has included various institutions, both governmental and non-governmental, in designing its program in the Oriente. Maxus does not mention, however, that the Huaorani will take part in the company's program planning; rather, the Huaorani will "be presented" the plan after it has been drawn up.

Maxus' manipulation of the Huaorani people in regard to the company's program and activities in the Oriente is also illustrated in the company's environmental plan in Huaorani territory. The plan lists the company's environmental policies, and the final point

of the plan states, "In order to effect in an optimum form all the points listed above, the Waorani people will be trained, in order to allow the acquisition of the proposed objectives." It is clear, then, that Maxus does have a set of guidelines it plans to institute in order to "protect" the environment, but if the company has to "train" the Huaorani so that the Indians comply with the company's policies, it is doubtful that the plan corresponds to the Indians' traditional practices. Maxus deems it necessary to alter the Huaorani's way of life in order to further its own agenda.

The second part of chapter two explains Maxus' policies toward the Huaorani. The section emphasizes that Maxus-employees are not to contact the Huaorani, and it provides a set of guidelines regarding what steps should be taken if an employee is approached by an Indian. The "guests" metaphor continues throughout this chapter, and one highlighted section of the procedural guide states,

PLEASE REMEMBER THESE CONCEPTS ALWAYS:

We the employees and contractors of Maxus Ecuador Inc. are GUESTS in Waorani territory. Therefore, we must understand their way of living.

Here, again, Maxus conveys to its employees, the targeted readers of the manual, that they are welcome in Huaorani territory- they are "guests."

The second chapter of Maxus Ecuador Inc.'s Procedural Manual presents another quote by Ehuenguime Enqueri, and a commentary by Maxus. Enqueri says,

"...We, the Waorani, do not wish to fight with anybody (...) We do not want our land to be damaged. We do not want our homes to be destroyed. This is a beautiful place (...) We only wish to take care of our animals, our plants, our beautiful rivers. We want them to be there for the next generations..."

In this citation, Maxus' expresses a number of stereotypes regarding the Huaorani people. The selection portrays Enqueri and the Huaorani Indians as simple people, naive, and concerned "only" with "our animals, our plants, our beautiful rivers." The fact that Enqueri's quote is presented in a Maxus publication indicates that, at the time of publication, the Huaorani had already had considerable contact with Maxus personnel.

While the Indians were certainly concerned with their natural environment, their concerns most likely extended beyond their animals, plants, and rivers, and included the fate and well-being of their people and communities. In communicating with Maxus, the Huaorani must have had some ideas as to the possible ramifications of the company's operations in Block 16; Enqueri negotiated with the company in an attempt to change the nature and course of its activities in Huaorani territory.

Maxus Community Relations team, the authors of the manual respond to Enqueri's quote with,

To a great extent, this wish of the Waorani depends [on] you, the employees of Maxus and the contractors.
Maxus has confidence in you.

Throughout chapter two, and especially in the closing remarks, Maxus promotes a sense of loyalty to the company and its policies, and it implies that the well-being and survival of the Huaorani people actually depend on the company and its faithful employees.

Chapter three, "Practical Cases," offers four hypothetical cases of Maxus employee-Huaorani Indian contacts in the Oriente. After describing the hypothetical encounters, the manual discusses the correct company policies for responding to the various situations. In this chapter, the procedures and guidelines listed in chapter two are applied to scenarios that the employees could potentially experience.

The final chapter in Maxus' Procedural Manual gives an overview of Huaorani demography and basic vocabulary. The demography includes a list of the Huaorani communities, the number of inhabitants in each community, and whether or not the community has an airstrip, radio, and/or school. This section underscores the company's efforts to improve the Huaorani's education, and it draws attention to the company's installation of conceivably valuable conveniences. The basic vocabulary gives a Huaorani, Quichua, Spanish, and English translation of numbers, common sentences, friendly words, phrases related to health and needs, animals, parts of the human body, and to the

names of zones, wells, and Huaorani communities in and near Block 16. The vocabulary provided in the manual is, by no means, an exhaustive lesson on the Huaorani language. The company personnel had to select words and phrases thought to be relevant to the company's activities in Huaorani territory. It is interesting to note the words and phrases that are selected. For example, in the section on "friendly words" the following phrases are included,

2.3 Friendly Words:

-I am friend	Bitó guiríngamai (o guirinani) imópa.
-Don't kill me!	Tapa Nomai! o Neno Namai!
-Let me live	Ee quehuenám
-Careful!	Ee a abi kewemoi
-What river is this?	Quinó epe imba?
-Who are you?	equecaro iminií?
-What is the road?	Quinotaro?
-Where is the river?	Eñomóno ii epede?
-Where is your home?	Eñomo encone? ónconiye?
-Where is the road?	Taró eyomóno í?

There are several interesting features in this particular section on "friendly words." First is the inclusion of the phrases, "Don't kill me!" and "Let me live." These phrases are not often used in friendly exchanges; they are more often used in dire situations, while being threatened or attacked. Also interesting to note is the repeated reference to "the road." The phrases "What is the road?" and "Where is the road?" again, are not common greetings. Maxus built a road into Huaorani territory during its initial stages of development, and as illustrated in the previous chapter, roads bring a multitude of problems with them, as they provide access to Indian lands to the company, settlers, and tourists. Why Maxus chose to include translations of defensive phrases and questions regarding "the road" is not completely clear. What can be deduced, however, is that Maxus believes the Huaorani to be violent people who, rather living in perfect harmony with the company,

might choose to attack Maxus employees. The company also places a lot of importance on its road into Huaorani territory.

Maxus' Impact on Huaorani Land and People

Maxus Ecuador Incorporated has modified the standard practices of oil development in the Ecuadorian Amazon, and has worked with the Ecuadorian government, missionaries, and the Huaorani people themselves to safeguard against negative or even violent backlash from the media, environmental and human rights organizations, and the Amazonian Indians. Maxus' approach appears to be more sensitive to the land and people affected by the company's activities, but are the company's operations markedly different from its predecessors'? The Ecuadorian Association of Engineers accuse Maxus of having "generated irreparable damage to the Amazon ecosystem."³⁰ Numerous environmental groups concur with the Association's accusation. La Campaña Amazonía por la Vida, or the Amazon For Life Campaign, one of the principal environmental organizations in Ecuador, has taken action to educate the public on Maxus' harmful activities; one of the mediums the organization uses to circulate information on Maxus' activities is the Internet. La Campaña Amazonía por la Vida, along with other environmental organizations such as Acción Ecológica and U.S.-based Rainforest Action Network, posts urgent-action Internet releases, urging those concerned with the fate of the Indians and the rainforest to take action and contact both Maxus and the Ecuadorian government, urging them to reconsider their policies in the Oriente. One of La Campaña por la Vida's many urgent-action postings calls attention to the devastation that Maxus has caused in Yasuni National Park. The environmental group charges Maxus with the following damages,

- sack of genetic resources from one of the richest biogenetic areas of the world, which is the Yasuni National Park;
- deforestation of 29,355 hectares of primary rain forest;
- gas flares burning 40,000 cubic feet of natural gas per day released to the

³⁰ Mario Gonzalez, "Oil-Ecuador: Maxus, a Risky Experiment by the New President?"

- atmosphere;
- overflowing of the pits...;
 - activities outside of the scope of its contact with particular benefit to the enterprise;
 - tons of sand and gravel removed from the banks of rivers;
 - consequent damages to the aquatic fauna and microfauna;
 - disruption of hunting and fishing due to the constant noise, [and disruption] of subsistence practices of the Huaorani, Quichua and Cofán cultures located in this area;
 - oil spills at the AMO2 and BOGI A4 wells, [and] between others;
 - system destruction of the Huaorani culture;
 - violations of the: Treaty 107, Art. 4 of International Workers; Universal Declaration of the Rights of Indigenous Peoples, 3rd part, paragraph 14; Constitution of Ecuador, all points of Art. 19; Civil Code, all points of Title 29, book 1; Biodiversity Agreement.³¹

It is difficult to predict, at this point, exactly what type of impact and to what degree Maxus' activities will have on the Huaorani people and on Ecuador's Amazonian rainforests. While the company continues to operate in the area, new changes and developments are being formulated and executed. It does seem, however, that the effects of Maxus' oil development and related activities interfere with the region's natural environment and they significantly change the Huaorani Indians' traditional way of life, just as other oil companies' activities have affected the rainforest and other groups of Indians who also depend on the forest for their survival.

When asked about Maxus' operations in Block 16, and how the company might impact the Huaorani Indians, William Hutton responds,

We don't intend to change the people's culture. That's not our purpose. Our role is, if we had to leave tomorrow, then they would be able to live as they've lived, as they'd want to live, before we came. Races will change with time, and we can't prevent that. All we can do is try to protect it as much as we can, and we're committed to that.³²

While William Hutton and Maxus' goal is not to change Huaorani culture, their operations in Block 16 and their treatment of the Indians have produced significant and

³¹ "Public Letter to Maxus Shareholders." (<http://www.maxwell.syr.edu/nativeweb/geography/latinam/ecuador/amazon/maxus2.html>) June 16, 1995.

³² Walker, *Trinkets and Beads*.

irreparable changes in the Indians' traditional way of living. "Races" might change with time, but the oil companies expedite those changes. The Indians struggle to adapt to the politics and the culture of the *cowode*, and in the process, they are compelled to abandon many of their traditional values and customs.

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CHALLENGES TO MAXUS AND THE OIL INDUSTRY

The Huaorani, along with other Indigenous groups of Ecuador's Oriente, did not passively watch the oil companies enter their territory and transform their traditional way of life. The Indians may have been unsure, at first, of what the oil companies' motives were and of the potential risks of the companies' operations in the Oriente, but they soon discovered the companies' plans and witnessed the devastating effects of oil development in their territories. Many of the Indians quickly learned how to play the *cowode's* game; they began mobilizing, negotiating, and protesting the oil industry's activities in the Oriente. The Indians affected by oil development in its earlier stages, mainly the Shuar, Achuar, Siona-Secoya, Cofán and Quichua, set a precedent for Indigenous political activity; that precedent would later affect the Huaorani's approach in dealing with Maxus Energy Corporation.

Some of the Indians' efforts have been aided by environmental groups and human rights organizations keeping watch of the Ecuadorian rainforest, but the Huaorani and the environmental and human rights organizations do not always agree on how to approach the situation or on what the end result ought to be. While both groups subscribe to the idea that the oil industry, overall, has not acted responsibly in Ecuador's Oriente, they sometimes disagree on what measures should be taken to remedy the situation.

This chapter will provide a discussion of the Indigenous community's reaction to oil development in the Oriente, paying special attention to the Huaorani Indians' reactions to Maxus' activities in Block 16. It will also review the challenges posed by outside

organizations, and how some of their efforts coincide, and others conflict, with those of the Huaorani.

Indigenous Mobilization and Reactions to Oil Development

Negative responses to oil development in the Oriente by the region's Indigenous community emerged soon after the first companies entered the region in the 1970s. Prior to the oil boom, Indigenous unions were forming, partly as a response to the growth of the agro-industrial model, and also because of the increasing marginalisation of the Indians.¹ Indians of the Sierra formed the group known as ECUARUNARI in the 1970s, while those of the jungle and lowland areas joined to form the Confederation of Indigenous Nationalities of the Ecuadorian Amazon (CONFENIAE) in 1980. The two Indigenous unions joined forces in 1986 to form the Confederation of Indigenous Nationalities of Ecuador (CONAIE), which claims to represent all of the Indigenous nationalities of the country.² The primary goals of CONAIE involve land and education. The group has been politically active, acting as a sort of liaison between government and the country's Indian majority. CONAIE's most notable projects and protests include the push for bilingual education (Spanish and Quichua), the Indian uprising of June, 1990, and the Indigenous march in April of 1992.³

Luis Macas, the president of the CONAIE in 1994, outlined the organization's role in Ecuadorian politics and in the advancement of the oil industry in the Amazon. When asked during an interview about the major issues facing Indigenous peoples of Ecuador, Macas responded that land ownership was one of the principal concerns:

When the colonizers arrived, they cleared out the Indians. Today, land is concentrated in the hands of the few, and many of our people don't have any land. In the Amazon region, there is a crisis caused by the presence of oil and mining companies and their violations of indigenous peoples'

¹ David Corkill and David Cubitt, *Ecuador: Fragile Democracy*, (London: Latin America Bureau (Research and Action), 1988), 110.

² Confederación de Nacionalidades Del Ecuador, *CONAIE: A Brief History*, (ccc@conaie.ecx.ec) December 1992.

³ *Ibid.*

rights....The oil companies have not only caused the decomposition of our communities and the decomposition of our culture but also the destruction of the ecology. The fight for land is thus extended to the struggle to maintain the ecology.⁴

In Macas' response, it is evident that CONAIE is interested in attacking one of the main issues affecting the majority of the Indians in Ecuador, namely, land rights and land ownership. In the highlands, Indians are coerced by the Ecuadorian government to sell their lands to agro-business companies, focusing on the export market. The coastal Indians face a similar problem, but instead of agro-business companies, lumber companies and shrimp farmers threaten the Indians' claim to the land. The Amazonian Indians confront much the same problem, with the oil companies threatening the Indians' control of the land.

With the Confederation of Indigenous Nationalities of Ecuador representing such a large number of people in each of the mainland areas of the country, it might seem that no one region would receive adequate consideration. The group is well organized, however, and it addresses the most paramount problems that the people of each region face. For example, Luis Macas, in his interview published in the *Multinational Monitor*, addresses oil development in the Amazon, and he discusses CONAIE's commitment to assisting the Indians of the Oriente in their struggle to maintain their lands and their traditional cultures. CONAIE has made a number of demands on the Ecuadorian government regarding oil development in the Amazon. The organization demands that the government more genuinely legalize the ownership of Indigenous lands, so that the Indians can decide for themselves whether or not to allow the oil companies into the territory. CONAIE also asks for an investigation of the impacts of oil development on the land and people of the Amazon, and the implementation of measures to protect any possible destabilization or destruction of the land or people.⁵ In order to achieve its desired goals, CONAIE has

⁴ "Fueling Destruction in the Amazon." *Multinational Monitor*, (April 1994), 21.

⁵ *Ibid.*, 22.

worked with both domestic and international environmental and human rights groups, and it has negotiated with the multinational companies operating in the Oriente.

The Huaorani Indians are represented in both CONFENIAE and CONAIE, but they do not always feel that these larger organizations accurately reflect the needs and demands of the Huaorani people. In 1990, the Huaorani decided to form their own organization, one that would include all the Huaorani and that would promote their individual demands. They called their new alliance the Organización de Nacionalidad Huaorani de la Amazonía Ecuatoriana (ONHAE), or the Organization of Huaorani Nationalities of the Ecuadorian Amazon. Inspired by a Quichua man he met while working for an oil company, a Huaorani Indian named Moi arranged for a meeting or *asamblea* in 1990 at the Huaorani community Quehueriono for any and all Huaorani people to attend. The purpose of the *asamblea* was to discuss the important issues affecting the Indians, and to determine what ONHAE's position on those issues ought to be.⁶ Among the issues discussed at Quehueriono are education, tourism, and health care. The primary concerns, however, included colonization and the oil companies. Voicing his opinion on oil development in Huaorani territory, Moi says,

We are opposed to oil development, but we also know that it can't be stopped. What we want is a moratorium. We believe that ten years is reasonable. Right now, everything is happening too quickly. There is no control, and no one is watching out for the Huaorani. We want the Company⁷ to stop to make an inventory of the damage that has been done so far, and to come up with a serious plan to limit damage in the future. We think that's fair.⁸

Before continuing the discussion on how the Huaorani people feel about the oil companies' activities in their territory, and what actions they have taken to prevent or at least stall the destruction of their land and culture, it is important to acknowledge the

⁶ Joe Kane, "With Spears From All Sides." *The New Yorker*, (September 27, 1993), 74-75.

⁷ In Joe Kane's interviews with Moi and the Huaorani, oil companies are collectively referred to by the Indians as "the Company."

⁸ Kane, "With Spears From All Sides," 75.

limitations that exist in attempting to reconstruct the Huaorani's version of the oil industry-Indian conflict in the Oriente. Prior to the formation of ONHAE, the Huaorani did not have a strong voice in the political arena. The only way of understanding how the Huaorani felt about the increasing contact of *cowode* in their territory is to note the violent measures they took against those people who initially made contact with them. The Huaorani had no recorded history, and therefore, the stories told by the participants in the initial encounters have been relayed from one person to the next. Oral tradition aids our understanding of the past, but the accounts are subject to the biases of translators and to the transformations that occur as they are recounted to and from various sources.

In recent years, the Huaorani have learned to read, write, and many now speak Spanish. With the education provided by outsiders, the Huaorani have also learned the rhetoric of politics. They have become more involved in the fate of their people, as they protest and negotiate. It is important to remember, however, that while the Huaorani do maintain strong opinions regarding the oil companies' activities in the Oriente, their more recent rhetoric on the topic has been strongly influenced by outsiders, and again, many of the statements we hear or read have been filtered through a series of translators.⁹ If we look at the above statement by Moi, for example, we notice that the language used and the message portrayed are both very similar to those of Luis Macas, the president of CONAIE. It might be coincidental that both leaders assert that an Indian-led moratorium on oil development would benefit the Indian community, that the oil companies should take an inventory of the damage they have caused, and that a plan needs to be developed to control further damage of the Oriente. The two statements are remarkably similar, however, which could suggest that Moi's rhetoric is influenced by Macas' earlier opinions. In addition to the influence of other Indigenous leaders, the Huaorani's translated statements are also

⁹ While some of the Huaorani now speak Spanish, many speak only Huao. The non-Spanish speakers' opinions are translated by Huaorani who speak Spanish or by outsiders who speak Huao. The statements are then translated into English.

subject to the influence of environmental organizations and sympathizers to the Huaorani cause, as well as by oil companies and missionaries. Much of the information available on the Huaorani's opinions regarding oil development has been made available through the efforts of environmental and human rights organizations. While these groups are more likely to portray the Huaorani in such a way that is sympathetic to the Huaorani cause, like the oil companies, they have their own agendas and they can manipulate the Huaorani's statements in order to further their own goals.

Keeping the limitations of understanding the Huaorani position on oil development in the Oriente in mind, we can look at the information provided in the available sources to get an idea of what the Huaorani have done in response to Maxus' activities in Block 16. The Huaorani, represented by ONHAE, have formally negotiated with Maxus on several occasions. In September of 1992, four representatives of ONHAE signed the following agreement with Maxus,

Today, the ninth of September, 1992, in the offices of Maxus, there was a meeting between representatives of the Huaorani- Nanto Huamoni, Yacata Yategue, Salomón Oname [sic], and Tigue Oname- in which they expressed the following points which were decided in a meeting of the Huaorani Congress:

1. They decided that Maxus may begin to construct a road in the territory. The road shall be five to six meters wide.
2. They need Maxus' support in providing equipment for the primary and secondary school.
3. Colonization controls which will be worked by the Huaorani.
4. Generator for the night school.
5. Payment for a machinist to cut wood.
6. Transportation: Gasoline and two outboard motors.
7. Provision of medicine and health care programs.
8. They declare that they wish to make only one contract between the Maxus Company and ONHAE [sic].

Today, September 9, we sign this act of the meeting, in agreement, with all the points mentioned.¹⁰

The agreement was signed by all four of the Huaorani representatives, but again, there is speculation that the agreement was manipulated by Maxus. Maxus had sent its staff sociologist Rossana Faieta to visit with the Huaorani prior to the signing, and she brought

¹⁰ Kane, "With Spears From All Sides," 76.

the Indians to Maxus' offices in Quito in September to sign the agreement. How Faieta was able to convince the Huaorani to sign the agreement is unclear; what is clear is that the agreement contradicts the resolution passed at an ONHAE meeting nine months earlier.

The resolution states,

We do not want the presence of the petroleum companies, because crude oil contaminates the rivers, the land and the environment, and destroys the health of the people. The Huaorani want no more advancement of oil development, because the roads are the first step in the invasion of colonists. We do not want the contamination, the noise, or the disruption of the oil companies...We will apply our own law, the pain of death, and we are ready with arms to defend our territory against all invaders, because we are the bravest people in the Amazon.¹¹

After the agreement with Maxus was signed, the Huaorani held another meeting, this time in Toñampare; the agreement was rejected by all participants in the meeting.¹² So, while Maxus has an "official" agreement that gives it the "right"¹³ to proceed with its activities in Block 16 in Huaorani territory, the majority of the Indian community opposes Maxus' operations. The conflict between Maxus and the Huaorani impairs the company's efforts to maintain friendly relations with the Indians, but the agreement allows Maxus to claim that it has the Huaorani's cooperation as it proceeds with its efforts in the Oriente.

Unhappy with the outcome of negotiations, the Huaorani have also taken action against Maxus in the form of protests. The protest in Quito in 1992, in which the Huaorani marched through the streets of Quito to the offices of Maxus to oppose the company's entrance into their territory, was only the first of several protests that the Huaorani have participated in. Since 1992, the Huaorani have increasingly vocalized and demonstrated their opposition to Maxus' activities in their territory. Two events in 1995 brought the Huaorani to the attention of international media. In that year, it was reported that the

¹¹ *Ibid.*

¹² This case demonstrates the divisions within the Huaorani community on the issue of oil development. While some Huaorani are more willing to cooperate with Maxus and the other oil companies operating in the region, others refuse to negotiate and instead demand that the companies leave the Oriente.

¹³ As previously discussed, Maxus has the legal right to drill for oil in Block 16; this agreement supposedly gives Maxus the approval of the Huaorani to extract oil in their territory.

Huaorani seized oil wells belonging to Maxus, and they stopped vehicles traveling along a Maxus-built road leading into Huaorani territory, slashing the vehicles' tires. Moi recounts the incident, saying, "We surrounded them with our spears and said, 'You will rot here for as long as you take all our money and profits from the Huaorani.'"¹⁴ The military supposedly intervened, and the demonstration was soon put to an end. Maxus denies that its oil wells were seized.¹⁵

The Huaorani's efforts to alter the course of Maxus are also reflected in the media's exposure of the Indians' struggles and demands. In 1995, ONHAE issued a press advisory in which it defined the Huaorani's position regarding Maxus' activities and addressed the company's efforts to form friendly relations with the Indians. The advisory reads,

Since its arrival to this country, Maxus has implemented an intensive plan of persecution in an effort to weaken the Huaorani people's resistance and buy off their conscience and will to be free. Through giving gifts of no value, some foodstuffs and work tools, Maxus has tried to control and de-organize our people...

In regards to cultural effects, many members of the Huaorani people and other indigenous peoples as well that worked for the company have abandoned their traditions such as hunting and fishing, causing disintegration of family relations. The poor disposal of human waste has affected the people's health. There has also been a change in mentality and attitude about the threat of oil activities.¹⁶

After issuing its grievances towards Maxus, ONHAE proposes a new agreement called the "Agreement between the government of Ecuador-Maxus Inc. and the Huaorani people to participate in the economic resources generated by oil exploitation in Block 16." While this new agreement has not been signed by Maxus, it exemplifies ONHAE's

¹⁴ "Ecuador-Indigenous: Amazon Tribe's Fight Against Oil Companies," *Inter Press Service*, January 5, 1997.

¹⁵ "Huaorani People Occupy Maxus Oil Wells in Ecuadorian Amazon, Demanding Their Rights," (<http://web.maxwell.syr.edu/nativeweb/geography/latinam/ecuador/amazon/huao10.html>) April 20, 1995.

¹⁶ Organization of the Huaorani Nation of the Ecuadorian Amazon (ONHAE), "Huaorani People Rise up in Defense of Their Rights," (<http://web.maxwell.syr.edu/nativeweb/geography/latinam/ecuador/amazon/huao10/html>) April 20, 1995.

modified position on Maxus' responsibilities in Huaorani territory. The five principal demands of the agreement are,

1. Defend and protect the cultural, organizational and territorial integrity of the Huaorani people.
2. Guarantee the Huaorani people's participation in the decision making process for Block 16 oil development and all activities in the area of influence.
3. Guarantee the fulfillment of the Huaorani people's political, economic, social and organizational rights.
4. Consolidate the process of dynamic and reciprocal integration and interaction between the Huaorani people and the rest of national society based on relations of mutual respect.
5. Economic participation in just terms for the integral and autonomous development of the Huaorani people.¹⁷

The new agreement varies significantly with the stance ONHAE took toward oil development in 1992. It appears that the Indians have succumbed to the realization that Maxus does not plan to leave the Oriente until it is no longer profitable to remain. With the Indians' "pragmatic resignation," they have changed their position from demanding that the company leave the area to insisting that, while the company is there, it must protect the Huaorani's integrity and rights. The Huaorani's relatively rapid adaptation to Maxus' presence in their territory suggests that Maxus' innovative methods of dealing with the Indians have achieved some degree of success.

Challenges Posed by Environmental and Human Rights Organizations

In addition to facing challenges posed by the Huaorani and other Indigenous groups, Maxus and the oil industry have faced criticism and reprisal by environmental and human rights organizations. The Natural Resources Defense Council is one of the many groups involved with oil development in the Oriente, and in Block 16. Other environmental organizations, both U.S. and Ecuadorian, have continued the efforts to promote more sustainable development of the rainforest, and to protect the Indigenous

¹⁷ *Ibid.*

peoples living in the region. Many of the activists working to make changes in the policies regarding oil development in the Amazon have made concerted efforts to protect the Indians and to respect their demands for representation in the policy-making process. The Huaorani do not agree, however, with all of the outsiders' efforts. The Indians believe that some of the environmental and human rights organizations are all too willing to compromise with the oil companies, and that they don't accurately represent the Huaorani as they negotiate with the companies and enter into agreements with them.

Among the environmental and activist organizations involved in the oil development in the Yasuni National Park are the Nature Conservancy, Wildlife Conservation International, CARE, and the Sierra Club Legal Defense Club. The United States Agency for International Development has asked the Nature Conservancy, Wildlife Conservation International, and CARE to manage a fifteen-million-dollar program of park management, tourism and "sustainable resource" extraction in Yasuni National Park.¹⁸ The Sierra Club Legal Defense Fund has played a different role in the process of development. In 1994, a group of attorneys with the Sierra Club filed a petition with the Inter-American commission on Human Rights, a department within the Organization of American States, on behalf of the Huaorani.¹⁹ The attorneys brought a representative from the Huaorani community, Moi, to speak to the commission and to give the commission an better understanding of how the Indians, themselves, feel about oil development in their territory. In addition to working with the Sierra Club Legal Defense Fund, Moi had written a letter addressed to the President of the United States. In his letter, Moi says,

The whole world must come and see how the Huaorani live well. We live with the spirit of the jaguar. We do not want to be civilized by your missionaries or killed by your oil companies. Must the jaguar die so that you can have more contamination and television?²⁰

¹⁸ Kane, "With Spears From All Sides," 69.

¹⁹ Joe Kane, "Moi Goes to Washington," *The New Yorker*, (May 2, 1994), 74.

²⁰ *Ibid.*

Moi and the attorneys with the Legal Defense Fund testified in front of the commission, and urged it to consider the Huaorani's case and to intervene on their behalf by investigating the oil companies' activities in Yasuni. After hearing the testimonies, the commission said that, under the bylaws of the O.A.S., it could not carry out an investigation without being invited to do so by the Ecuadorian government.²¹ This presented a serious problem for Moi and the Legal Defense Fund, as the Ecuadorian government often worked in accordance with the international oil companies operating in the country. Moi and the attorneys proceeded with the case, and visited with the Ecuadorian Ambassador in Washington DC. The Ambassador listened to Moi's story, and then said that the Huaorani were not a sovereign nation, but rather citizens of the Ecuadorian state, and since the state depended on the oil in the Oriente, the Huaorani had no case. He also said that he believed that the oil companies were doing a good job.²² Moi asked the Ambassador why, if the companies were doing a good job, there would be any harm in conducting an open investigation. Several days after Moi's meeting with the Ambassador, it was announced that the commission would pay a visit to Ecuador, but within the following weeks, the Ecuadorian government sent a letter to the O.A.S. saying that it did not extend a formal invitation, and that there was no need for an investigation.²³

The Sierra Club Legal Defense Fund and the Huaorani Indians' efforts were not entirely in vain. The visit to Washington DC. drew media attention to Ecuador's Oriente, and environmental agencies have continued their efforts to intervene in the destruction of the Huaorani and their land. However, while the Huaorani may have worked together with the Sierra Club Legal Defense Fund, they do not support all efforts by outsiders acting on their behalf. The Huaorani do not, for example, agree with the actions and opinions of Robert Kennedy, who disagreed with the environmental groups who called for Conoco's

²¹ *Ibid.*

²² *Ibid.*, 79.

²³ *Ibid.*, 81.

departure from the Yasuni National Park. Kennedy feels that oil drilling would have a less harmful impact on the environment than mining, lumbering or cattle ranching would. He also argues that while Conoco would be vulnerable to environmentalists' pressure, a small, independent company like Maxus would not.²⁴ While the Huaorani do not agree with Kennedy's acceptance of Maxus, they especially reject his opinions regarding the Huaorani people and their ability to represent themselves in politics. Kennedy has said, "There's almost an anthropological question of whether [the Huaorani] have the capacity to negotiate...[they] are essentially inept at government."²⁵

The Huaorani are not experienced negotiators; they have only just begun to participate in politics. As the recent formation of ONHAE suggests, however, the Indians have quickly identified and taken the measures necessary to influence domestic (Ecuadorian) and international politics. Neither the Huaorani nor the environmental and human rights organizations have forced Maxus out of Block 16, but they continue to challenge Maxus' activities, and they have been successful in attracting international attention to the destruction of the rainforest and to the cultures of the Huaorani and other Indians inhabiting Ecuador's Oriente region.

²⁴ Kane, "With Spears From All Sides," 79.

²⁵ *Ibid.*

CONCLUSIONS AND PROJECTIONS

The methods used in conquest in the Americas have, quite evidently, changed over time. As Maxus Energy Corporation attempts to conquer the Huaorani Indians, and their territory, it has to bear in mind the changing political and economic scene in Ecuador and worldwide. Maxus has been largely successful in the implementation of new methods of conquest, such as professing a relationship of friendship and respect with the Huaorani to the public and to Maxus employees. While the company's activities do not always correspond with the ideologies the company claims to maintain, the new methods of conquest enable Maxus to impress its influence on and, often, its control over Huaorani land and people.

One of Maxus' goals has been increasingly challenged. The company would, ultimately, like to conquer the Huaorani Indians without facing any counter resistance. However, the Indians have begun mobilizing and organizing attempts to halt, or at least slow, the company's activities in Huaorani territory, and thus have presented the oil companies with new challenges. Such challenges might force the company to reevaluate its activities in the Amazon, or they might simply compel Maxus to further refine the methods it uses in conquest.

A number of strategies have been proposed to alter the current course of cultural destruction amongst the Huaorani people. However, recognizing that cultures are not static, and that the Huaorani will never be able to revert back to their pre-contact days, the new strategies focus not on preserving traditional Huaorani lifestyles, but on minimizing the destructive impact of the *cowode* on Huaorani culture.

One of the new policies promoted by many environmental, human rights, and Indigenous rights activists to minimize the harmful impact of the *cowodes'* activities involves increasing Indigenous representation in the planning and development of their territories. Under the belief that increased Indigenous representation enables the Indians to participate in the fate of their lands and communities, and that the Indians will then become more prepared to confront the challenges and changes of the future, many efforts have been made to encourage inclusion of the Indians in the negotiations that effect their land and people. Recognizing the shift in politics to more concern for the fate of Indigenous peoples and their lands, Maxus Energy Corporation has made efforts to at least appear to include the Huaorani Indians in the negotiations regarding Maxus' policies in Block 16. As demonstrated in this study, however, Maxus' efforts have been mostly nominal; the company has not significantly altered its exploration and exploitation activities in Huaorani territory.

Another practice being considered in Huaorani territory, which would supposedly decrease the negative impacts of oil development, is ecotourism. The principle behind Indigenous-aided ecotourism in the Oriente is that the Huaorani will benefit from the replacement of the oil industry with another, more sustainable, economic source. The Ecuadorian economy, likewise, should not suffer from the decrease of the foreign investment provided by transnational oil companies. The decreased foreign investment would, theoretically, be replaced by the income earned from the tourism industry. Ecotourism has been implemented in other regions of the Oriente, such as the northern region of the Cuyabeno Reserve, home of the Siona and Secoya Indians, and it is currently being considered by the Huaorani Indians.

While ecotourism might be one viable alternative to the oil industry in the Oriente, it could pose problems similar to those now attributed to the oil companies' activities. Increasing tourism in the Oriente would necessitate the construction of new roads, and it

would encourage increased contact between the Huaorani and outsiders. The negative implications of road construction, and the host of related problems, have already been discussed. Increased contact with outsiders might force undesirable changes in Huaorani culture, and it would certainly change the Huaorani's traditional way of life. However, Indigenous-aided ecotourism might also increase the level understanding between outsiders and the Indians. The actual effects of ecotourism in Huaorani territory cannot yet be studied, as a movement toward ecotourism is only just beginning. Whether or not the Huaorani adopt, and successfully implement, ecotourism as an alternative to the oil industry, is yet to be seen.

The future of the Huaorani Indians' role in the development of their lands is not clear, nor is the future of Maxus Energy Corporation's involvement in Huaorani territory. In recent events, Ecuador's populist president Abdala Bucaram, installed in office on August 10, 1996, called for the suspension of Maxus' local oil activities.¹ Bucaram's announcement might be interpreted as an attempt to send a lesson to other companies and to establish better conditions in state contracts with foreign oil firms.² Bucaram never carried-out his threat to suspend Maxus' activities, and other than making foreign investors a little uneasy, his threat never affected Maxus' operations in the Oriente. Abdala Bucaram no longer serves as Ecuador's President (he was ousted from office earlier this year), and the new government's plans regarding Maxus and Ecuador's oil industry have not yet been publicly discussed.

While the future of Maxus' activities in the Oriente remains to be seen, it is evident that Maxus Energy Corporation has had to revise the traditional methods used in conquest to adapt to the changing political and economic climate of the twentieth century as it operates in Ecuador's Oriente. Maxus, and other transnational corporations seeking to

¹ Mario Gonzalez. "Oil-Ecuador: Maxus, a Risky Experiment by the New President?" (<http://forests/org/forests/ecuador.html>) August 27, 1996.

² *Ibid.*

conquer the lands and peoples of Latin America, will have to continue to revise their methods of conquest in order to continue their involvement in the region as politics and economic policies change to meet the demands of the fast-approaching 21st century.

APPENDIX

PROVISIONS OF INTERNATIONAL LAW

1. Universal Declaration of Human Rights

- Art. 8 Everyone has the right to an effective remedy by the competent national tribunals for acts violating the fundamental rights granted him by the constitution or by law.
- Art. 25(1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services...

2. International Covenant on Economic, Cultural and Social Rights

- Art. 12(1) The States Parties to the present Covenant recognize the right of everyone to the enjoyment of the highest attainable standard of physical and mental health.
- Art. 12(b,c) The steps to be taken by the States Parties to the present Covenant to achieve the full realization of this right shall include those necessary for:
- The improvement of all aspects of environmental and industrial hygiene;
- The prevention, treatment and control of epidemic, endemic, occupational and other diseases.

3. United Nations Convention on the Rights of the Child

- Art. 24 States Parties recognize the right of the child to the enjoyment of the highest attainable standard of health and to facilities for the treatment of illness and rehabilitation of health. States Parties shall strive to ensure that no child is deprived of his or her right of access to such health care services.
- States Parties shall pursue full implementation of this right and, in particular, shall take appropriate measures:
- To diminish infant and child mortality...
- To combat disease and malnutrition, including within the framework of primary health care, through inter alia, the application of readily available technology and through the provision of adequate

nutritious foods and clean drinking-water, taking into consideration the dangers and risks of environmental pollution...

4. Rio Declaration on Environment and Development

Princ. 10 Environmental issues are best handled with the participation of all concerned citizens, at the relevant level. At the national level, each individual shall have appropriate access to information concerning the environment that is held by public authorities, including information on hazardous materials and activities in their communities, and the opportunity to participate in decision-making processes. States shall facilitate and encourage public awareness and participation by making information widely available. Effective access to judicial and administrative proceedings, including redress and remedy, shall be provided.

Princ. 13 States shall develop national law regarding liability and compensation for the victims of pollution and other environmental damage. States shall also cooperate in an expeditious and more determined manner to develop further international law regarding liability and compensation for adverse effects of environmental damage caused by activities within their jurisdiction or control to areas beyond their jurisdiction.

5. Declaration of the United Nations Conference on the Human Environment (Stockholm Declaration)

Proclam. 1 Both aspects of man's environment, the natural and man-made, are essential to his well-being and to the enjoyment of basic human rights-- even the right to life itself.

Princ. 1 Man has the fundamental right to freedom, equality and adequate conditions of life, in an environment of a quality that permits a life of dignity and well-being, and he bears a solemn responsibility to protect and improve the environment for present and future generations. In this respect, policies promoting or perpetuating apartheid, racial segregation, discrimination, colonial and other forms of oppression and foreign domination stand condemned and must be eliminated.

6. American Declaration on the Rights and Duties of Man

Art. XI Toda persona tiene el derecho a que su salud sea preservada por medidas sanitarias y sociales, relativas a la alimentación, el vestido, la vivienda y la asistencia médica, correspondientes al nivel que permitan los recursos públicos y los de la comunidad.

7. Additional Protocol to the American Convention on Human Rights in the Area of Economic, Social and Cultural Rights (Protocol of San Salvador)

Art. 11 Right to a healthy environment:

Everyone shall have the right to live in a healthy environment and to have access to basic public services.

The States Parties shall promote the protection, preservation and improvement of the environment.

8. Charter of the Organization of American States (as revised)

Art. 43(f) The Member States, convinced that man can only achieve the full realization of his aspirations within a just social order, along with economic development and true peace, agree to dedicate every effort to the application of the following principles and mechanisms:

The incorporation and increasing participation of the marginal sectors of the population, in both rural and urban areas, in the economic, social, civic, cultural, and political life of the nation, in order to achieve the full integration of the national community, acceleration of the process of social mobility, and the consolidation of the democratic system. The encouragement of all efforts of popular promotion and cooperation that have as their purpose the development and progress of the community.

9. American Convention on Human Rights

Art. 2 ...Los Estados Partes se comprometen a adoptar, con arreglo a sus procedimientos constitucionales y a las disposiciones de esta convención las medidas legislativas o de otro carácter que fueren necesarias para hacer efectivas tales derechos y libertades.

Art. 25 Toda persona tiene derecho a un recurso sencillo y rápido o a cualquier otro recurso efectivo ante los jueces o tribunales competentes, que la ampare contra actos que violan sus derechos fundamentales reconocidos por la Constitución, la ley o la present Convención, aun cuando tal violación sea sometida por personas que actuen en ejercicio de sus funciones oficiales.

10. Constitution of the Republic of Ecuador

Art. 19(2) The right to live in an environment free of contamination. It is the duty of the State to be vigilant so that this right should not be affected and to guard nature's preservation. The law will establish the restriction to exercise certain rights or liberties so as to protect the environment.

11. Convention Concerning Indigenous and Tribal Peoples in Independent Countries (ILO Convention 169)

Art. 3(1) Indigenous and tribal peoples shall enjoy the full measure of human rights and fundamental freedoms without hindrance or discrimination. The provisions of the convention shall be applied without discrimination to male and female members of these peoples.

- Art. 13(1) In applying the provisions of this Part of the Convention governments shall respect the special importance for the cultures and spiritual values of the peoples concerned of their relationship with the lands or territories, or both as applicable, which they occupy or otherwise use, and in particular the collective aspects of this relationship.
- Art. 13(2) The use of the term "lands" in Articles 15 and 16 shall include the concept of territories, which covers the total environment of the areas which the peoples concerned occupy or otherwise use.
- Art. 15(1) The rights of the peoples concerned to the natural resources pertaining to their lands shall be specially safeguarded. These rights include the right of these peoples to participate in the use, management and conservation of these resources.
- Art. 15(2) In cases in which the State retains the ownership of mineral or sub-surface resources or rights to other resources pertaining to lands, governments shall establish or maintain procedures through which they shall consult these peoples, with a view to ascertaining whether and to what degree their interests would be prejudiced, before undertaking or permitting any programmes for the exploration or exploitation of such resources pertaining to their lands. The peoples concerned shall wherever possible participate in the benefits of such activities, and shall receive fair compensation for any damages which they may sustain as a result of such activities.

12. International Covenant on Civil and Political Rights

- Art. 1(1) All peoples have the right of self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development.
- Art. 6(1) Every human being has the inherent right to life. This right shall be protected by law. No one shall be arbitrarily deprived of his life.

Source: Center for Economic and Social Rights (CESR). *Rights Violations in the Ecuadorian Amazon: The Human Consequences of Oil Development*. New York: CESR, March 1994, 56-59.

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