

ECUADOR: TWO DECADES OF GROWING UNITY AND INTERNATIONAL INTERFERENCE IN THE TRADE UNION MOVEMENT — 1965–1982*

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Beyond all doubt, the most exciting years in the history of Ecuador's worker organizations have been the almost two decades that have passed since 1965. There has been a quantitative growth in the number of associations and members as well as political change. This expansion has its basis in fundamental changes in the economic structure of Ecuadorian society over the same period. An accelerated process of industrialization has taken place from the late 1960's, mainly connected with the discovery of substantial oil resources in the Eastern hinterland. During the first half of the 1970's Ecuador has converted from a country with a relatively stagnant *low pressure* economy into a dynamic *high pressure* economy.

These changes had a great effect upon the trade union movement, firstly through an expanding recruitment. As the new generation of proletarians gradually moved into positions in the bureaucratic hierarchy of the labour societies, they also expressed themselves politically through new, less dogmatic and traditional ideas. The young radicals forced the national confederations to develop a more independent policy towards their external donors and the government. This was followed by increased unity between the three most important labour organizations in Ecuador.

This paper is an attempt to describe this process upon the development of the Ecuadorian trade union movement by relating it to an analysis of the influence of external interference, principally through the international trade union structures. International "assistance" was absolutely essential for the expansion of the organizing apparatus and was received mainly in form of funds. There are strong indications that this "assistance" was motivated by ideas contrary to the process

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of unity and national independence that was taking place within the Ecuadorian unions. And, therefore, also it was responsible for the culmination of this development during the last few years.

A Short Historiography

The history of the workers' organizations in Ecuador has its roots at the turn of the century. But it was not until 1938 that the first important national union confederation, the **Central Ecuatoriana de Organizaciones Clasistas (CEDOC)** (the name of which in 1938 was **Confederación Ecuatoriana de Obreros Católicos**) was set up under the strong influence of the Catholic Church.

The conservatism of the sponsors of CEDOC and the fact that many of the affiliates were artisan groups, meant that the Confederation did not, at first, play any significant part in the advance of the labour movement. The establishment of the **Confederación de Trabajadores del Ecuador (CTE)** in 1944 with the participation of most industrial unions did, however, provide a more radical focus for the organization. Although weakened under the military dictatorship of 1963–66, the CTE has remained a powerful body; numerically it is the largest of the three national confederations and remains the most significant in the industrial and service sectors.

The third major labour confederation, the **Confederación Ecuatoriana de Organizaciones Sindicales Libres (CEOSL)**, was formed in 1962 by US labour organisers and reactionary political forces, precisely to undermine the growing militancy and popularity of the left wing-forces, and to create a basis for North American interests in a "non-political" labour organization. Former CIA-agent Philip Agee himself took part in the operations leading up to the foundation of the CEOSL. He reveals in his book *CIA Diary* that "CEOSL is formally established with several agents in control ..." ¹ Philip Agee also testifies as to how the financing of CEOSL activity was assured through the budget of the US Embassy in Quito.

The pro-US labour body in Ecuador represented US labour's contribution to the Alliance for Progress and was promoted to forestall "communist" growth among Latin American workers. CEOSL worked closely with the Agency for International Development, the United States Information Service, and other US Government agencies. CEOSL's major growth occurred between 1963 and 1966 when the country was ruled by a military dictatorship. The government repressed all non-CEOSL activities, particularly those carried out by the radical CTE, although the Christian CEDOC also suffered persecution.

After the fall of the junta in 1966, CTE and CEDOC renewed their activities with increasing vigour, but now shared the field with an enlarged CEOSL. By the 1970's CEDOC had changed dramatically from its beginnings. It was intensively guided by its regional "Mother-International", the **Central Latinoamericana de Trabajadores (CLAT)** and was inspired by the growing radicalism — at least verbal — of CLAT and by the Central's "third position" which rejected both communism and capitalism. In the years of persecution CEDOC began to move away

¹ Ph. Agee (1975: 236)

from its close identification with the Church. By recruiting more industrial workers and taking a lead in organizing rural labourers, the impression of being a clerically-led instrument for the organization of artisans weakened. By 1975 many observers considered CEDOC the most militant labour confederation in the country, surpassing the CTE in its willingness to challenge the government and to act on behalf of the nation's workers.

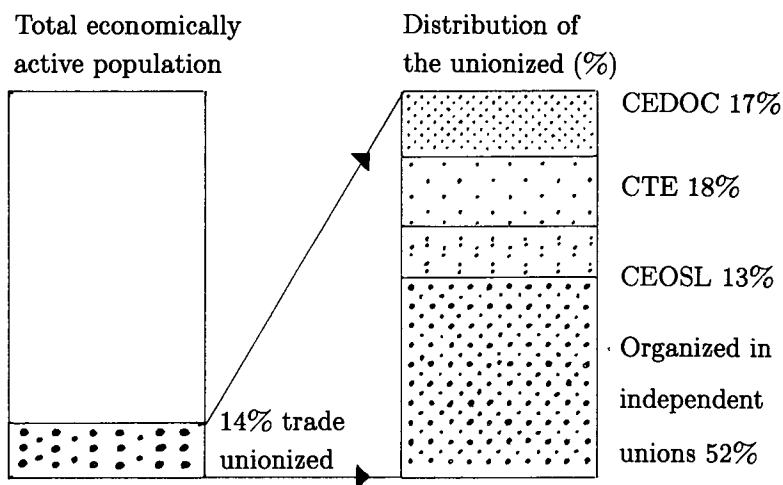
The challenge to CTE as Ecuador's most aggressive labour body was not only due to competition from CEDOC, but also a result of the repression and splits that CTE had undergone. Since its foundation in 1944 the Confederation has suffered from internal contradictions between militants of the Moscow-apologist **Partido Comunista del Ecuador** and the socialist party. The world-wide split between Kremlin and Peking supporters in the communist ranks worsened the internal argument and kept the CTE from developing a united and continuous programme during the years of the 1970's in which the trade union movement generally was growing. The splits also hindered the Confederation from putting more efforts into building up an efficient administration and a regular schooling service for the members.

The origin of the growing unity between the three major labour organizations dated from the years of suppression during the dictatorship. In 1966, the CTE and CEDOC joined with other popular forces in a **Frente de Unidad Clasista** that called the general strike that contributed to the fall of the military junta. Again in the 1971 general strike CTE and CEDOC cooperated in **Frente Unitario de Trabajadores**. That the former catholic CEDOC was becoming more radical and intensive pressure from the new generation of proletarians, gradually led to a more profound unity. CEOSL's role as a relative defender of the *status quo*, in contrast to the more militant stances adopted by CEDOC and the CTE suffered a major setback in 1974. Then the majority of the affiliated associations favoured a position more in line with the goal and policies advocated by the other two confederations and protested against CEOSL's close ties to US interests. In 1975 a united front between the three was formed by creating the **Comité Unitario**. The politically conclusive step had already been taken in April 1974 with the common declaration **El Comunicado de Abril (La Plataforma de los 9 Puntos, August 1975)**.

During a period, there were five or six confederations as the three main ones suffered divisions in the mid 1970's. The CEDOC split was the most serious, leading to the establishment of a permanent parallel confederation calling itself **CEDOC de los Trabajadores**. In addition to the principal national confederations, there are a significant number of independent organizations at local (**sindicato** or **comité de empresa**) and regional or national (**federación**) level. By 1975, it was estimated that the three national confederations organized 47 percent of the total number of workers — the rest being spread over a countless number of unions. Of the economically active population in 1975 — the last year with reliable statistics — only 14 percent were trade unionized.²

² The statistics were drawn up by the institutes INEDES-INEFOS in 1975, and are generally accepted as reliable, the trade unions included. Referred to in Isabel Robelino Bolle's *El Sindicalismo en el Ecuador*.

Figure 1
The proportion of unionized workers by the three main confederations and the block of independent unions



Source: INEDES-INEFOS, 1975

Economic Development

Economic growth in Ecuador was, until the early 1970's, predominantly based upon primary products related to the agrarian sector. Export incomes resulted almost exclusively from one or more agricultural products, and the primary sector employed the overwhelming majority of the labour force.

Principally, the cultivation of tropical agricultural products in the coastal lowlands was the basis for exports. Agriculture in the Andean highlands was for the domestic market. Working relations in the primary sector were inherited from the colonial concept of landholdings, large areas cultivated by an ignorant and deprived peasantry. In the export industries capitalist forms of production gradually broke through during the second half of this century; while on the large estates of the highlands the *huasipongo* system of serfdom existed until our days.

A small-scale manufacturing industry based upon production of consumer goods and the processing of agricultural products existed from the start of the century, but no real process of industrialization took place until the 1960's. A modernization of the physical and administrative infrastructure, Ecuador's entry to the Andean Pact and the very promising oil discoveries in the North East, made Ecuador a much more attractive prospect for foreign investors and aid donors. From the late 1960's the inflow of investments and loans greatly increased. The export of traditional products increased slowly over this period, and with the addition of oil, there was a major inflow of foreign exchange. A growing number of plants were established with foreign capital and/or foreign technical expertise, to assemble consumer goods in Ecuador.

The export economy of the 1950's and 60's was based primarily upon bananas, and secondly upon coffee, cocoa and sugar. It has been drastically altered since

1972, when major oil exports began from the Texaco-Gulf fields in North Eastern Ecuador. In the last months of 1972, crude oil was already Ecuador's principal export, and the importance of oil increased considerably in 1973 and 1974 with the world-wide increases of oil prices.

Even though the economic centre of gravity has been moved from the primary sector to the manufacturing industry and oil exploration, the principal features of the economy have been conserved. Ecuador is still very dependent upon foreign trade with one single product — oil — of which supply, demand and price are highly variable. On top of this the Ecuadorians have had problems due to their oil being of poor quality. From 1972 to 1974 oil's share of total exports rose from 19% to 58%. The exploitation of oil has made Ecuador even more dependent on multinational corporations. Without the technical expertise and vast resources from foreign companies, Ecuador would never have discovered the oil fields in the first place. In 1972-75, during the nationalist military government of general Rodríguez Lara, Ecuador tried to reduce its dependence on the multinational oil corporations, by increasing her oil revenues, taking control of some of the production and marketing of her own oil, and by tightening controls upon oil and gas exploration. Even though Ecuador was a member of OPEC, the government could do little to counteract Texaco-Gulf's virtual stoppage of most oil prospecting activities, reduction of oil exports and pressure on the State to withdraw the proposals. At the end of 1974 the Minister of Natural Resources was forced to resign and reductions of taxes on oil were proclaimed. Even after this, however, exports were apparently held down by Texaco-Gulf and political pressure was continued in the hope of provoking further cuts and an eventual Ecuadorian withdrawal from OPEC.³

Industrial production is still generally of consumer goods. Most of the equipment used in production, and the components actually assembled, are imported and considerable and continuing payments are required for the right to use foreign technology and the hiring of external technical expertise. In the late 1960's, for example, the proportions of imported raw materials for Ecuadorian domestic industries were as follows: heavy metals, 99.9%; paper and cellulose, 97.5%; printing, 94.4%; engineering, 94.5%; electrical machinery and rubber goods, almost 90%.⁴ In general, the industries established have generated relatively few jobs in Ecuador because they have adopted high capital-intensive technologies and foreign expertise. The import-substitution industrialization process which took place in Ecuador has brought considerable benefits to the international companies which control the supply of technology, equipment and intermediate goods, but it has failed to bring the expected benefits of reduced imports and mass employment to Ecuador.

Social Composition of the Working Class

During the entire post-war period, the majority of the economically active population has been linked to the agrarian sector: about 60% in 1960 and still over 50% as

³ The magazine *NUEVA*, 1975 and 1976

⁴ R.J Bromley (1977: 17).

late as the mid 70's. The relative percentage employed in the secondary sector has been constant — around 17 to 18% — but the absolute number rose from 184,000 in 1952 to 392,000 in 1973. The service sector increased from 10% to 13%.

Although the traditional manufacturing sectors, such as the textile and food processing industries maintained the leading position, their share of total employment decreased by 10% from 1965 to 1974, while the modern sectors, such as metallurgy and intermediate production, increased correspondingly. During the same period, the number of large and medium size enterprises increased considerably.

From 1965 to 1974 the number of firms employing more than 100 workers rose from 72 providing 20,090 jobs, to 152 with 38,581 jobs. The same trend can be found for medium sized firms employing between 20 and 99 persons; the number of these production units rose from 329 to 480. There was a growth in the number of employees from 13,652 in 1965 to 21,652 nine years later.⁵

These structural changes had great effects upon trade union activity, even though the numerical growth of industrial workers was relatively modest — from 235,000 in 1966 to 280,000 in 1973.⁶ The increasing concentration of the labour force facilitated the organizing efforts and reinforced the need for unity and collaboration among the associations.

A serious obstacle to further growth of the percentage organized is the large number of sub-proletarians or as some prefer to call them the *marginalised*. This sector makes up over half of the economically active population. It generally lacks any kind of social service network or organizing potentiality, has little or no job security and lives a day-to-day struggle for existence. Socially, the sub-proletarians are deeply divided and completely lack effective group solidarity.

Quantitative Growth of the Trade Union Movement

Prior to 1944, most Ecuadorian labour associations were artisan in nature. Salaried workers formed mutual-aid societies. In spite of the Second National Workers' Congress of 1920 (the first took place in 1909 — neither of them led to the projected national organizations) urging the establishment of industrial unions, the artisans proved reluctant to support the establishment of rival organizations. Thus, in spite of continued growth in the number of wage-workers, this increase was not equalled by a corresponding increment in the number of non-artisan associations. Between 1925 and 1932, only six were formed. Nine industrial unions were formed in 1934 and 1935 and represented the first important breakthrough in the establishment of associations strictly for salaried workers. The turning point came in 1944, when the nature of the labour movement changed in several respects. The formation of the CTE in itself signalled a change with the formation of the national confederation. Besides, 1944 was the first year wage-workers' associations out-numbered their artisan counterparts.

The most significant feature, however, in the quantitative development is the enor-

⁵ H. Ibarra (1977)

⁶ *Ibid.*

mous increase after 1965. Unfortunately no reliable figures can be obtained for the period after 1973. By 1973, however, available and reliable statistics show that 57% of all unions registred by the **Ministerio de Previsión Social y Trabajo** had been formed after 1965. This accelerated increase can only be understood in light of the economic expansion and the structural changes described. The graph presented in Figure 2 shows that it was, first of all, the growth of industrial unions and tertiary-sector associations that accelerated in the years after 1965, the artisan societies had a more continous growth from 1945.

External Aid

The establishment of a continuously increasing number of unions had, as a logical consequence, a corresponding expansion of the complete organizing apparatus. The confederations were reorganized and their administrations specialized in a completely new manner. Bureaucratic bodies were built up within professional departments for education, information, juridical and technical questions, etc.

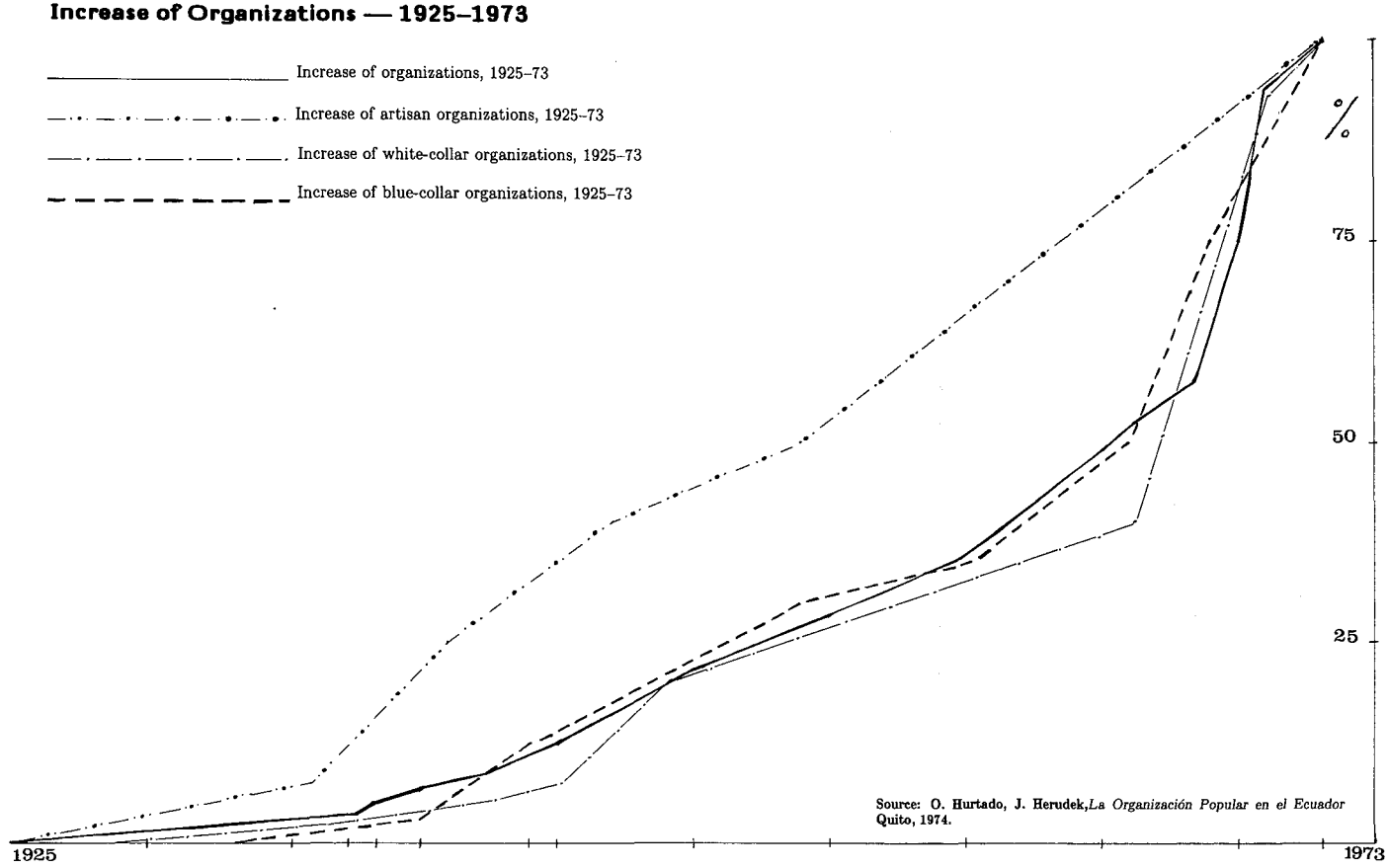
This intensive development of the administrative structure had two main objectives: Firstly, to respond to a necessity at all levels for greater resources to face a more complicated reality. The demand for a more effective and modern technical and juridical apparatus arose with growing complexity in the Ecuadorian economy. Beyond these direct material reasons, there was also an obvious political motivation behind the physical re-armament of the labour union structure. Especially the bourgeois-oriented confederations with the pro-US CEOSL at the head, found in the development of an extensive service apparatus a possibility of luring workers away from the influence of the left, the radical CTE. Extremely low political consciousness among the masses of the workers made the ability to offer a wide spectrum of administrative services, a very important factor in the recruitment of new members. Doubtless, the bourgeois-wing of the trade union movement swelled its ranks during the 1960's thanks to their advantage in this area.

Economic sponsoring of the labour movement came almost exclusively from external sources. The first confederation capable of launching a modern bureaucratic organization was the US-financed CEOSL. From 1963 the US-controlled **Instituto de Educación Sindical Ecuatoriano (INESE)** assumed responsibility for all trade union education for CEOSL. INESE was set up in Ecuador by the American Institute for Free Labor Development (AIFLD), a body financed by American multinational companies with interests in Latin America, the US Government and the North American Trade Union Confederation AFL/CIO, representatives of which sit on its Board of Directors.⁷ Through AIFLD, the Ecuadorian branch INESE could offer training courses and scholarships in the USA and Europe. Activity has been constantly increasing — during the years 1963–76, a total of 28,000 workers took part in training programmes arranged by INESE.⁸ The general administrative growth

⁷ See Appendix A

⁸ See Appendix B

Figure No 2



of CEOSL is illustrated by the body's founding of 11 new professional federations during the 1968-76 period.

In the 1960's, the still catholic CEDOC also built up its trade union organization by relying on foreign financing. Through the Christian Social Labour Branch for the Latin American region, CEDOC received considerable capital from catholic funds in Europe and Canada. The increase in the administration is impressive; from 1969 to 1971 the number of full-time employees in the CEDOC bureaucracy rose from 11 to 35 and, simultaneously, departments especially prepared for economic, juridical and technical questions were set up. Systematic training started in 1965 with the establishment of the **Departamento Especializado de Educación**. In 1968 activity was reorganized and the **Instituto Ecuatoriano de Formación Social (INEFOS)** was formed to take care of education and information. From a modest start in 1965 with 12 courses and 25 in the following year, INEFOS' educational activity has expanded considerably during the 1970's. In 1975 activity peaked, when 547 courses were held, with 11,000 participants. According to INEFOS' own information, some 31,700 participants altogether took part in its training programmes during the period 1965-75. The general increase in the strength of CEDOC can be illustrated by the creation of seven new professional federations in the 1972-77 period.

There is no doubt about the financing of this expansion coming from external sources. In the Central Committee's **Informe al X Congreso 1972**, this is openly admitted when it is stated that "...el porcentaje que la cotización representa en el presupuesto de la CEDOC es mínimo."

The exact extent of this economic support is difficult to assess. Through a review of parts of the old CEDOC archives, I personally found copies of not less than 34 applications for economic aid addressed to institutions and funds in Europe and Canada, all for the year of 1976. In addition to this, must be counted the regular contributions from the German **Konrad Adenauer Stiftung**, controlled by the Christian Democratic Party. In accordance with an international report from CEDOC's finance department, German support in 1974-75 was approximately 800,000 DM.⁹

The left-wing CTE has not, in the same manner, institutionalized its educational and service apparatus. One main reason has been economic. CTE has not had the same access to foreign financial support as the more moderate confederations have. From 1966 onwards CTE has suffered from ten years of continuous and antagonistic internal controversy which, in periods, threatened to paralyse all external activity. Taking these two factors together, there is little doubt of the CTE being seriously weakened in the competition for new members. Most serious was that the ignoring of the educational factor resulted in the absence of theoretical and ideological understanding between the leadership and the ordinary members. In spite of all this, the CTE has also experienced increasing growth from the mid 60's. By 1978 CTE claimed to organize 27 professional federations of which 15 were founded after 1966.

The principal donor to the CTE has been the pro-Soviet international trade union

⁹ **Informe del Departamento de Finanzas para el Comité Ejecutivo Nacional de la CEDOC**, Quito, 21 September 1974, by Hugo Esposito, head of the Finance Department.

movement. Through the World Federation of Trade Unions and its international professional federations, the CTE has benefitted from economic aid through the whole post-war period. The relatively modest bureaucracy of administration of the CTE, and the poor technical equipment at its disposal, indicates that the support has been moderate compared to the amounts received by the bourgeois confederations. The CTE has also collaborated with the state-financed confederations of Eastern Europe. Leaders and members of CTE are offered scholarships and trips for purposes of study in communist countries.¹⁰

The trade union movement in Ecuador does not have sufficient resources of its own to maintain organizing activity. This is true not only for the three national confederations but for practically all unions in the country. The general poverty of the population and the extremely strained purchasing power of the proletariat make it almost impossible for the organizations to charge membership dues.¹¹ This is the general situation throughout Latin America. As in Ecuador no government funds are available, worker associations become completely dependent on external support. But with economic dependence comes demands for political and organizational loyalty; "solidarity" is politically conditioned.

CTE, CEDOC, as well as CEOSL are financed by foreign funds, principally channelled through their respective international parent organizations.

As the process of unity advanced ideologically and as it concerned the formal procedure of collaboration, discussions were held on the question of a future assembling of the movement in one organizational body. There is no doubt that this step would have been a qualitative change for the Ecuadorian working class. The opportunity was not taken advantage of and to understand why, one has to look at the role of the international trade union structure. An eventual **Central Única** in Ecuador would necessarily have been independent of the international trade union hierarchies, which from the point of view of the internationals, would have meant the loss of their local branches. On one hand there is the sociological law of survival which means any organization will fight to prolong its life. On the other, there are the political interests of world-wide perspective, in which context one has to deal with international trade unionism.

International Trade Unions

The international trade union movement has, in the post-war years, been dominated by three world-wide confederations, each one represented on the American continent by regional branches. Historically, the division of the Ecuadorian labour movement has followed the same pattern. I refer to the following organizations:

a) The *World Federation of Trade Unions (WFTU)*, established in 1945. Its Latin American affiliate is the **Congreso Permanente de Unidad Sindical de los Trabajadores**

¹⁰ Documentos del XI Congreso CTE, Cuenca, December 1968.

¹¹ This is quite openly admitted in private both by leaders and ordinary members, although denied in public. The continuous debate between socialists and communists has revealed this as being true for the radical unions as well.

dores de América Latina (CPUSTAL), established after the Cuban Revolution (in 1964) at the initiative of WFTU and its former regional organization, CTAL. It is formally independent from WFTU, but in reality it is financially and politically bound to it. Financed by the Soviet bloc, CEPUSTAL is the smallest and weakest of the regional internationals in Latin America. Its reliance upon Soviet backing has meant that its influence largely depends on the strength of the local communist parties and its work has followed their policies. Its ideology is pro-Soviet and anti-American. Its Ecuadorian affiliate is CTE.

b) The *World Confederation of Labour (WCL)*, established in 1920 but its current name dates from 1968. Its Latin American affiliate is the **Confederación Latinoamericana de Trabajadores (CLAT)**, created in 1954. It is financed by European Christian funds, especially by the Christian Democrat **Konrad Adenauer Stiftung** through its **Instituto de Solidaridad Internacional (ISI)**. The **Plan Financiero de CLAT** for 1976–80 relies on ISI financing all its activities regarding education, organizing and service of the confederations affiliated to CLAT in 29 countries, including Ecuador. The ISI is also supposed to finance the activity of the CLAT-controlled **Centros Subregionales de Formación**; these are located in Buenos Aires for the Southern Cone, in San José (Costa Rica) for Central America and in Curaçao for the Caribbean. The budget of these three centres is 904,000 US dollars for a five-year period. ISI also finances CLAT headquarters in Caracas, where CLAT has its training and information centre, the so-called **Universidad de los Trabajadores de América Latina (UTAL)**. The costs for UTAL for 1976–80 were estimated to be 5,644,437 US dollars, covered by foreign donors and, in part, also by the **Konrad Adenauer Stiftung**.¹²

Many commentators have interpreted the enormous European Christian Democratic backing of CLAT, in the context of the increasing rivalry in Latin America between the European-inspired ideologies of Social and Christian Democracy. The German Social Democrats have their funds in the **Friedrich Ebert Stiftung**. The genuine German involvement probably has to do with the general expansion of German foreign interests. The ideology of CLAT is anti-capitalist, anti-socialist, social-Christian and strongly anti-USA. Its affiliate in Ecuador is CEDOC (and from 1976 **CEDOC de los Trabajadores**).

c) The *International Confederation of Free Trade Unions (ICFTU)*, established in 1949. The Scandinavian trade unions are amongst its members organizations. Its affiliate for Latin America, USA and Canada is the **Organización Regional Interamericana del Trabajo (ORIT)**, created in 1951. It is dominated and controlled by the American confederation AFL/CIO, which left the ICFTU in 1969, but remained in ORIT, which is financed mainly by US funds, governmental and private ones.

Though formally an ICFTU branch, ORIT has in reality been subjugated by the AFL/CIO, and has become an instrument of the State Department in Washington. ORIT participation in a series of *coups d'état*, and US inspired subversive activity,

¹² *Reportaje Confidencial. La Democracia Cristiana Alemana y el Movimiento Sindical Ecuatoriano*, Zumbambico Editores, Quito 1977. A series of testimonies, from persons and organizations that have left CLAT confirm these very high figures. The report referred to was made from Ecuador by ex-members of CLAT.

has lately been very well documented.¹³ Even the CIA admits:

"...ORIT is helpless, discredited and completely ineffective for attracting non-communist labour organizations in Latin America."¹⁴

Its ideology is anti-communist and pro-US, and ORIT's affiliate in Ecuador is CEOSL.

The Internationals and the Trade Union Movement in Ecuador

The left-wing CTE has had more direct contact with its international than other national confederations, due to the relative weakness of the regional body. The revolutionary socialist tendency in the CTE has criticised the communist leadership for being too dependent on external economic aid, indicating that this limits the struggle for increasing the degree of self-support:

"...(defectos como) las finanzas que deben ser el resultado del propio esfuerzo del movimiento sindical".¹⁵

Strongly guarded by the very Moscow-loyal PCE, the CTE has repeatedly expressed its uncritical support of the Soviet Union:

"El mundo socialista con la gloriosa Unión Soviética a la cabeza, conduce una firme política de paz, de distensión internacional, de frenamiento de los criminales the guerra del Imperialismo y se convierte en una base firme de progreso y de ayuda fraternal para los pueblos que avanzan por el camino del desarrollo".¹⁶

As for the traditionally bourgeois-oriented confederations, external interference has been far more evident. In the case of the former catholic CEDOC, the regional body, CLAT, was the principal "motor" transforming the Ecuadorian confederation, from a religious congregation, into a worker's organization. This development started in the 1960's by adopting a more radical political stand and by structurally modernizing CLAT. Thanks to European financial support the regional body was armed to take a more decisive part in the development of its affiliates.

After its 1966 convention, CLAT has formulated an increasing social radicalism and expressed scepticism of US policy:

"El imperialismo americano es el imperialismo que sufren todos los días y en todas partes los trabajadores y los pueblos de América Latina".¹⁷

The ideological and structural development of CLAT is clearly mirrored in CEDOC.

¹³ The classical examples are: Guatemala 1954, Cuba during and after the revolution, Dominican Republic 1963, Guyana 1962-63, Brazil 1964, Chile.

¹⁴ Ph. Agee (op.cit.: 135).

¹⁵ *El PSRE y los Trabajadores Frente al XI Congreso de la CTE*, 1968.

¹⁶ *Proyecto de Documento para el XII Congreso de la CTE*, 1975.

¹⁷ *20 Años de Lucha por la Liberación*, Venezuela 1975, CLAT.

Its 10th Convention in 1968 meant a break-through for the ideas of remodelling CEDOC in the image of CLAT. The convention launched **las nuevas dimensiones del sindicalismo ecuatoriano**, radicalizing its principales and initiating a modernization of the technical and administrative apparatus.

The new generation of unionists recruited from the late 1960's enthusiastically supported the new radical orientation. Inspired by CLAT, at its 10th Convention, CEDOC decided to start a general debate about the means and objectives of the trade union activity:

"...(CEDOC debe) comenzar a partir de este Congreso un proceso de elaboración que, unido al proceso que la CLAT ha comenzado a partir de su VI Congreso, nos permita llegar a conclusiones sobre las bases fundamentales de esta nueva sociedad, tal cual la queremos los trabajadores".¹⁸

The discussion became antagonistic when the national leadership wanted to continue to develop its policy independently of the regional organization. CLAT leadership did not accept that their influence be reduced and tried to dictate what the conclusions of the discussion should be. To do this, the CLAT leaders used both economic and political weapons. The way external aid is handed over to the national confederations gives the CLAT hierarchy enormous power. Every application for support and every payment is to be channelled through the **Instituto Latinoamericano de Cooperación y Desarrollo (ILCDE)** in Caracas, controlled by top CLAT leaders, giving them the possibility of stopping any payment in cases of conflict with the recipient organization.

The actual CEDOC leadership originated from the peasant federation FENOC, the largest and most radical trade union in CEDOC. FENOC was first sanctioned by CLAT's headquarters in Caracas. In November 1975, before any decision had been made concerning the future CEDOC-CLAT relationship, the ILCDE stopped money granted from a Dutch fund, **Campaña Holandesa de Cuaresma**, and earmarked for a project developed by FENOC.¹⁹

In 1975-76 both the foremost leader of CLAT, Emilio Maspero, and the Vicepresident of the WCL, Eduardo García, paid frequent visits to Quito to put the CEDOC leaders under pressure. At the 1976 national conference, Emilio Maspero appeared, on behalf of the CLAT, and presented an alternative strategic and political programme, which was less radical and concrete than the CEDOC proposal. One crucial point concerned the tactics to be used in the process of forging unity. The CEDOC leadership had decided to work towards organizational unification of the Trade Union Movement. Emilio Maspero was, however, unable to recommend a step which would lead to the dissolution of CEDOC.

The conference became a victory for the CEDOC leadership as the CLAT proposal was rejected. This democratically taken decision was, however, not accepted by the Caracas leaders who from then onwards worked against the majority to split the national confederation.

¹⁸ *Estrategia y Política. X Congreso, CEDOC, 1972.*

¹⁹ *CEDOC Desde la Dirección de los Conservadores Hasta la Dirección de los Trabajadores, 1938-76. Departamento de Prensa de la CEDOC, 1976.*

Eduardo García remained in Ecuador for several months after this crucial meeting, travelling all over the country organizing a CLAT-loyal opposition. Just before the next National Conference in May 1976 he announced the suspension of the **Konrad Adenauer** payment, in an attempt to pressurize the meeting.

Unable to "convince" the CEDOC unions, the CLAT-supported minority withdrew and proclaimed the formation of a new confederation (**CEDOC de los Trabajadores**). In doing that, it took over the foreign economic aid. The independent CEDOC, left without its usual external sponsorship, was confronted with serious financial and administrative problems. CLAT aggravated the CEDOC's situation by starting an international calumnious campaign against its former companions, with the aim of excluding CEDOC from all foreign aid.

Thanks to the testimony of ex-CIA agent Philip Agee, who served under the US Embassy in Quito between 1960-63, we have detailed knowledge of the activities leading up to the foundation of the third trade union body in Ecuador. Philip Agee's book *CIA Diary* is a unique source of contemporary Latin American history, and obligatory reading for any one who requires an authentic description of trade union imperialism. The establishment of the CEOSL is an account of how the US Embassy, the CIA, ORIT, and the State Department's obedient servant, the AFL/CIO, collaborated and laid the basis for a pro-US body in the Ecuadorian labour movement by infiltration, bribery, buying agents and political manipulation.

During the 1960's the AFL/CIO and ORIT frequently had to intervene to resolve internal quarrels between the CEOSL leaders. The conflicts which were generally of a personal and career character reflect the confederation's ambitions; namely of being a servant of the status quo and of satisfying the personal aspirations of the leaders.

Of great importance for the spread of American influence was the establishment of the **Instituto de Educación Sindical Ecuatoriana (INESE)**, a local branch of the AIFLD. Its purpose was clear, as described by Philip Agee:

"...the main purpose of AIFLD will be to organize anti-communist labour unions in Latin America ... First priority is to establish in all Latin American countries training institutes which will take over and expand the courses already being given in many countries by AID. Although these training institutes will nominally and administratively be controlled by AIFLD in Washington, it is planned that as many as possible will be headed by salaried CIA agents... these agents will be US citizens with some background in trade unionism although, as in the case of ORIT, foreign nationals may be used. The training programmes of the local institutes in Latin America will prepare union organizers who, after the courses are over, will spend the next nine months doing nothing but organizing new unions, with their salaries and all expenses paid by the local institute."²⁰

In 1973 an AIFLD report stated that for the 1962-73 period the cost of their programmes amounted to 43 million dollars, over 90 per cent coming from US

²⁰ Ph. Agee (op. cit.: 245). See Appendix B.

government sources.²¹ The actual annual budget is at present about 8 million US dollars.²²

Besides the educational programme, revelations from the 1970's have brought to light that INESE is also engaged in reporting to the AFL/CIO about the development of the Ecuadorian labour movement in general, and the CEOSL in particular.

During the 1970's, conflicts of a new character appeared in the CEOSL. As was the case with the other confederations, a new generation of proletarians emerged in CEOSL's ranks. They were not disposed to "swallowing" the old positions. Leaders appeared ready to fight for the workers' demands rather than to satisfy personal ambitions. The rigid anti-communism and the old "non-political" line were considered anachronistic. The new forces wanted CEOSL to adopt a more militant stance, to join forces with the other national confederations and to make demands on the government.

As internal contradictions sharpened, the US-led INESE played a central role. In his reports to Washington, the Institute's Director, US citizen O'Neill, characterized the proponents of new ideas as left-wing influenced, and a threat to CEOSL's loyalty to the US. At the same time, he tried to use the prestige and money of the INESE to manipulate the elections of representatives to the unions.²³ In vain, as the defenders of the anti-communist slogans were reduced to a small minority.

INESE reports had, however, serious consequences for relations between CEOSL and the Americans. INESE reduced contact with CEOSL and stopped economic aid. Regional ORIT simultaneously cut down on connections with its affiliate. Only after a visit by CEOSL leader, José Chávez, to the 1977 AFL/CIO convention in Los Angeles, where he convinced his sponsors of CEOSL's moderate intentions, were relations normalized. Meanwhile INESE regarded with favour an attempt by the reactionary ex-leaders to build up a parallel CEOSL, but it failed.

Although CEOSL, officially, denies that contradictions with AFL/CIO and ORIT originate from a US-attempt to get rid of the new, apparently radical leadership, there are indications that from the late 1970's onwards CEOSL was looking for ways to break out of its unilateral dependence on American controlled funds. A report made by the Central Committee for the years 1977-79, confirms that the CEOSL had initiated a collaboration with the German confederation DGB, through the Social Democratic **Friedrich Ebert Stiftung** and its **Instituto Latinoamericano de Investigación Social** in Quito. The institute offers courses and scholarships to leaders and members of CEOSL.²⁴

²¹ D. Thomson & R. Larson, (1978: 44).

²² *LO-tidningen*, N° 45 (1979), Stockholm.

²³ The Guayaquile newspaper *Expreso* (liberal) in 1974 presented a series of letters revealing this activity.

²⁴ *Informe del Comité Ejecutivo Nacional de CEOSL a la VII Junta Ejecutiva Nacional*, Portoviejo, February 1979.

Efforts to Forge Unity

Up to 1970 the efforts of the trade union movement to forge unity had only been partial, with the CTE and CEDOC as chief advocates. The process was initiated during the years of dictatorship in the 1960's and the desire to do so was created by the common persecution suffered by the unions. The first achievement was the establishment of the **Frente de Unidad Clasista** in 1966, which successfully contributed to the fall of the military junta by calling a general strike.

The united front was reorganized in 1971 in connection with the general strike of the same year. The still conservative CEOSL was invited to participate in the front, but the reactionary leadership rejected the offer calling it a "communist manoeuvre". This refusal led to fierce internal discussions in the CEOSL. The Quito federation, led by José Chávez, later Secretary General of the Confederation, criticized the national leaders in public and gave his support to the strike.

The second phase of the process of collaboration differed from the previous one in two decisive ways: CEOSL participated on equal terms, and a political platform advocating unity was drawn up. The joint declaration of April 1974 represents a great step forward:

"La agudización de la crisis económico-social que afronta el país es el resultado, no solamente de la imprevisión en incoherencia de la política interna; sino, además, del sistema capitalista en el cual vivimos y en el cual los imperialismos, a través de las empresas multinacionales, acrecientan su poderío en detrimento de las economías de los pueblos y en asocio de las oligarquías criollas y los sectores más reaccionarios".²⁵

The general strike of November 1975, called by the **Comité Unitario**, was the most extensive manifestation ever held by the trade union movement. Participation was practically all-embracing and went far beyond the ranks of the three leading confederations. This action had a clearly articulated political profile, and was proclaimed to be anti-imperialistic, anti-oligarchic, anti-feudal and anti-fascistic.²⁶

The next general strike called by the **Comité Unitario** in 1977 indicated that the process had come to a standstill. Preparations were insufficient, and participation was reduced, compared to two years previously. Several sectors of the trade union movement — mainly composed of groups that had left the principal confederations — openly opposed the action.

The process culminated with the strikes of 1975 and 1977. Collaboration stagnated, and until the revitalization of the united front by the establishment of the **Frente Único de los Trabajadores (FUT)** and the 1981 general strike, no common action was undertaken by the three confederations. The success of the 1981 manifestation strengthened and inspired efforts towards forging unity. But another set-back was soon suffered, caused by the far less successful general strike of later that year. During 1982 FUT has initiated a discussion about the strategic and political aims of future collaboration. This indicates the process may be on its way upwards again.

²⁵ *Comunicado de Abril de las Tres Centrales Sindicales Nacionales*, April, 1974.

²⁶ *Día de la Huelga Nacional*, CTE, CEOSL, CEDOC, November, 1975.

Why Stagnation?

The reasons for the stagnation of the process of forging unity are diverse. Changes in the Military Junta in 1976 made it more conservative and led to harder repression of the labour organizations. A series of governmental decrees limited freedom of organization, and the authorities increased the use of physical force to maintain law and order. ²⁷

The expected and gradual return to a civilian, constitutional government, concretized by the 1978 referendum and the general elections of the following year, moved political interest over to the political parties and parliamentary conflicts. The trade union movement, which in the years of military administration from 1972 onwards took advantage of the suspension of parliamentary activity to assume the position of principal spokesman for public opinion, was by 1978-79 again overshadowed by the political parties. In that way, the political importance and influence of the trade union movement, headed by the United Front, was considerably reduced.

The post-1975 years also signified a general decline of trade union activity, compared to the previous period. There were fewer strikes and the class struggle was faced with a downward trend, which probably has to do with general economic stagnation.

Closer to the object of this study are the internal causes of the set-backs to the efforts to forge unity: that is, the reasons for which the trade unions themselves are responsible. Generally, the confederations lacked strategic planning or agreement. No clear analysis had been made to determine the tactics and methods of a future evolution of the trade union struggle and the development of the process of forging unity after the immediate success of general strikes. As the actions did not lead to concrete results or improvements — on the contrary, these seemed more than ever determined by the possibility and hope of concessions given by the government — a general frustration and resignation spread little by little over the masses. The United Front paid very little attention to this tendency of defeatism and did not take appropriate action to combat it. Thus the mobilized potential accumulated after the strikes was dissipated while waiting concessions that were never granted.

In part, this had to do with the formal organization of the United Front. Very little effort was put into channelling the process towards the base of the trade union movement. Current collaboration was, practically speaking, limited to top-level contact through the **Comité Unitario Nacional**, composed of the top leaders of the three main confederations, and some **Comités Unitarios Provinciales**. In that way no profound organizational unity was developed. The strategic debate initiated during the first half of 1982, seems to have taken this experience as one of the questions to be analysed.

²⁷ The most horrible example was the massacre of the workers on the sugar plantation AZTRA, on the 18th October, 1977, where over a hundred labourers were killed by the police.

The Consequence of Divisions and External Interference

The most significant consequence of the splits suffered by the confederations was the negative effect on the cause of unity. There is no doubt that the divisions directly weakened the confederations and forced them — in a very decisive hour — to spend too much time and energy on consolidating their internal state. Thereby they were not able to concentrate sufficiently on the common problems of forging unity.

In the CTE, the exclusion of the communist dissidents meant the loss of some of the confederation's most active and conscious leaders. Supported by the Maoist (pro-Albanian) communist party, another left-wing confederation was established, **Frente de Uniones Obreras Sindicales (FUOS)**. The negative position adopted both by the collaborating confederations and by FUOS not to deal with each other, has separated some of the most militant and aggressive unions from the process of unity. It also resulted in FOUS opposing the 1977 general strike. The extreme left has, however, so far had limited success in building up its own confederation. Taking into consideration the Maoist success in the elections (passing the 5% limit both in 1979 and 1981, gaining a parliamentary seat and reducing the Moscow-communists to a minority), the possibility of a future increase cannot be disregarded.

The division within the CEDOC, giving birth to **CEDOC de los Trabajadores** supported by the CLAT family, has been the most serious threat to the unity movement. The left-wing CTE had for a long time advocated a political and organized front between the trade unions. When also adopted by CEDOC, the idea gained sufficient support and credibility to be taken seriously by CEOSL and a large number of independent unions. CEDOC had, so to say, a key-role to play in the creation of unity.

A direct attack on the efforts to forge unity came from the division of CEDOC. The CLAT leadership backed up the minority group with all their propaganda and economic resources. The new CLAT-loyal branch refused to take part in the 1977 general strike but fought it openly, creating great public confusion and discrediting the bodies collaborating.

The economic generosity of CLAT has resulted in a notable numerical growth of the **CEDOC de los Trabajadores**. It has also enjoyed government favour since ex-President Roldós assumed power in 1980 and even more so after the present President, the Christian Democrat, Hurtado, took over in 1981. The confederation did not take part in the 1981 general strikes against the economic policy of the government. On the contrary, it was commended by President Hurtado as being a serious, responsible body willing to make a social pact with the government. **CEDOC de los Trabajadores** is evidently becoming the labour ally of the government, supporting its market-oriented economic policy.

External influence on the CEOSL's attitude towards the unity process was made known in November 1977, when the confederation temporarily withdrew from the process, reasoning that there was a need to strengthen the "free and democratic" trade union tendency. It is difficult to see this statement as separate from the visit paid by the Secretary-General of the CEOSL, José Chávez, to the AFL/CIO convention only a month later. At that meeting the "good and fraternal" relations

with the US confederation were normalized. We have reason to believe that the manoeuvre against the process of unity was the price that had to be paid to re-establish the American's confidence.

CEOSL later returned to the collaboration, but always without being willing to enter into a discussion of eventual organizational unification of the trade union movement.

Summary and Conclusions

1. The general expansion and the structural changes of the Ecuadorian economy from the 1960's laid the basis for an accelerated radical political and quantitative development of the trade union movement.
2. Increasing access to foreign resources enabled the confederations to build up extensive and bureaucratic trade union apparatuses. Especially the traditionally bourgeois confederations CEOSL and CEDOC, received extensive foreign support. Economic aid was politically conditioned, thereby, seriously limiting the political and organizational independence of the confederations.
3. Besides the quantitative growth, other two features characterized the development in the post-1966 years: an internal radicalization — especially in the ranks of the CEDOC and CEOSL — and increasing cooperation between the national confederations.
4. These factors created antagonistic contradictions in the confederations. By controlling external assistance, the internationals were able to interfere in the internal discussions using their dependence to put pressure on the national confederations. The CEDOC split and the CEOSL's links to and dependence upon the US labour apparatus produced obstacles to the full exploration of the potential of unity. Neither CLAT nor the US labour structures saw their interests favoured by an organizationally united trade union movement in Ecuador. By provoking a division of CEDOC, by strongly supporting the creation of a moderate, anti-unity competitive confederation, and by pressuring CEOSL economically, foreign interests decisively contributed to the weakening of the Ecuadorian working class by hindering it from unifying its forces.
5. External dependence, whether economical, political or organizational, showed to be irreconcilable with the efforts to forge unity and with the objective interests of the working class. This conclusion seems to be universal.

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Appendix A

"You can't dictate to a country from an angle at all unless you control the means of production. If you don't control the means of production, you can't dictate. Whether you control them through ideological methods or control them by brute force, you must control them" — George Meany speaking at the House of Representatives, Committee on Foreign Affairs, Winning the Cold War: The US ideological offensive, 88th Congress, 1st Session, part two: April 30, 1963.

Some companies who finance AFL/CIO's overseas activities

W. R. Grace & Company	Brazilian Light & Power
Rockefeller Brothers Fund	First National Bank of Boston
International Telephone and Telegraph	United Fruit Company
Pan American World Airways	Anglo-Lautaro Nitrate Corporation
The United Corporation	IBM World Trade Corporation
David Rockefeller	International Basic Economy Corporation
Kennecott Copper Corporation	Sinclair Oil
Standard Oil Co. of New Jersey	Max Ascoli Fund Inc.
Koppers Company	International Mining Corporation
Gillette	Carrier Corporation
Shell Petroleum	Coca-Cola Export Corporation
Crown Zellerbach	Container Corporation of America
The Anaconda Company	Stauffer Chemical Company
ACFE (Venezuela)	American-Standard
King Ranch	International Packers
Sterling Drug Inc.	Olin
General Foods Corporation	Standard Oil of California
Loeb Rhoades & Company	Warner-Lambard
Owens-Illinois Glass	Corning Glass
Union Carbide Corporation	Eli Lilly & Company
Ebasco Industries	J. Henry Schroeder Banking Corporation
Reader's Digest	United Shoe Machinery
Monsanto	Celanese Corporation
Southern Peru Copper Corporation	Bacardi Corporation
Merck	Schering Foundation
Pfizer International	Bankers Trust Company
Otis Elevator Company	Bristol Myers
Industrias Kaiser Argentina	Chase Manhattan Bank
American Cyanamid	Kimberly-Clark
First National City Bank	Upjohn Company
International Paper Company	Insurance Company of North America
Mobil Oil Company	3M Company
Standard Fruit Company	American International Oil Company
American Telephone & Telegraph	Combustion Engineering
Corn Products	Sheraton Corporation of America
Council for Latin America	Chemetron Corporation
Johnson & Johnson	Motion Picture Association of America
St. Regis Paper Company	Deltec
American Can Company	Source: AIFLD, Senate Hearing, 1968, p. 21

Footnote: In 1977 an AFL/CIO spokesman confirmed that companies still financed part of their overseas programme.

Appendix B

AIFLD student courses completed, 1962-77. Source "Fifteenth anniversary of Cooperation in Freedom", an AIFLD publication.

In Country Leadership Training

Since 1962 AIFLD has trained 309,768 workers in educational programmes throughout Latin America and the Caribbean. The length of the courses varies from one week to three months at local, regional and national levels, and a variety of subjects are taught. The following figures show the total number of trainees by country:

i. In Country Students Trained as of December, 1976

Country	1976 Cumulative	
	Total	Total
Argentina		6,147
Bolivia	833	21,192
Brazil	905	47,254
Caribbean	1,285	17,522
Chile	1,036	11,176
Colombia	6,240	45,989
Costa Rica	1,199	9,104
Dominican Republic	2,809	20,968
Ecuador	2,254	27,954
El Salvador		6,932
Guatemala (IESCA)	73	2,049
Guatemala	873	7,906
Honduras	3,122	20,816
Mexico		2,039
Nicaragua	1,327	12,339
Panama	674	11,574
Paraguay	600	3,815
Peru		20,824
Uruguay	303	10,054
Venezuela		1,733
	23,533	307,386

ii. Labour Economics Graduates as of December, 1976

Loyola University	15
Georgetown University	95
Mount Vernon College	50
Trinity College	15

iii. Front Royal Institute Graduates as of December, 1976

2,207

Total number of students trained through 1976

309,768