

AIR COMMAND AND STAFF COLLEGE

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**IS THE US INVESTING WISELY IN LATIN AMERICA?
LET US TAKE A CLOSER LOOK AT ECUADOR**

by

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i

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Is the US investing wisely in Ecuador? Yes, the United States appears to be investing wisely in Ecuador and the rest of the region even if the public perception indicates otherwise. The increased level of anti-American sentiment in the region occurred from a combination of factors that had nothing to do with putting more money into Ecuador and the region. There are multiple factors that contributed towards the negative image of the United States, which all came together almost at the same time in history: the different diplomatic approaches displayed by former Presidents Clinton and George W. Bush, the devastating publicity that came out of the War in Iraq, the Human Rights violations in Iraq and Guantanamo Bay prisons, the appearance to use financial coercion tactics by International Monetary Fund and World Bank, the negative press received by Free Trade Agreement, the rise of leftist government leadership, and increased nationalism in Latin America resulted in more anti-American public outcry. Furthermore, the United States is losing its foothold in Ecuador and the rest of Latin America because it has allowed its foes to take a more influential role in the region like for example Russia, Iran, Cuba, and China. On the other hand, there are a few nations experiencing very tough governing issues within their borders, but the manifestations and unintended consequences have crossed international boundaries and are causing regional instability and more bad indirect publicity to the United States. This study used the problem-solution research methodology in order to provide viable recommendations at the end. Therefore, the document grouped the research problem, background and significance into five main sections: Realities, US Policy and Objectives, Perceptions, Why Does the US Care about Ecuador, and Recommendations. his research yielded the following four recommendations. First, the unintended consequences of Plan Colombia towards Ecuadorthe main recommendation is to contain the problem within Colombia and continue supporting Plan Colombia without sacrificing budget requirements that will enable Ecuador to protect its northern border, prevent illegal border crossing of irregular forces (narcoterrorist) into Ecuador and to provide food, shelter, and long-term economic opportunities to all Colombian and Ecuadorian refugees. Second, decrease anti-American sentiment in Ecuador and the regionthis is possible by using Strategic Communications and focusing it on Ecuadorian citizens living in the US. Third, the US is losing its foothold in Ecuador and Latin Americain order for the US to prevent losing its foothold in Ecuador and Latin America, it needs to continue with humanitarian assistance, disaster relief efforts, Medical Readiness Exercises, and conduct New Horizon engineering operations because they all win hearts and minds. In addition, the US should also continue selling military weapons and providing training to its allies like Ecuador in order to build stronger friendships and long-term relationships. These two things will allow the US to share common ideas and military doctrine that will enable better working partnerships during Combined Operations in the future. With respect to training and tighter budgets, the US should start using more commercial-off-the-shelf (COTS) video teleconference (VTC) solutions that will complement the face-to-face relations that they are building in theater. Last, regional instabilityin this area, the US should stop offering IMF and WB as the number one solution for nation development lending because Ecuadorians have a very negative image of these two institutions. If the US keeps offering International Monetary Fund (IMF) and World Bank (WB) to Ecuador, it will be guilty by association and receive its negative image.

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Contents

Disclaimer	ii
Preface.....	iv
Abstract.....	v
Introduction.....	1
Chapter 1 - Realities.....	2
Country Facts.....	2
History.....	4
Current Challenges.....	7
Chapter 2 - US Policies and Objectives for Latin America.....	9
US National Security Strategy (NSS) March 2006.....	9
National Defense Strategy (NDS) June 2008	12
The United States Southern Command (USSOUTHCOM), Command Strategy 2018.....	13
Chapter 3 - Perception	14
Unintended consequences of Plan Colombia.....	15
Increased Anti-American Sentiment in the Region	16
The US is Losing its Foothold in Ecuador and Latin America.....	18
Regional Instability.....	20
Chapter 4 - Why Does the United States Care About Ecuador?.....	21
Why is Ecuador important to the US? What does the US lose if it does not invest properly?22	
Is the US investing wisely in Ecuador?	24
Chapter 5 - Recommendations.....	26
Chapter 6 - Conclusion	30
Notes	31
Bibliography	34

Preface

One of the main purposes of the United States Air Force (USAF) Intermediate Developmental Education is to prepare field grade officers in the art of operational level of warfare. In today's fast pace life, it is easy to stay focus in one part of the world at a time like for example the Middle East and lose sight of future potential problems that can become front page news in the very near future. The main purpose of this research is to understand if the United States is investing wisely in Latin America but focusing on Ecuador. Unfortunately, the US has limited amount of money to spend in the region and its placing the vast majority of it into Plan Colombia. This investment is also causing some collateral damages in the region that the US needs to pay close attention and take action as quickly as possible to avoid additional problems that may require the full use of the Instruments of Power (DIME).

I want to extend my personal gratitude to Lt Col Davis and Major Butler for their professional support, comments and inspiration to pursue this research topic. Thank you very much.

Abstract

Is the US investing wisely in Ecuador? Yes, the United States appears to be investing wisely in Ecuador and the rest of the region even if the public perception indicates otherwise. The increased level of anti-American sentiment in the region occurred from a combination of factors that had nothing to do with putting more money into Ecuador and the region. There are multiple factors that contributed towards the negative image of the United States, which all came together almost at the same time in history: the different diplomatic approaches displayed by former Presidents Clinton and George W. Bush, the devastating publicity that came out of the War in Iraq, the Human Rights violations in Iraq and Guantanamo Bay prisons, the appearance to use financial coercion tactics by International Monetary Fund and World Bank, the negative press received by Free Trade Agreement, the rise of leftist government leadership, and increased nationalism in Latin America resulted in more anti-American public outcry.

Furthermore, the United States is losing its foothold in Ecuador and the rest of Latin America because it has allowed its foes to take a more influential role in the region like for example Russia, Iran, Cuba, and China. On the other hand, there are a few nations experiencing very tough governing issues within their borders, but the manifestations and unintended consequences have crossed international boundaries and are causing regional instability and more bad indirect publicity to the United States. This study used the problem-solution research methodology in order to provide viable recommendations at the end. Therefore, the document grouped the research problem, background and significance into five main sections: Realities, US Policy and Objectives, Perceptions, Why Does the US Care about Ecuador, and Recommendations.

This research yielded the following four recommendations. First, the unintended consequences of Plan Colombia towards Ecuador—the main recommendation is to contain the problem within Colombia and continue supporting Plan Colombia without sacrificing budget requirements that will enable Ecuador to protect its northern border, prevent illegal border crossing of irregular forces (narcoterrorist) into Ecuador and to provide food, shelter, and long-term economic opportunities to all Colombian and Ecuadorian refugees.

Second, decrease anti-American sentiment in Ecuador and the region—this is possible by using Strategic Communications and focusing it on Ecuadorian citizens living in the US. Third, the US is losing its foothold in Ecuador and Latin America—in order for the US to prevent losing its foothold in Ecuador and Latin America, it needs to continue with humanitarian assistance, disaster relief efforts, Medical Readiness Exercises, and conduct New Horizon engineering operations because they all win hearts and minds. In addition, the US should also continue selling military weapons and providing training to its allies like Ecuador in order to build stronger friendships and long-term relationships. These two things will allow the US to share common ideas and military doctrine that will enable better working partnerships during Combined Operations in the future. With respect to training and tighter budgets, the US should start using more commercial-off-the-shelf (COTS) video teleconference (VTC) solutions that will complement the face-to-face relations that they are building in theater.

Last, regional instability—in this area, the US should stop offering IMF and WB as the number one solution for nation development lending because Ecuadorians have a very negative image of these two institutions. If the US keeps offering International Monetary Fund (IMF) and World Bank (WB) to Ecuador, it will be guilty by association and receive its negative image.

Introduction

The US government keeps spending money year after year in Latin America including in Ecuador; therefore, it is important to know if the US is investing wisely or not in this region?

The term investing wisely in this research means that for the amount of money and effort the US government spends, it is able to get in return good steady commercial ties, financial returns and build friendly long-term relationships with Ecuador and other countries in the region. At a simple glance, the initial answer to that question is no! If we take a closer look, in the last eight years, there has been a dramatic increase of anti-American sentiment that is quickly spreading throughout the region like wildfire and can potentially cripple the US government endeavors. Furthermore, the US is losing its foothold in Latin America and allowing its foes to take a more influential role in the region. Meanwhile, there are a few nations experiencing very tough governing issues within their borders, but the manifestations of these problems have caused regional instability. As quickly as possible, the US should analyze these warning signs very carefully and immediately implement a preventive policy approach that focuses on these issues as well as the unintended consequences Plan Colombia in the region and Ecuador. Therefore, the US strategy should concentrate on building solid trustworthy government relationships by investing more in the long-term partnership, stability, and security of the region via the utilization of soft power, education, training and mutual economic prosperity.

During this study, I used the problem-solution research methodology in order to provide viable recommendations at the end. Therefore, this document has grouped the research problem, background and significance into five main sections: Realities, US Policy and Objectives, Perceptions, Why Does the US Care about Ecuador, and Recommendations. I hope that after reading this document, you will also reach the same or at least similar conclusions and have the

opportunity to explore additional recommendations for the benefit of the US Government initiatives in Ecuador and the region.

Chapter 1 - Realities

The intention of this chapter is to give the reader a common background and level of understanding; in which, they will be able to look at Ecuador's country facts, observe some of its most recent history and current challenges. Although the period between 1800 and 1960 is important, this research purposely did not cover it; therefore, if necessary, the reader could review Ronn Pineo's book titled Ecuador and The United States.

Country Facts

Ecuador is a small country about the size of the State of Colorado with an area of 276,840 sq Km with four clearly divided terrain regions starting with the Amazon jungle area in the east, a central region located on the mountainous area of the country, the coastal region on the west of the Andes mountains, and the Galapagos islands in the Pacific Ocean. It neighbors with Colombia in the north, Peru in the east and south, and the Pacific Ocean in the west. Within this territory, Ecuador has a population of approximately 13.7 million people mainly living in the main cities located in the mountainous and coastal region of the country, in cities like Quito, Guayaquil, and Cuenca. Overall, Ecuador has 4 major ethnic groups; of which, 77.4% of the total population is mestizo, 6.8% are Indigenous, 4.9% African, and 10.8% are Caucasian and others.¹

According to the US Department of State, Bureau of Western Hemisphere Affairs' country profile report dated August 2008 it shows that Ecuador had an estimated \$48.5 billion gross domestic product (GDP) and ranked 121 in the world with \$3,270 GDP per capita.² Also in 2007, Ecuador exported \$12.48 billion dollars worth of trade all around the world; however,

42% of these exports came to the US.³ At the same time, the US had a GDP of \$13.78 trillion and ranked 1st in the world with a \$45,800 GDP per capita (10th in the world out of 229 countries).⁴ As a sign of good bilateral relations between both nations and shared economic prosperity, the US had increased its imports and exports with Ecuador to a total of \$8.64 and \$3.17 billion in 2008 respectively. Over the years, both nations increased their trading levels significantly. For instance, between 1985 and 2008, it increased \$6.81 billion in imports or 470% and \$2.58 billion in exports or 536%.⁵

Out of the vast number of natural resources Ecuador has, it primarily trades petroleum, fish, shrimp, timber, and gold. On the other hand, it produces the following agricultural products for domestic consumption as well as for exportation, such as bananas, flowers, seafood, sugar, coffee, cacao, tropical fruits, palm oil, corn, rice, and livestock.⁶ Even though Ecuador produces petroleum, it has to import 23.7% of its commodities such as fuels and lubricants, industrial materials, and non-durable goods from the US.⁷ In addition, healthy economies need to have a strong labor force; for example in 2007, Ecuador had a work force comprised of 4.5 million people or the equivalent of 32.37% of its total population. That same year, the US reported a work force of 153.1 million people or 50.53%.

When it comes to military spending, both countries invest close to the same percentage of their GDP. In 2006, Ecuador spent a total of 2.8% of its GDP and ranked 55th out of 173 countries. Meanwhile, the US total military spending amounted to 4.06% of its GDP and ranked 28th.⁸ In 2008, Ecuadorian President Rafael Correa substantially increased its military budget by 25%, which resulted in a total of \$920 million.⁹ It is also important to analyze this information in context of social, economic, and political indicators. According to the 2005-2008, Fund for Peace Organization failed index reports; Ecuador has shown a slow improvement trend that

started only 3 points away from the “failed” state category and increased to 9.7 points by 2008. Ecuador is in the “warning” category and surpassed 22 additional countries.

After a closer look, these reports also reveal Ecuador’s top five subcategory problems per year. Ecuador’s number one problem in 2005 and 2006 was political in nature (Criminalization and/or delegitimization of the state). While in 2007, it shifted and became an economical issue (Uneven economic development along group lines) and finally concluding in 2008 with a social problem like the rise of factionalized elites. Unfortunately, 60% of the top 5 subcategories problems are political issues, for example: Criminalization and/or delegitimization of the state and rise of factionalized elites every year; progressive deteriorations of public services appearing in 2006 for the first time and very prevalent until today, and security apparatus operates as a “State within a State” only in 2005. The economic issues of uneven economic development along group lines, represents 20% of the top five problems of each year and became the number one problem in 2007. Finally, the social problems make-up for the last 20% of the top 5 issues, such as: chronic and sustained human flight and mounting demographic pressures. The first one appeared for the first time in 2006 and it continues until today.

History

Ecuador’s most recent history has clearly shown how fragile it is as a democratic Nation State. In the last twelve years, Ecuadorian citizens have witnessed the fall of democratic elected governments and in some cases have been active participants in these military and civilian led coups d’état. These coups d’état or golpe de estados were the final manifestations of the unconformity of their citizens due to the increased levels of government corruption and inefficiency to provide them with economic prosperity, health services, education, and basic necessities. In order to see how fragile Ecuador democratic system really is; it is imperative to

review their presidential elected officials starting on August 10, 1996 and ending with President Rafael Correa in 2009.

On August 10, 1996, Abdalá Bucaram became the 35th Ecuadorian President to take office. Abdalá prior to becoming the President, he was exiled to Panamá in two separate occasions for government corruption charges. Once in power, he adopted a neoliberal economic program in which, he privatized several state companies and flooded the government institutions with people that he owed political favors. Abdalá's nickname was "El Loco" or the crazy one because of his eccentric way of doing business. In less than six months after taking office, hundreds of thousand angry Ecuadorian citizens began massive protests around the country denouncing the way the President was handling government affairs. On February 5, 1997, the Ecuadorian Congress impeached Abdalá and removed him from power because they deemed him not mentally fit to continue in office.¹⁰

On February 6, 1997, his Vice President Rosalía Arteaga became first female elected President of Ecuador, but this was short lived because she was only in power for five days. In the meantime, the Speaker of the House, Fabián Alarcón, was moving at lightning speed to capitalize on a constitution loophole that voided President Arteaga's term in office.¹¹ Therefore, Alarcón became the new interim Ecuadorian President from 11 February 1997 until 10 August 1998. During this timeframe, Ecuador still lived an average annual inflation rate of 30.6%, el Sucre (national currency) decreased in value and the exchange rate in 1998 reached 5,446 Suces equaled one dollar.¹² In 1999, the government arrested ex-President Alarcón on corruption charges committed during his term in office and freed in 2005.¹³

On August 10, 1998, Jamil Mahuad became the 36th President. During his tenure, dozens of banks went bankrupt to include the collapse of entire financial system. President Mahuad

enacted an emergency law that provided government funds that tried to rescue private banks. This law froze all saving accounts nationwide; which meant, people could not access their money at all.¹⁴ The situation deteriorated more because his rescue plan caused the Sucre to devalue itself even further to the point that 25,000 Sucres equaled one dollar. Unfortunately, Ecuador lived one of the highest inflation rates ever by reaching 52.2% in 1999 and 96.1% in 2000.¹⁵ On January 21, 2000, violent indigenous demonstrations and a military coup d'état led by Colonel Lucio Gutiérrez, forced him out of power.¹⁶

That same day, Vice President Gustavo Noboa Bejarano became the 37th Ecuadorian President. As promised to ex-President Mahuad, he dollarized the Ecuadorian economy by adopting in 2000 the US dollar as their national currency and renegotiated the foreign debt. President Noboa was able to bring the inflation rate back down to 37.7% in 2001, 12.6% in 2002, and 12.5% in 2003.¹⁷ Three months after he left the presidency, ex-President Cordero formally accused him of embezzlement during the renegotiation efforts of the foreign debt. These legal actions forced Noboa to seek political asylum in Dominican Republic.

On January 15, 2003, former Army Colonel and 2000 coup d'état leader Lucio Gutiérrez became Ecuador's 38th President. As president, he forged better relationships with the US and lowered the inflation rates down to 7.9% in 2004 and 2.0% in 2005. Even though, President Gutiérrez had good relations with the US, he opposed the Free Trade Agreement, and wanted to end the US military presence in Ecuador (Manta FOL). After two years in power, his political alliances severely weakened. In December 2004, government opposition threatened to impeach President Gutiérrez for receiving campaign money from a convicted drug-trafficker. In a desperate attempt to make things better, he immediately looked for political support from ex-President Bucaram and other political parties in order to remove the Supreme Court Justices and

reorganize the Supreme Electoral Tribunal. Moreover, he tried to nullify the charges against ex-Presidents Bucaram and Noboa, and ex-Vice President Dahik. As soon as they returned to Ecuador from their exile, Ecuadorian citizens protested around the country and forced President Gutiérrez out of office.¹⁸

On April 20, 2005, Vice President Alfredo Palacio became the 39th elected President.¹⁹ Once in power, he promised to continue with the leftist agenda that ex-President Gutiérrez abandoned, to eradicate political influence in the justice arena, and to prioritize social investment over paying Ecuador's foreign debt. On January 15, 2007, Rafael Correa became the 40th President of Ecuador. As such, he has pushed a more nationalistic approach against multinational organisms such as WB or IMF. He also favors more government involvement to control its petroleum resources. Correa gained popular support to revamp the constitution, changed tax laws, did not renew Manta FOL permission to operate in Ecuador, and does not favor the free trade agreement with the US. So far, President Correa has been able to maintain inflation rates below 3.4% in 2007 and 2008.²⁰

Current Challenges

Over the years, a weak democratic system and massive government corruption had led them to an economic turmoil; in which, many of their citizens lost their entire life savings in a blink of an eye. It is sad to see that Ecuador in a 21-year period of democracy (from 1979-2000), it had experienced a currency depreciation rate of 89,285%.²¹ Out of the total amount, 17,957% occurred within the first 19-years and the other 71,328% happened in less than a year and a half (mid 1998 to January 2000) before it converted its national currency called "Sucre" to the US dollar. In the year 2000, Ecuador experienced an inflation rate never seen before of 96.1%. Unfortunately, the signs of this crisis were looming before the actual crisis because from 1995-

1999 the inflation rate fluctuated between 20-60% each year. The price speculation of goods and services affect other regional neighbors because their financial markets and commerce are mutually dependent, it is like a slow domino effect.

During this period, a lot of Ecuadorians decided to take this opportunity to migrate to bigger cities within Ecuador and to other nations such as the United States, Spain, and Italy to mention a few in search of a better way of life. How does this relate to the US and its National Security? This relates to the US because during the cold war the United States had a very active foreign policy in Latin America to ensure they did not fall under the communist control of Russia. Therefore, the US was investing in many countries in the region seeking their friendship while they were helping them set up democracy. In order to do so, they used many resources to accomplish this mission like Foreign Aid, Foreign Military Fund, Foreign Military Sales, etc.

Unfortunately, Ecuador did not know how to fully implement this system to improve the quality of living of their citizens because they were accustomed to authoritarianism types of governments. Therefore, the few benefited while the rest suffered the consequences. After many failed attempts, Ecuador is trying to find its true north and now it is looking for other nations to work closer with them for mutual economic prosperity without having to rely heavily on a single country. Lastly, Ecuador is facing serious security problems in the northern border with Colombia. Over the years, Colombian narcoterrorist groups like the FARC (Colombian Revolutionary Armed Forces) have infiltrated Ecuadorian territory at will. Therefore, the collateral damage of this situation is the growing number of displaced Colombian citizens that are seeking refugee status in Ecuador. At the same time, Ecuadorians are feeling the ill social effects caused by displaced Colombians and the increase level of insecurity in the country.²²

Chapter 2 - US Policies and Objectives for Latin America

The purpose of this chapter is to examine the United States strategic guidance written by the President and captured in the pages of the National Security Strategy (NSS). Followed by the Secretary of Defense, National Defense Strategy (NDS) and finally close the chapter with the United States Southern Command, Command Strategy 2018. This chapter will mainly focus on the military chain of command and its guidance for the region.

US National Security Strategy (NSS) March 2006

President George W. Bush conveyed his official strategic guidance for the nation in a 49-page document published in March 2006. His opening remarks are a wake-up call for the nation and a reminder that America is at war! This strategy has two foundational pillars: The first pillar promotes freedom, justice, human dignity and democracies. Once democracies are in place, extend prosperity through free and fair trade. Free nations are accountable to their citizens and do not oppress their people or attack other free nations. The second pillar is being a true leader that faces the challenges head-on and by quickly engaging multinational efforts to tackle the problem.²³ Now that we have an overarching idea of the current NSS, it is important to analyze the parts that influence Latin America and Ecuador either directly or indirectly.

For instance, the 2002 and 2006 NSS wanted the US to work with others to defuse regional conflicts and it highlights two countries in particular as an example: “In Colombia, a democratic ally is fighting the persistent assaults of Marxist terrorists and drug-traffickers.”²⁴ Meanwhile, “In Venezuela, a demagogue awash in oil money is undermining democracy and seeking to destabilize the region.”²⁵ Furthermore, the NSS addresses these conflicts with three types of engagement: conflict prevention and resolution, conflict intervention, and post-conflict stabilization and reconstruction. In the Colombian scenario, it would have been very effective to

engage their problem during the conflict prevention and resolution stage. Unfortunately, this problem has existed far too long and has enabled terrorist and drug-traffickers to get stronger over time. Therefore, the United States is currently supporting Colombia with the conflict intervention type of engagement. Plan Colombia is the strategy set in motion to solve this problem. Since the implementation of Plan Colombia in the southern part of this country, it has been showing positive signs of improvement. The collateral damages of this plan, is the vast number of displaced Colombian citizens that are looking for a better way of living without violence and seeking prosperity for their families. According to Ecuadorian government studies, Colombian citizens are seeking refuge status in their country.²⁶ Ecuador, Colombia, and the US must address this problem quickly and engage it during the conflict prevention and resolutions stage. Meanwhile, Venezuela's President Hugo Chavez for the last few years has shown signs of being intimately involved in domestic Colombian affairs such as the problem with the FARC terrorist group. President Chavez' political involvement during the March 1, 2008 incursion of Colombian military forces inside Ecuadorian territory was a demonstration for the lack of public diplomacy towards his neighbors Colombia and Ecuador.²⁷ This incident was clearly a Colombian-Ecuador matter taken advantage by a third party. The US should counter the negative influence of a single president that is able to destabilize the region and hinder the progress of its fellow nations by using the Organization of American States diplomatic efforts.

The NSS also wants to ignite a new era of global economic growth through free markets and trade. Throughout the last few years, the United States has been actively seeking to expand its free trade agreement (FTA) with many nations in Latin America.²⁸ For this matter, President Bush wrote in the NSS that "Economic freedom is a moral imperative." and "...the United States

promotes the enduring vision of a global economy that welcomes all participants and encourages the voluntary exchange of goods and services based on mutual benefit, not favoritism.”²⁹

Unfortunately, Ecuador is one of many nations that are not signing such agreement and are looking for other viable alternatives in foreign markets like for instance the European Union. The United States must denounce anyone that tries to stifle FTA negotiations right away, if their claims are not true because they are discouraging other nations from becoming partners. For instance, on 27 April, 2006, the presidential candidate of Peru Alan García stated via CPN radio station that President Chávez is a shameless person because he is quick to criticize Peru for seeking a FTA with the United States; while, Venezuela keeps selling oil to the US.³⁰

The NSS also wants to reform the international financial system to ensure stability and growth. In today’s globalized world, stable and open financial markets are paramount for global economic prosperity.³¹ In the past, the US helped drive international growth; therefore, it is time to diversify to other major economies and promote changes in their markets that will improve productivity around the world.³² For the US, it is also important to strengthen the international financial institutions such as the World Bank (WB) and International Monetary Fund (IMF).

In 2006 National Security Strategy, President Bush wrote,

At the dawn of a previous era 6 decades ago, the United States championed the creation of the World Bank and the International Monetary Fund (IMF). These institutions were instrumental in the development of the global economy and an expansion of prosperity unprecedented in world history. They remain vital today, but must adapt to new realities...³³

Back in 1980 through early 1990s, the WB and IMF had a very good reputation among Latin American countries because they were able to borrow money to invest in their nations. Unfortunately, over the years Ecuador entered its worst financial meltdown and was not able to repay its debt. Some subject matter experts will argue that the agreed terms and interest charges

are the main driving factor that stifles future investment and development in Latin America. Therefore, many nations are publicly encouraging themselves not to seek the WB or IMF support instead they want to create the Southern Bank (still years away).³⁴ President Correa has published harsh comments in the government newspaper. On January 3, 2009, he wrote that in the past, “Everything in the country has been done to guarantee the pockets of the lenders.”³⁵

Lastly, the US is trying to expand the circle of development by opening societies and building the infrastructure of democracy. Therefore, it is of vital importance to assist poor nations with economic development, to ensure conscientious governance, and guarantee personal liberties.³⁶ This objective is attainable by fighting corruption and promoting transparency that enables a debt reduction approach by allowing nations to concentrate their limited financial resources on high priority development projects right away. Meanwhile, they seek private capital markets for future investments.³⁷ In order to better serve this endeavor and align assistance in State, the US created the position of Director of Foreign Assistance in the State Department that is also dual-hatted as the Administrator of US Agency for International Development (USAID).³⁸ The goal of these two government offices is to end economic aid dependency and financial assistance.³⁹

National Defense Strategy (NDS) June 2008

After reviewing the NSS, this section is going to evaluate the strategic guidance that comes from the President via the June 2008 National Defense Strategy (NDS). In this strategy, the Secretary of Defense Robert Gates identified five overarching objectives for the Armed Forces of the United States. These objectives are to defend the homeland, win the long war, promote security, deter conflict, and win our nation’s wars.

One of the many challenges of today's complex world is the incapacity of many nations to police their territory effectively or to coordinate with their neighbors to ensure regional security.⁴⁰ Out of the five NDS objectives, two of them can apply directly when dealing with Ecuador. First, the US Armed Forces protect the homeland from attack and secure US interest overseas. All the counterdrug efforts are a way of combating this undeclared war that kills approximately 21,000 Americans each year. Second, the US needs to promote security by averting war from happening in the first place, while promoting peaceful solutions within the international system.⁴¹ In this case, the US can help stabilize the region by smoothing out diplomatic problems between Colombia, Venezuela and Ecuador.⁴²

The US always needs to reinforce and pursue coalitions and partnerships because they possess resources, expertise, and necessary information for mission success. Throughout the years, these partnerships have worked and are the instrumental piece for amity and security.⁴³ However, these partnerships need a new Jointness approach that comprises "US Departments and Agencies, state and local governments, partners and allies, and international and multilateral organizations to achieve our objectives."⁴⁴ The recommendation is to have a regional US Ambassador that is able to coordinate all the instruments of power in order be more effective.

The United States Southern Command (USSOUTHCOM), Command Strategy 2018

The USSOUTHCOM, Command Strategy 2018 "Partnership for the Americas" is a 20-page document that provides a convincing argument of all the reasons why the United States should focus in this part of the world.

Admiral Stavridis wrote in his USSOUTHCOM, Command Strategy 2018,

The Americas are inextricably linked. We celebrate our diversity and different cultural traditions and histories, but we also recognize that we have much in common: demographically, economically, socially, politically, culturally, linguistically, and militarily.⁴⁵

That is why, USSOUTHCOM's mission is "to conduct military operations and promote security cooperation to achieve US strategic objectives that come from the NSS, NDS, and NMS."⁴⁶ USSOUTHCOM recognizes that conventional level of conflicts between nation states is unlikely at this moment, but it highlights other significant challenges that menace regional security and stability. These challenges are big problems to confront because they represent extreme levels of poverty and disproportion, dishonesty, violence, delinquency, illegal drugs, and natural misfortune.⁴⁷ USSOUTHCOM has a total of four overarching goals of which, three are hemispheric in nature such as ensure security, enhance stability, and enable partnerships. The fourth and final goal focuses on the development of the government enterprise that will enable USSOUTHCOM to accomplish all three hemispheric goals.

Chapter 3 - Perception

After reviewing Ecuador's historical facts in chapter one and the US policies and objectives for the region in chapter two; it is appropriate to review, some of the perceptions of the United States in the region. This chapter will group these perceptions into four categories: the unintended consequences of Plan Colombia towards Ecuador, increased anti-American sentiment in the region, US losing its foothold in Latin America, and regional instability. In some cases, these perceptions involve the US directly or indirectly, but in either case, it influences public perception in a negative way.

Armistead in his Information Operations book stated,

The most important concept to remember about information is that it is not a weapon per se; it is a process, a way of thinking about relationships. It is about perception, because information is an

enabler, a source multiplier, a tool that increases one's ability to shape the operational environment.⁴⁸

Unintended consequences of Plan Colombia

This section will dissect this problem into three parts. First, increased tensions between Ecuador and Colombia—prior to 1 March 2008, both countries experienced a gradual increase of diplomatic tensions that resulted from the on-going petitions of Ecuador towards Colombia in providing additional security along the southern border of Colombia in the provinces of Nariño y Putumayo. In addition, Ecuador requested Colombian government officials to stop the aerial coca crop spraying operations because it was affecting the health of many Ecuadorian citizens in the area. The request wanted a ten-kilometer buffer zone that allowed the pesticide to land only on Colombian soil. Unfortunately, Ecuador had submitted 11 protest notes to Colombia without receiving a satisfactory answer in return.

Second, troop mobilization to Northern border, associated cost, and refugees—according to Ecuadorian Foreign Minister Maria Isabel Salvador, her country has 11,000 troops stationed along the 450-mile long border.⁴⁹ This military operation is an additional cost to the Ecuadorian government in the order of 100 million dollars per year because it is a Colombian domestic problem that is spilling over to Ecuador. Even though 11,000 troops seem a lot it is not enough to properly patrol such a porous border.⁵⁰ On November 5, 2008, the Ecuadorian Foreign Minister informed the press that an illegal armed group called “Black Eagles” had entered Ecuadorian soil on 2 November 2008. These 20 paramilitary forces had gained access to a local discotheque in the Esmeraldas Province with the intention of killing an individual. In the process of looking for this individual, they hurt three people. This incident is another evidence of the lack of police and military presence in the southern Colombian border.⁵¹ Lastly, due the ongoing

violence in the southern region of Colombia, Ecuador's President Rafael Correa reported in his Plan Ecuador, that his country is the host of 52,740 refugees dispersed in six locations.⁵²

Third, suspension of Ecuadorian-Colombian relations—after 1 March 2008, the Colombian military incursion into Ecuadorian jungle was the tipping point that finally cut all direct diplomatic relations between both nations. Ecuador President claimed that Colombian President Uribe had lost all credibility because he fibbed and violated its national sovereignty. President Correa said that Ecuador will not reestablish diplomatic relations with Colombia and will not accept any preconditions from Colombia.⁵³ On January 17, 2009, President Correa explained to the local citizens of Esmeraldas that Ecuador has an open judicial case against Colombia since March 2008 with the International Court and things are going very well.⁵⁴

Increased Anti-American Sentiment in the Region

This section will be broken down into three distinct parts. First, financial coercion through the IMF and WB—on December 9, 2007, President Correa gave a speech in Buenos Aires, Argentina. During this speech, he highlighted the levels of stateless corruption conducted by the IMF and World Bank.

President Correa said during a speech in Buenos Aires that,

...the long neoliberal night did not only produced economical dependency, but also an unscrupulous observance of the elite stateless entities, that handled it in a routine and periodic manner, the so called political adjustments, destined to exploit the nations and to subdue the governments with the end result of guarantee its service to the foreign debt.⁵⁵

During the last two years, President Correa has made several speeches attacking these two financial institutions. The last one, on January 3, 2009, he proposed a repurchase program of all the “legal” foreign debt because it is obvious that in 2005 they (financial institutions) incorporated clauses that were horrendous and shameful. For instance, if the country was late

paying its 2012 bonds, it meant that the other 2015 and 2030 bonds were also late and had to pay a penalty.⁵⁶ On 19 April 2007, Correa stated that he was going to kick-out of the country the WB representative, who he accused of trying to bribe him with a loan of 100 million dollars when he was the Finance Minister back in 2005.⁵⁷ The bottom-line, Ecuador wants to decrease its foreign debt with international institutions in order to avoid financial dependence and possible coercion. An indirect damage to the US in the region comes from the ill-perceived image of the IMF and WB because they are synonymous of the US.

Second, on April 9, 2008, the BBC reported the following headline “Ecuador’s military chiefs resign.”⁵⁸ Earlier that day, the Secretary of Defense had resigned without giving any justification. Later that same day, the top four generals also stepped-down because President Correa had questioned the military’s behavior. Furthermore, President Correa “claimed last week the CIA had been manipulating his spy agencies.”⁵⁹ On October 31, 2008, CNN reported, “an Ecuadorian presidential commission has concluded that U.S. intelligence services infiltrated the Andean nation’s military and police and supported a cross-border incursion by Colombian troops that killed a top rebel commander.”⁶⁰ The report also stated that a special unit of Ecuador’s police was practically financed and controlled by the U.S. Embassy.”⁶¹

Third, the closure of Manta Forward Operating Location (FOL)—many Ecuadorians do not like US military presence inside of their territory because they believe it violates their national sovereignty.⁶² President Correa has made it clear from the beginning that he did not want to renew the 10-year contract extension for Manta FOL. State Department chief spokesman Sean McCormack said, “...the closure will leave a serious gap in efforts by the US and our partners to confront illegal drug trafficking throughout the region.”⁶³ On January 15,

2009, President Correa announced that later this year the government will enact a constitutional law prohibiting the establishment of any foreign military bases on Ecuadorian soil.⁶⁴

The US is Losing its Foothold in Ecuador and Latin America

This section will be broken down into three distinct parts. First, the relations with US—in the last few years, the US has had to face increased media attacks from many countries throughout the region. The nations that were leading this effort were Argentina, Bolivia, Ecuador, Venezuela, Nicaragua, and Cuba. In September 2008, President Evo Morales declared the US Ambassador in Bolivia, Philip Goldberg “persona non grata” for allegedly sponsoring group uprisings in Bolivia. Meanwhile, President Hugo Chavez requested US Ambassador Duddy to leave Venezuela within 72-hours.⁶⁵ Additionally, Presidents from Ecuador, Peru, and Paraguay pledged their full support to President Morales’s decisions.⁶⁶ Almost at the same time, the US encountered additional diplomatic tensions with Argentina’s President Cristina Fernández for accusing her of using Venezuelan money during her presidential campaign.⁶⁷

Second, the Free Trade Agreement (FTA)—the US led initiative called FTA with many Latin American countries has had very bad publicity throughout the region because many believed the US was the only party that would benefit from this agreement. For instance, on October 7, 2004, one of the main indigenous groups in Ecuador called ECUARUNARI stated, “We don’t want to become pawns of the great transnational corporations.”⁶⁸ The same article emphasized, the FTA will bring higher levels of poverty, social exclusion and the death of the country’s production apparatus.⁶⁹ On March 18, 2006, the largest indigenous movement in Ecuador by the name of Confederation of Indigenous Nationalities of Ecuador (CONAIE), started 14 days of continuous protests against the FTA with the US. In order to bring more awareness to their cause and get the Presidents attention, the CONAIE agreed not recognize the

government of President Palacios. It is important to remember, this organization was also instrumental in helping to bring down two presidents during the coups d'états of 1997 and 2000.

Third, the increased relations of Ecuador with Venezuela, Bolivia, Russia, Iran, and China—over the last two years, the President of Ecuador has made several statements in which he explained the need to look for other trading partners besides the US. President Correa after taking office he immediately pursued closer diplomatic relations with Venezuela and Bolivia. The common themes during those initial engagements were the need to create the new Bolivarian union which entailed the need to bring in all the South American countries together under one single cause. As the months went by, President Correa changed directions slightly to show that he was a partner of President Chávez and not his spokesperson. Proof of their good relationship, on August 9, 2007, President Chávez offered to build a 5 billion dollars oil refinery in Ecuador.⁷⁰

On November 25, 2008, the Official Ecuadorian Government newspaper by the name of “El Ciudadano” announced the official visit of the Russian Chancellor Sergey Lavrov to Ecuador. This is the first visit of a Russian Chancellor since June 16, 1945.⁷¹ On November 27, 2008, Chancellor Lavrov said, that Russia wants to increase its bilateral commercial relations. There are some Russian companies that want to develop oil, gas and atomic energy projects.⁷² On December 6, 2008, President Correa gave a press conference from Iran in which he stated, “The Government of Ecuador wants to increase their bonds of friendship, cooperation and commerce with the Islamic Republic of Iran.”⁷³ On the other hand, Iran’s President Mahmud Ahmadineyad said, “that we don’t have any limits to our bilateral relations and now we have better relations in different aspects.”⁷⁴ These types of statements support the November 5, 2007, when the US House of Representatives expressed concerns about Iran’s efforts to expand its influence in Latin America.⁷⁵

Lastly, Ecuador and China have built better and stronger commercial and trade relationships over the last several years. To the point, Ecuador has offered Manta FOL installations to a Chinese company to increase the commercial and trade flow between both nations. Furthermore, China has increased significantly their trade agreements with Ecuador in the last six years. In 2002, they had a commercial trade of \$208 million per year and \$800 million per year in 2008.⁷⁶

Regional Instability

Latin America's current political environment can promote regional instability for two reasons. First, the IMF and WB effect—since the arrival of the new wave of South American Presidents Correa, Chávez, Morales, and Fernández. The IMF and the WB have taken a center stage in the political and economical agenda of these countries because they claim, these US supported financial institutions are the very root cause of all of their financial problems for the last decades.⁷⁷ These institutions have worked very closely with many past presidents and governments to ensure the debt is paid first or take priority over the countries basic necessities and developments. They also claim, the solution to their problem is for them to create a new financial institution that serves the purpose of the IMF and the WB called Bank of the South. Every country that buys into this idea, will be sharing the risk of providing their country's financial reserves or a subset of it in order to support development projects in the region. In order for this to succeed, this bank has to avoid preferential treatment, avoid corruption, and invest properly. Unfortunately, the past government corruption track record for some countries in Latin America do not provide a promising picture. Therefore, this could deepen their current financial problems; increase their poverty levels, criminal behavior, and force people to migrate to other parts of the world seeking a way of living.

Second, the increased military spending—is a potential regional security problem because these countries will be more willing to resolve their differences by military conflicts versus diplomacy. For instance, Venezuela purchased 2.2 billion dollars worth of military weapons and equipment from Russia in 2006.⁷⁸ Moreover, on February 5, 2008, the Director of National Intelligence Michael McConnell provided his testimony and concern about Venezuela's military purchases before the Senate. He said, Venezuela has “more than \$3 billion in arms purchases from Russia over the past two years, and noted growing anxiety among Venezuela's neighbors because of this arms build-up.”⁷⁹ On the other side of the border, Colombia bought 24 Israeli fighter jets. Meanwhile, Ecuador has increased military spending by 19 percent.⁸⁰

According to the Senior Director of Policy for the Americas Society and Council of the Americas, Christopher Sabatini, “The buildup of attack weapons and hardware allows leaders to be far more bellicose than they would be otherwise.” A perfect example of these words of caution occurred on March 5, 2008, when Ecuador and Venezuela mobilized additional military forces to the border with Colombia. These mobilizations happened as the diplomatic relations deteriorated rapidly and accusations flew back and forth between all three nations. On March 4, 2008, a local Ecuadorian newspaper released some interesting poll results; in which, 61% of Ecuadorians and 42% of Colombians believed that war between their countries was imminent. Meanwhile, 65% of Ecuadorians and 61% of Colombians believed there was imminent threat of war between Colombia and Venezuela.⁸¹

Chapter 4 - Why Does the United States Care About Ecuador?

For many decades, Ecuador has been a loyal friend and ally of the United States in the region. As early as 1928, the US considered the Ecuadorian Galapagos Islands essential to the vigilance of the Panama Canal. In December 1941, the US initiated flight operations from these

islands just a few days after the bombing of Pearl Harbor and lasted until 1949.⁸² During the Cold War years, Ecuador remained on the US' side, while they fought internal clashes to avoid the flourish of communist influence in the country. In order to better understand why the US cares about Ecuador, this chapter will answer three main questions: (1) Why is Ecuador important to the US?; (2) What does the US lose if it does not invest properly in Ecuador?; and (3) Is the US investing wisely in Ecuador? This chapter addresses the first two questions at once.

Why is Ecuador important to the US? What does the US lose if it does not invest properly?

Three main reasons emerge from the first question to include the negative consequences for not investing properly in Ecuador. First, the US wants to maintain its foothold and decrease the anti-US sentiment in Ecuador—in order for this to happen, the US wants to focus government efforts and resources to fight the illegal narcotics threat that exist in this part of the world. According to USSOUTHCOM's web page, "90% of the cocaine and 47% of the heroin that reaches the US emanates or passes through Colombia. Illicit drug kills more than 21,000 American citizens each year and result in the loss of more than \$160 billion in revenue."⁸³

Additionally, the US wants to continue its commerce and trade relationship with Ecuador— this point is a very key element of the overall US National Security Strategy. The US is able to export to and import from Ecuador all the necessary commodities and services that it needs. Moreover, this relationship also provides Ecuador a viable market for them to sell their goods on a continuous basis because the US represents 42% of its total export market to the world. Currently, Ecuador represents a commercial trade partner for the US in the order of \$11.8 billion per year which means, an increase of \$8.4 billion per year in a ten-year period.⁸⁴

Another reason why the US wants to maintain its foothold in Ecuador and the rest of Latin America is simple, it wants to prevent its foes from gaining influence in Ecuador and the

rest of the region. Unfortunately, Russia, Iran, and China are already engaging Ecuador and other South American countries very actively to promote bilateral agreements in several areas of mutual interest such as oil, gas, weapons purchase, atomic energy technology, etc.

Second, the US wants to have a stable region closer to home—because it wants to avoid a mass legal and illegal migration of Ecuadorian and other nation’s citizens to the US. According to the US State Department web site, Ecuador has two million citizens living in the US alone in contrast to the 13.7 million that still live in Ecuador.⁸⁵ Sometimes you need to look at the past to figure out potential problems in the future. For instance, the financial crisis between 1998 and 2004 provoked the migration of half a million Ecuadorians and since 1999; US Coast Guard detained approximately 8.000 Ecuadorians.⁸⁶

Mass migration problems normally occur after many democratic institutions are close to or failing to provide the citizens of that nation, the basic needs to make ends meet. At this stage, there are an increase number of human rights violations, higher levels of government and private corruption, significant amounts of criminal activity, and lower levels of individual security. These conditions create the perfect environment for a coup d’état or mass illegal migration.

Third, the US wants a successful implementation of Plan Ecuador to include its counter drug operations that complements the efforts of Plan Colombia. On one hand, Plan Ecuador is focused on strengthening the State; reactivating the economy and creating jobs; improving basic infrastructure of the area; regulated management of the natural resources; administration of justice and illegal controls; protection of national sovereignty and State integrity. This plan also aims to mitigate the unintended consequences produced by Plan Colombia in Ecuador such as the mass migration of refugees and illegal infiltration of narcoterrorist groups.⁸⁷

On the other hand, according to Colombian ex-President Andrés Pastrana, the purpose of Plan Colombia, “is to help eliminate the production of drugs, generate employment, boost trade and bring peace to a country which has been mauled by civil war for more than 50 years.”⁸⁸ Back in 2005, the Failed State Index ranked Colombia in the top 14 failed nations in the world and then ranked it 37 in 2008. This is a critical situation, in which the price of failure in both countries is very high, but the biggest of both evils is failing in Colombia because it is the root cause of this regional problem and instability. Ultimately, if the Colombian government fails to eradicate narcoterrorism, its territory could be the perfect place to harbor extreme ideologies while the US continues to endure 21,000 American deaths per year due to illegal drugs.⁸⁹

Is the US investing wisely in Ecuador?

Yes, the US appears to be investing wisely in Ecuador and the rest of the region even if the public perception indicates otherwise. The increase level of anti-American sentiment in the region occurred from a combination of factors that had nothing to do with putting more money into Ecuador and the region. Many factors worked against the US, which happened almost at the same time in history: the different diplomatic approaches displayed by former Presidents Clinton and George Bush, the devastating publicity that came out of the War in Iraq, the Human Rights violations in Iraq and Guantanamo Bay prisons, the appearance to use financial coercion tactics by IMF and WB, the negative press received by FTA, the rise of leftist government leadership, and increased nationalism in Latin America resulted in more anti-American public outcry.

Over the years, the US has tried to keep a foothold in Ecuador, to bring stability, and support Plan Ecuador efforts to complement Plan Colombia. Since money, equipment, and personnel are limited in nature, the US has always tried to channelize its efforts in order to get more return on its investment. In Ecuador’s particular case, the US has used a wide variety of

financial vehicles to assist the nation as a whole. Of course, the investments were also directly dependent on the strategic objective of the US in that particular moment in time. For instance, the Bureau of International Narcotics and Law Enforcement Affairs dedicated \$4.6 million in FY 1999-2001 to develop institutional capabilities to interdict illegal drugs, improve intelligence, and increase control of airports, seaports, and land routes used by illegal trafficking.⁹⁰

Meanwhile, the US Department of Defense invested \$70 million in military construction for the creation of Manta FOL inside the already established Ecuadorian Air Force Base in City of Manta. As counter-drug operations started, Manta FOL became the home of a vast counter-drug surveillance operation over the Pacific Ocean coastline. In the book, “*drugs and Democracy in Latin America*” by Youngers and Rosin, they show US Aid to Ecuador from 1997-2005. This table shows how the US increased its aid to Ecuador over the years and the type programs that it supported. Ecuador received approximately \$452 million of which \$210 million assigned to military and police aid and \$242 million to economic and social aid.⁹¹

Unfortunately, world dynamics and issues from other parts of the world got in the way. Ever since 9/11, the US had to divert an extremely high level of attention to protecting the homeland and fighting the war on terrorism in Afghanistan and Iraq. Even with those big financial burdens, the US has always shown its resolve and commitment to Ecuador and the region. In FY 2007-2009, the US allocated approximately \$90 million to programs like the Andean Counterdrug Program, Child Survival and Health, Development Assistance, Economic Support Fund, Foreign Military Financing, International Military Education and Training, International Narcotics Control and Law Enforcement, and Nonproliferation, Antiterrorism, Demining and Related Programs.⁹² The US also allocated in FY 2007-2008 approximately \$1.1

billion to provide peace and security, governing justly and democratically, investing in people, economic growth, humanitarian assistance, and program support to Colombia.

For instance, in 2007 the US military played a significant role in Ecuador and in the region by working several engagements like Peace Keeping Operations (PKO) South, New Horizons (Engineering exercises), three Medical Readiness Exercises (MEDRETE) that on an average take care 8,000 to 12,000 patients per exercise for free. The DoD spent \$3.3 million between FY 07-08 to enhance counter-drug operations in Ecuador. However, the US has always been ready to provide support during disaster relief efforts as well. On February 21, 2008, US Ambassador declared a disaster area due to the impact of the flooding in the coastal region of Ecuador. The Ambassador allowed the US to purchase emergency relief supplies for the victims and within a few days, the US had allocated \$602 thousand to help the Government of Ecuador.⁹³

Chapter 5 - Recommendations

In order to have valid research recommendations, it was imperative to objectively analyze the needs of the United States and Ecuador throughout the first four chapters. It is perfectly logical to understand that when you invest your time and money in anything, you may be interested in obtaining some type of compensation or gain. In this case, both the US and Ecuador are and will always attempt to pursue their own interests; therefore, they need to find a common ground amenable to both. Humanitarian assistance and disaster relief efforts should be the only exceptions to this rule. Today, the US is going through a tough recession period; in which, every single dollar spent should yield the best possible return. In other words, invest wisely! In chapter four, the conclusion was that the US is investing wisely in Ecuador, but this does not mean that there is no room for improvement. Some of the recommendations are very low to no cost solutions that could improve the outcome of the perception and the current reality

in Ecuador as well as the rest of Latin America. These solutions will apply to the unintended consequences of Plan Colombia, the anti-American sentiment, help secure a foothold in Ecuador and Latin America, and the regional instability situation.

First, the unintended consequences of Plan Colombia towards Ecuador—the main recommendation is to contain the problem within Colombia and continue supporting Plan Colombia without sacrificing budget requirements that will enable Ecuador to protect its northern border, prevent illegal border crossing of irregular forces (narcoterrorist) into Ecuador and to provide food, shelter, and long-term economic opportunities to all Colombian and Ecuadorian refugees. As mentioned in chapter three, the US should work with the Colombian government to find a way to reinforce and protect the southern Colombian border at all cost. On January 31, 2009, President Correa said, Colombia is finally recognizing its border problem and has destined 27,000 additional soldiers to recuperate the security and order of the two southern Colombian provinces of Nariño and Putumayo.⁹⁴ The effort of securing the border and restoring order to this area will win the hearts and minds of the citizens of both countries. This effort is long overdue and it must remain until the problem subsides.

Second, decrease anti-American sentiment in Ecuador and the region—this is possible by using Strategic Communications and focusing it on Ecuadorian citizens living in the US. As mentioned in chapter four, Ecuador has 13.7 million citizens that live within its borders and 2 million in the US. The recommendation targets both audiences, but focuses more on the 2 million Ecuadorians that live in the US because it is easier to send the right information to them without any political interference that it would normally happen in a foreign country. It is safe to say, that any foreign media service would cater to their government interest first; therefore, making the US' message less effective. It is important for the USSOUTHCOM and US State

Department, Western Hemisphere Bureau to seek this target audience that is mainly concentrated in the following states: New York, New Jersey, Florida, California, Illinois, and Connecticut. In the US, authorities are able to transmit this information via e-mails, web pages, local Hispanic newspapers, radio stations, and TV channels.

Another thing to keep in mind, in Ecuador sometimes you have to publicly state the facts or give your truth because if you do not do it then the wrong information will become reality. That is why, President Correa has had to battle the same media scrutiny and misinterpretations for the last two years in government. His solution to this problem was to implement a national newspaper via web called “El Ciudadano or “The Citizen” that gave his side of the truth and by complementing it with a weekly televised and radio message to the public. Lastly, he has effectively taken head on many of the news companies that announce erroneous information and invites them to a “meet the press” type of program in which he debates the issue live on TV.

Third, the US is losing its foothold in Ecuador and Latin America—in order for the US to prevent losing its foothold in Ecuador and Latin America, it needs to continue with humanitarian assistance, disaster relief efforts, Medical Readiness Exercises (MEDRETE), and conduct New Horizon engineering operations because they all win hearts and minds. However, they could integrate these operations with the recommendations of the Ecuadorian citizens that live in the United States. These citizens could partake in a survey in order to list the potential locations of future MEDRETES and New Horizon missions. In turn, the US Military Group in Quito will present the survey results for coordination and approval by Ecuadorian government officials.

The US should also continue selling military weapons and providing training to its allies like Ecuador in order to build stronger friendships and long-term relationships. These two things will allow the US to share common ideas and military doctrine that will enable better working

partnerships during Combined Operations in the future. With respect to training and tighter budgets, the US should start using more commercial-off-the-shelf (COTS) video teleconference (VTC) solutions that will complement the face-to-face relations that they are building in theater. The idea is to have specific military institutions to permanently engage their reciprocal Ecuadorian units in the field. For example, the USAFA should link up with the Ecuadorian Air Force Academy for language and cultural exchanges. Each year, the USAFA sends a group of cadets that visit a country for a week and conduct limited language and cultural exchanges. This initiative could be complemented very easily with a VTC over the year of training and then culminate with a face-to-face exchange visit. This idea can also translate to unclassified types of technical training sessions to Professional Military Education and Services School on a myriad of subjects that both nations agreed. The requirements are very easy to fulfill because you only need a high-speed Internet connection, a computer with multimedia capability, and a projector.

Last, regional instability—in this area, the US should stop offering IMF and WB as the number one solution for nation development lending because Ecuadorians have a very negative image of these two institutions. If the US keeps offering IMF and WB to Ecuador, it will be guilty by association and receive its negative image. Additionally, the US could intervene as a sign of good faith with these financial institutions to work a viable solution to their foreign debt problems. In some cases, the IMF and WB have pardoned failing states of their foreign debt. In this case, Ecuador is not a failing state, but could benefit of a revised debt payment program that is both beneficial to Ecuador as well as the IMF and WB based on realistic goals. Once both parties agreed to the terms, inform the general public the terms of the agreement in order to demonstrate transparency and good faith towards Ecuador. By doing so, it will foster more public scrutiny and accountability to the Ecuadorian government officials.

Chapter 6 - Conclusion

When I started this research journey, I initially believed the US must have been doing something really bad in Ecuador and throughout Latin America that instigated the avalanche of negative publicity and increased anti-American sentiments. As I read many books, articles, journals, and official documents things started to change my mind and gave me the opportunity to appreciate what the US is doing in this part of the world. The US is not perfect by any stretch of the imagination, but it does offer viable alternatives to an ever-changing world that is full of corruption, deception, self-interest, and lack of leadership. It is a country that provides hope to many people around the world and seeks to help when appropriate and it meets its National Interest. National Interest is a good thing that a lot of countries also use, but do not recognize it in public. The bottom-line, the US needs to improve its diplomatic skills to gain consensus on high priority international matters like the Iraq War. This began the ill domino effect against the US in recent years, but compounded with the appearance of abandonment of a region that it considers a friend and neighbor. In addition, the perception of double standards with human rights violations of a few individuals, the coercion tactics of international institutions, the increased nationalism of some nations and the appearance of a new wave of leftist leaders made the perfect recipe for increased anti-American sentiment in Ecuador and the region. However, the US has done an incredible job in Ecuador as well as other Latin American countries with humanitarian assistance, disaster relief efforts, and counter-drug missions to mention a few. After seeing all these investments, I can honestly say that the US is investing wisely, but there is always room for improvements. In order to remedy some of these negative effects, the US government must challenge the Departments of Defense and State to work on the Strategic Communications message and delivery method to achieve the desired effect in the region.

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