

MODERN TRADITIONS: THE OTAVALEÑOS OF ECUADOR

J. Windmeijer

"(...) Otavalo contradicts the steam-roller image of modernization, the assumption that traditional societies are critically vulnerable to the slightest touch of outside influence and wholly passive under its impact, devoid of a policy for coping with it beyond a futile initial resistance" (Salomon, 1973: 464).

Abstract

This working paper focuses the attention on the developments within the weaving industry and trade in Otavalo, Ecuador. In the late 1960s a strongly-grown population in the Otavalo-region led to increased pressure on land. Together with some unintended effects of the 1964 land reforms it became more and more difficult for people to make a living out of agriculture. Alternative sources of income had to be looked for and were found in the extension of the weaving industry and trade which already had a long tradition.¹

1. Introduction

Since their appearance at the end of the 1980s the Indian music groups have become a familiar sight in the streets of many Dutch cities. Dressed in a poncho, white trousers, sandals, a hat and their long hair in a pony-tail these mainly young boys attract the attention of the shopping public. In Holland the music they play forms a welcome alternative to the street-organ that traditionally occupies the shopping-streets. Next to playing music these Indian youngsters also sell textile products from the Andes and music-cassettes and cd's. These music groups come mostly from Ecuador, to be more precise from a certain region of Ecuador of which the centre is formed by the little town of Otavalo. The Indians² -or *indígenas*- of this region are generally known as the *Otavaleños*.³

Otavalo lies about eighty kilometers north of Quito, at a height of about 2,500 m, in the province of Imbabura. Otavalo forms the commercial centre of the *Otavaleños*, a group of about 40,000 people who live in Otavalo and in the seventy-five surrounding communities. The small town of Otavalo counts over 12,000 inhabitants, an approximate one-third of which is considered to be Indian. The *Otavaleños* are regarded as one of the most prosperous indigenous groups of Ecuador and form probably one of the most well-known indigenous groups of Latin America. Every Saturday, especially in the months of June, July and August, hundreds of tourists from Europe and the United States, but also from Ecuador and Colombia, come to Otavalo to visit the weekly market. It is felt that a visit to Ecuador is not complete without seeing the Otavalo-market, which is generally described as "a colourful, *real* Indian market." Importers from the United States and Europe come to Otavalo to buy large quantities of ponchos,

¹ Next to the study of literature this article is based on data gathered during my first visit to Otavalo, Ecuador in february 1996. This journey was made possible by a grant of the Netherlands Foundation for the Advancement of Tropical Research WOTRO (SIR 12-2251), and an additional donation from the School for Asian, African and Amerindian Studies (CNWS), Leiden, together with the Centre for Latin American Research and Documentation (CEDLA), Amsterdam.

² I would like to use the definition that Ouweneel uses for Indians in Mexico, which, I think, is also applicable to the situation in Ecuador. 'An Indian is [in Ecuador] someone who has in his history the Spanish invasion behind him, who himself -or in his family of his ancestors- shares a pre-Hispanic language, who follows traditional, partly pre-Hispanic, customs and who is by tradition aware of this in a positive or negative way' (Ouweneel, 1994: 46).

³ The name *Otavaleños* refers to the Indian population of the Otavalo-region. It's a paradox that in this regard, strictly spoken, not all inhabitants of Otavalo are considered *Otavaleños* and vice versa, that an *Otavaleño* doesn't have to live necessarily in the town of Otavalo .

sweaters and so on. Next to this hundreds of Otavaleños themselves travel around the world, as far as South-East Asia and Australia, to sell their products. Approximately 5,000 Otavaleños live and weave in places outside Otavalo, in Ecuador, Colombia, Venezuela, Brazil and Spain.

The textile-production in Otavalo dates back to pre-Inca times and survived the Inca-period as well as the Spanish colonial rule (Ariel de Vidas, 1995; Casagrande, 1974; Salomon, 1973). Quite a lot has been written about the weaving industry in Otavalo. The focus of many studies, however, is laid on the colonial past of the area or on themes like the historical development of the embroidery on women's dress. Until now relatively little attention has been given to the sociological and anthropological backgrounds of the recent developments in and around Otavalo. This will be done in the Ph.D.-research that I conduct presently. Although in the course of time several articles have paid attention to this period,⁴ there is yet no extended study that covers this period as a whole. With a sociological-anthropological study of the period between 1950-1995 in Otavalo I hope to fill the actual gap. An important question to be investigated is: how did the Otavaleños succeed in obtaining their actual position and how do they try to maintain it. One of the issues of the research will be the -strategic- use of ethnicity.⁵ It should be noted that there is a certain overlap between kinship and ethnic homogeneity c.q. ethnicity. The use of the first basis of solidarity -i.e. the kinship group- can create the impression the the second basis of solidarity -i.e. the ethnic group- is being used.

The focus of this article will be on (1) the decisive role that the growing population and the resulting land-shortage in the 1960s in and around Otavalo has played in this matter, and on (2) the -unintended- effects that the 1964 land reforms had in and around Otavalo.

First I will give a brief overview of the situation in Otavalo in the 1950s. In the next section attention will be given to the concept of innovation and to the so-called "ecological model." These theoretical issues will help to explain the events in and around Otavalo from the 1960s onwards.

2. *Otavalo in the 1950s*

In the early 1950s, the Ecuadorian government initiated programs to promote tourism in Ecuador, and among the attractions they promoted were the Otavaleños, their Saturday market, and their "ethnic" textiles. For example, in 1951 the *Centro Textil* was established in Otavalo, which was made possible with financial aid of the United Nations and the United States. Various experts from abroad were brought in to give advice to the Otavalo Indians on how to improve their methods and technology (Salinas, 1954: 316-321; Walter, 1981: 323-324). At the same time the *Instituto Ecuatoriano de Antropología y Geografía* (IEAG) was founded by a group of Ecuadorian indianists. They intended to conduct anthropological research in the area, the findings of which could be used in technical assistance programs. Within the IEAG a *Manual Arts Section* was established under the direction of Jan Schreuder, a Dutch artist who lived in Ecuador. Schreuder realized that there was an enormous potential export market for a certain type of weaving which was of good quality and incorporated autochthonous designs. He brought back pre-Colombian motifs, based on archeological excavations in the Otavalo region, as well as modern designs (Salinas, 1954: 319-321). The designs based on the drawings of the Dutch artist Escher that Schreuder introduced -though not very "autochthonous"!!- became very popular and are still to be seen on the Saturday market.

There are several reasons why the area of Otavalo was singled out to start projects which intended to stimulate activities that could attract tourists. The most obvious one is that the Indian market and the weaving industry were already there. In other words, in Otavalo it wasn't necessary to build up something out of nothing. A second reason was the relative proximity of Otavalo to the capital Quito. Salasaca for example, where beautiful textiles are woven by the *Salasaca* Indians was -and still is- a long

⁴ E.g. Ariel de Vidas, 1995; CAAP, 1986; Chavez, 1982; Meier, 1982, 1984; Ouweneel, 1992; Walter, 1981, 1981a; Weinstock, 1970.

⁵ With an ethnic group I refer to a group of people of which the members feel a mutual alliance on the basis of commonly shared characteristics, of which the most important are: color of skin, dress, hairtype and the like; language; secondary variables, norms and values, religion, history, region of origin, economic characteristics.

and quite tiring journey of half a day from Quito and thus didn't provide a real alternative. Thirdly, the beautiful surroundings of the town of Otavalo with mountains, lakes and volcanoes, and the picturesque Indian villages made the area attractive for tourists. However, the most important reason seems to have been the good reputation that the Otavaleños already enjoyed in Ecuador since a long time. By the government and the national elite of Ecuador the Otavaleños were seen as intelligent, industrious, sober and above all "clean" Indians that knew good manners and order. This of course in contrast with the other indigenous groups in Ecuador. Walter states that 'indirectly furthering the expansion of the textile industry is a long-held belief on the part of the non-Indians that Otavaleños are superior to other Indians.' Several people told Walter that if she really *had* to live with Indians for her anthropological research, the Otavaleños were the best choice. She continues: 'This belief has had the effect of focusing favourable publicity and governmental arts and crafts trainings programs on Otavalo.' Already in 1892 a group of Otavaleños was sent to the World Fair in Madrid as an example of the proud Ecuadorian Indian, and as such an illustration of how all Ecuadorian Indians would be in the future (Muratorio, 1981). In short, the weaving industry in the Otavalo region had a long history, the Otavaleños had a long tradition as merchants, as a group they enjoyed a relatively favourable image in Ecuador which attracted funds and positive attention, and last but not least, Otavalo was situated in an attractive valley not too far away from Quito.

Despite all this, however, and despite the projects that were started in the 1950s nothing really changed in Otavalo. It was only in the late 1960s that big changes occurred. Before turning to this period I would like to discuss some theoretical issues first.

3. Innovations and the ecological model

Although in this section I will talk about innovations in a general sense, they have to be placed within the more specific context of an agrarian community in the Third World.

Simply stated, innovations have reference to 'something new.' To be more precise, innovations refer to '(...) crops and animals, tools and equipment, techniques, behavioural and organizational patterns, or combinations of these, which at a specific moment are regarded as new, or at least, as different from those habitually used' (Van den Breemer, Van der Pas, Tieleman, 1991: 2). Innovation process refers to '(...) the process of introduction, acceptance and diffusion -or ejection- of an innovation' (ibid.). Often innovations contain a material component, but they always have a non-material component, which means that a change of thought is taking place: '(...) a particular object, behaviour or idea is to be viewed in a different perspective, as something new' (ibid.). An innovation can be external or internal, that is, introduced from outside or coming from inside the community. Also there is a combination possible in which, for example, an innovation from outside is adjusted by the people themselves to fit the local conditions.

When there is an innovation available it is not adopted by all the people at the same time. Rogers and Shoemaker (1971) made a classification of people that are confronted with an innovation, according to the rapidity with which they adopt an innovation: (i) innovators, (ii) early adopters, (iii) early majority, (iv) late majority and (v) laggards. According to Galjart (1986) three elements play a role with respect to the adoption of an innovation: to know (that there is something new), to be able (i.e. to have the -financial- means or, possibly, permission) and to be willing. He views 'to be able' as the most important condition that must be met before one can adopt an innovation. People constantly weigh costs against benefits which, he adds, are material as well as non-material and differ from time to time and from place to place. These last remarks are important because they explain why a person who knows about an innovation and is willing and (financially) able to adopt it, doesn't necessarily have to do so. He can decide that the non-material costs -for example, envy among his kin and neighbours- are higher than the presumed benefits. Galjart calls this a learning process. 'There is no doubt that individuals during this learning process start to put more confidence in their own judgement, and less in traditional methods and ideas, and that the relations between people become more specific, more contractual, more non-personal' (1986: 31).

Still there remains a more general question to be answered, that is: at which moment in time do innovations occur, and at which moment are people more likely to adopt them, even if this possibly means that they have to break with (traditional) laws? The answer is simple: necessity. Or, as the Dutch saying goes, necessity has no law. When the existing productive system of a society and its resource base can no longer fulfil the needs of the members of the society -mainly caused by population growth- there is a problem for which a solution must be found. The carrying capacity -defined as the population size which can be supported on a given area of land- has to be increased. 'Population growth leads to poverty if the population doesn't succeed in producing more food and clothes and building more houses. Especially these factors can form the basis of economic development' (Ouweneel, 1988: 34).

The line of thought in which necessity puts people up to invention is followed by Wilkinson (1973) who wrote about the so-called *ecological model* in his book *Poverty and Progress*. His idea of a strong relationship between ecology and economy has been elaborated by, among others, Ouweneel (1988) in his study *Onderbroken Groei in Anáhuac*. In Wilkinson's view a culture will be stable if it is adequately adapted to a particular ecological niche.⁶ Development, then, will only take place if changes occur in the 'adaptive problem situation.' The most likely causes of such changes are population change and the -intended or unintended- consequences of man's actions on the environment. Wilkinson summarizes his stand as follows:

"As basic resources become scarce, the growing needs which cannot be satisfied within the traditional framework provide the single most important spur to development. People are driven to change and to seek out a new way of life by the development of sheer poverty as the means of subsistence become inadequate. (...) Alternative sources of subsistence have to be developed: either methods must be changed to exploit traditional materials more intensively or new resources must be found to substitute for the old" (Wilkinson, 1973: 54).

Ouweneel states that big changes -in his terms 'the big leap forward'- in the economic system are not carried through very readily. This hesitation should not be seen as some kind of innate conservatism on the side of peasants, as has been done in the past. It has all to do with a strategy of risk-minimization. One doesn't easily abandon the old ways which maybe are not apt anymore in favour of new ways which haven't proved yet what they are worth in the long run (Galjart, 1986; Ouweneel, 1988; Sahllins, 1988; Scott, 1976; Van den Breemer, Van der Pas, Tieleman, 1991).

What, then, can be done in an agricultural context if the old methods are no longer adequate as a result of the changed circumstances? Which possibilities are available? According to Galjart there are, ideally, two ways for peasants to increase their income (1986: 76; also: Bolhuis and Van der Ploeg, 1985; Van der Ploeg, 1991). These two ways are on the one hand maximalization of the output per hectare (benefits) and on the other hand the minimalization of the input per hectare (costs). The first option comes down to a more intensive use of the means that one already has at one's disposal (labour, land, tools, etc.). The production is more intensive if *per* hectare more wheat, *per* cow more milk and meat etc. is produced. The second option means extensification and comes down to enlargement of scale. The concept of scale refers to the number of labour objects *per* laborer. In this case this means that the output is increased by taking new land under cultivation, buying more cows etcetera.

In short, innovations are most likely to occur in a context in which the need for a change is urgently felt. The carrying capacity of the land that people live on has to be increased, in one way or another. In the next section we will see how the Otavaleños tried to deal with the changing circumstances in the 1960s.

⁶ '(...) a society's ecological niche is defined in terms of the particular group of natural resources which the productive system is designed to use, then it can be seen that each niche has a definite size determined by the quantities of resources available, or rather, by the level of resource use which the environment can sustain under given conditions: it is possible for a productive system to outgrow its ecological niche' (Wilkinson, 1973: 19).

4. Otavalo since the 1960s

In spite of the different initiatives taken and the various projects initiated in the 1950s to stimulate the local production of arts and crafts in Otavalo nothing really changed. Ouweneel writes that it is no wonder that the Otavaleños didn't participate on a big scale in these programs (1992: 5). They lived in peace and in relative prosperity. The selling of goods in Colombia and Ecuador brought in sufficient cash. There was, so to speak, no real need for a change in Otavalo.

It lasted until the 1960s before the weaving industry and the trade that goes with it really started to boom. There seems to be a rather strong relationship between on the one hand this boom and on the other hand the population growth and resulting increased pressure on agricultural land in and around Otavalo. In §3 I discussed briefly the so-called *ecological model* which states that there is strong relationship between population and economics. We have also seen that normally there are two ways out of the situation in which a population outgrows its ecological niche, or to put it in other words, when the carrying-capacity of an area is exceeded. One is to make more intensive use of the land already under cultivation, and the other to bring yet uncultivated land under cultivation.

In the 1960s we find in Otavalo the situation that the population had grown rapidly and the already high pressure on the land had seriously increased. In the first place, the land in the highlands of the Andes is in general of a rather poor quality and couldn't be more intensively cultivated than already was the case. In the second place, in and around Otavalo there were in the 1960s no more uncultivated lands left. Initially, there was some land left to be redistributed, but soon there were no more uncultivated or under-used lands left. In short, neither of the two options mentioned were available in this specific situation (CAAP, 1986: 130; Meier, 1984: 87).

Table 1. Distribution of land in the canton of Otavalo, 1974

Tamaño explotado	No. de explotación	Porcentaje de las unidades	Superficie (has)	Porcentaje superficie total
0 – 1	3648	53.8%	350,6	5.3%
1 – 5	2475	36.5%	6264,4	18.1%
5 – 10	397	5.9%	2541	9.0%
10 – 50	185	2.7%	3427	12.1%
50 – 100	31	0.5%	1928	6.8%
100-500	31	0.5%	5830	20.6%
500+	8	0.1%	7978	28.1%

source: Censo Agropecuario 1974 (from: CAAP, 1986: 129)

In table 1 we can see that 90.3% possessed less than one quarter (23.4%) of the total amount of land, while 0.6% possessed almost half (48.7%) of the total amount of land. There is little reason to assume that the situation in the decades before 1974 was much different. In fact, some authors tell us that the situation in Otavalo was very much the same as for example in the 1950s (Meier, 1982: 129; Pearse, 1975: 194-195, 198 ss). Because of the strongly grown population -in the communities around Otavalo the population increased in the period 1962-1974 with almost 25% (Chavez, 1982: 298)- the situation was no longer viable. People had to look for alternative sources of income.

This already skewed distribution was even worsened by the 1964 land reforms, the unintended effects of which on the developments in and around Otavalo has received little attention in the literature until now.

The resignation of president Velasco Ibarra in 1961, forced by the army, put an end to the relative long period of 12 years of political stability in Ecuador. Less than two years later his successor Carlos J. Arosemena was put aside, again by the army. This time a military *junta* took over control for several years 'to put the affairs in order.' This *junta* developed plans for agrarian development and the first goal they had was an effective program of agrarian reforms. On the 11th of June 1964 a law concerning agrarian reforms was accepted by decree 1480. The semi-autonomous *Instituto Ecuatoriano de Reforma Agraria y Colonización* (IERAC) was established to carry out the law. The most important issues of this law were:

- The expropriation of lands that were not cultivated and of agrarian enterprises that were not effectively exploited.
- The size of the plot of land that a person was allowed to possess was restricted to a certain maximum. On the coast this maximum was 2,500 hectares and in the *sierra* 800 hectares.
- Enterprises that were exploited effectively were excluded from the expropriation.
- The *huasipungo*-system had to disappear. *Huasipungos* were peasants that worked and lived on hacienda-lands in semi-feudal relations with their *patrón*.

At a glance it can be noticed that the formulation '(not) effectively exploited' turned out to be the weak spot of these reforms. In practice, there were no clear and fixed criteria formulated in respect to this matter. Apart from this, during the passing of the law the hacienda-owners had enough time to re-orientate themselves. Many of them started to modernize their enterprise and began to take yet uncultivated land under cultivation to show that they made effective use of their resources. Before this, the peasants, by working harder and making use in a more intensive way of the land than the haciendas did, compensated for the fact that they owned less land than the haciendas did. The haciendas now had become enterprises with which the peasants could no longer compete.

The end of the *huasipungo*-system meant that peasants who formerly lived and worked on the hacienda now were forced to make a living somewhere else. Peasants outside the hacienda who sometimes worked the lands of the hacienda in exchange for access to pasture land for their cattle, for raw materials for their arts and crafts, and for the right to collect dead wood to use as fuel, saw this access blocked. Thus people were forced to go to the market to *buy*, for example, dead wood and raw materials. As a result of the process of mechanization on the haciendas the employment in general decreased. In his Ph.D.-thesis Meier (1981) carried out a survey of seven haciendas of the Otavalo region and showed that the total number of workers on the hacienda dropped with almost 50% in the period 1960-1976.

The intention of the 1964 Agrarian Reform was to divide the land more equally among the peasants. The Agrarian Reform didn't facilitate, in general, the access to lands, as was intended. The owners of the large estates succeeded in consolidating their properties and many have successfully transformed their haciendas in capitalistic enterprises. The Reform didn't produce any changes in the distribution of land in Otavalo (Meier, 1984: 88). What actually happened in Otavalo was unintended: the haciendas were modernized, the employment dropped, the former access to the pasture lands of the haciendas was denied. In the end the situation was worse than before the Reform, because now more people than before were forced to find a living on the little land outside the haciendas. Together with the already mentioned population growth in the communities around Otavalo these unintended effects of the Reform increased the pressure on land. Besides, people needed more money than before because the land couldn't provide all the basic needs and food had to be bought on the market. The positive thing, however, was that a group of people no longer worked for and were paid by a patron, but could dispose of their own labour capacity according to their own view.

Now the time was ready for a change.

When there were no more lands left to be taken under cultivation and the already cultivated land could not be used in a more intensive way, people had to look for alternative sources of income (Ariel de Vidas, 1995: 70; Colloredo-Mansfield, 1994: 2; Pearse, 1975: 194-195; Salomon, 1973: 468-470). It seemed no more than logical that the Otavaleños fell back upon -or built further upon- a tradition that they had held for ages: the weaving industry and the trade. 'The weaving industry has provided an alternative livelihood for landless families' (Meisch, 1980: 26).

Most of these changes, large or small, can be understood in the light of the observation that '(...) "traditional" populations will innovate readily, provided that innovation promises to be useful within the context of already accepted norms (...)' (Salomon, 1973: 489).

Despite of the growing number of people involved in the weaving industry and trade and the diminished dependency on agriculture most people never completely abandoned agriculture. On the contrary, the greater part of the money that people earned in the weaving industry and trade was invested in land (Salomon, 1973: 474, 477, 487-488). To put it even stronger: 'It was the need to acquire land, giving a sense of belonging to the locality, which primarily drove their integration into the monetary economy' (Ariel de Vidas, 1995: 73). According to Salomon, for Otavaleños to own land has a double importance. 'First, it is the only reliable and autonomous way of earning a living; and second, it is a *sine qua non* for full participation in Indian society, since the alternatives are to abandon the community, become a permanent debtor, or live as a burden on another household' (1973: 487). This last point is also mentioned by Meier, who adds to this several other considerations (1984: 87; 1982: 133): land serves as a kind of "social security" in less fortunate times, some basic food can be produced for the family, the production of food can keep the wages of the family members down as part of the salary can be "paid" in kind, and the self-produced potatoes, corn and the like can be used as culturally meaningful gifts in baptisms, weddings and so on.

In short, we have seen that the search for alternative sources of income, the need for money to buy food, fuel, raw materials and so on, and to acquire land led to the growth of the weaving industry. This fits in with the more general observation of Ariel de Vida who remarks that: 'Capitalistic penetration of all aspects of the national economies, including the various agrarian reforms, resulted in the

impoverishment of peasant or Indian communities, massive emigration to urban centres and the need to find new sources of income as alternatives to agriculture. In recent decades tourism-oriented handicraft production has emerged as one such source' (Ariel de Vidas, 1995: 70).

There are several advantages with respect to the production of arts and crafts. First, it is easy to combine with work on the land. One doesn't have to leave his home for a long time as is the case with people who migrate to the cities to find a job. In other words, one can stay at home and doesn't necessarily have to leave one's way of life. Besides, the work can be fitted in and attuned to the agricultural cycle.⁷ Second, a peasant family can compete easily with small industries, because most of the work is done by family members themselves, so not much -if any- money has to be spent on salaries and so on. Third, the means of production are relatively cheap, or even free -as in the case of the so-called *esteras* for which reed from for example the *Lago San Pablo* is used. Fourth, the knowledge and skill are readily at hand as part of the family and local tradition.

To give an idea of the growth of the weaving industry in Otavalo in the 1960s and 1970s, the following might be a good example. Margaret Endara, owner of the *Hotel Otavalo*, opened a little shop which sold typical woven items in the front of the hotel in 1966, the first store in its kind in Otavalo. By 1978 there were 75 stores selling textiles in Otavalo (Meisch, 1987: 57). In 1949 Collier and Buitrón wrote that '(...) the town of Otavalo is the world of the white man. The Indians enter it with distrust and leave it gladly for the peace and oldness of the mountains' (1949: 35). In 1986 already 2,500-3,000 indígenas lived in Otavalo -almost 25% of the total population of Otavalo-, mainly in the centre of town. Their number is increasing and because of this some people even speak of Otavalo becoming "indigenous."

At about the same time that the Otavaleños expanded their activities -at the end of the 1960s and beginning of the 1970s- international tourism started to grow. Also the number of tourists in Ecuador increased rapidly, for most of which a visit to the 'authentic Indian market of Otavalo' is part of the program. In the beginning of the 1970s the Panamerican Highway, that directly passes by Otavalo, was improved. This and other infrastructural improvements could be carried out, because the Ecuadorian oil-boom of the early 1970s resulted in extra funds for the government (Meisch, 1995: 448). By improving the Panamerican Highway, the relatively dangerous journey of more than five hours over a small cobble-stoned road between Otavalo and Quito was brought back to a relatively safe trip of a mere one-and-a-half hour. Otavalo had become an easy day-trip for tourists from Quito. At the same time, it had become easier for merchants to travel from Otavalo to Quito and back again. With financial help of the Dutch government the central market place, the *Plaza de los Ponchos*, was arranged anew. The *plaza* was paved and concrete mushroom-shaped kiosks (*cayambes*) were built, which protect the merchants from the fierce sun and the incidental rain. A department of the North American *Peace Corps* (PC) came to Otavalo and started a co-operation. Next to this, the PC opened a small shop in which the members of the co-operation could sell their produce. The PC-volunteers advised the Otavalo Indians on the taste of foreign buyers, so that the production could be better adjusted to the demands of the tourists. For example, the textiles made for tourists are less brightly-coloured than the textiles made for the Otavaleños themselves or for other Indian groups. For the tourists more "earthly" colours are being used, such as brown, grey, white and black, because it was found out that the tourists recognize these colors as "typically Indian."

Other innovations were introduced in Otavalo of which I will mention the two most important (Casagrande, 1974: 97; Salomon, 1973: 489; San Felix, 1988: 100). One has been the introduction of power-operated looms which have nearly completely displaced the traditional hand-looms. Another was

⁷ There are striking similarities with the research that Papousek conducted at the end of the 1960s among the peasant-potters of some villages in the Mazahua-region in Central-Mexico. In the next quotation the words potter and pottery are replaced by respectively weaver and weaving. 'The work on the land seems easy to combine with the weaving. It is true that the agricultural cycle is firm, but the weaving is less tied for time. By this the weaver can abandon his work quite easily to carry out the necessary tasks on the land. In his activities the weaver directs himself towards the conditions that are determining for the agriculture' (Papousek, 1978: 23).

the introduction of artificial fibers -such as *orlón* (trademark)- which replaced wool for the greater part. By buying these fibers people didn't lose any valuable time anymore with the laborious job of preparing the wool before it is ready to be used on the loom. With these two innovations the production increased rapidly.

In the beginning of the 1980s, however, the market in Ecuador and the surrounding countries started to get saturated by the arts and crafts sold by the Otavaleños. More and more indígenas were dedicating themselves to the weaving industry and trade, so the supply increased while the demand didn't follow. The Otavaleños had to look for new markets and found them in the United States and Europe. Groups of young people started to travel to the United States and Europe. By playing music in the streets they tried to earn some money to satisfy their basic needs. With the selling of textile products and cd's and cassettes with Andes-music they made some extra money. The real music-boom started in 1986 when a group from Otavalo, *Charijayac*, recorded a cassette and a cd that were extremely successful in Europe. The members of this music group came back to Otavalo with very much money, which inspired a lot of young people to try the same thing. Travel agencies in Otavalo and Quito quickly adapted themselves to these new developments. They started to offer 'fly now, pay later'-tickets to ambitious young Otavaleños. As a pledge on loans, credit cards, cheques and cars are accepted, but also houses and land. Today it will be difficult -if not impossible- to find an Otavaleño-youngster who hasn't travelled to Europe or the United States, or at least intends to make a long trip. In general this *Grand Tour* is viewed positively, because it is said to contribute to one's adulthood and one's ability to deal with the (business)world. After returning to Otavalo, and after having paid off their debts, most people try to start a business of their own.

But the times are changing -and again adaptation was needed. Because so many music groups went abroad, the competition between them grew stronger. Nowadays it is not unusual to see two or three different groups playing their music in the same city, or even in the same street. Apart from this abundance, people start to get used to them, not to say bored with them. But the Otavaleños were not beaten yet. As an answer to this development -which meant decreased revenues- they looked for new markets, and found them in South-East Asia, Australia and New Zealand. In these regions they are a new phenomenon and attract the same attention as they did for example in the mid-1980s in Europe. Also, an increasing number of Otavaleños starts to invest money in other economic sectors, such as hotels, restaurants, bars, bus companies, export companies and so on (Ten Hoedt, 1995). By doing so they leave the economic niche of weaving and trade, which they traditionally occupied. Some of them have made it into the "non-traditional" textile market.

Walter summarizes the success of the Otavaleños as follows: 'The economic development of the Otavaleño textile sector is a result of a complex interplay of historical conditions, relatively favourable non-Indian attitudes towards Otavaleños and the entrepreneurial skills of the Otavaleños themselves' (1981: 326). Among these "entrepreneurial" skills of the Otavaleños must be reckoned the "management" of their Indian identity. This aspect hasn't been given much attention in the article, which focused on the general, historical lines since the 1950s and the unintended effects of the 1964 Agrarian Reform. In my further research and future fieldwork, however, the use of the Indian identity will play an important role. In short, it comes down to that by presenting themselves positively as "indigenous" and "traditional" the Otavaleños attracted positive attention and made optimal use of the sympathetic attitude towards traditional societies and their way of life. They came with the right product in the right time and had the ability to sell it in the right way. In that respect they had, so to speak, the tide with them.

5. Conclusion

Because of an increased pressure on the land -as a result of population growth and the unintended effects of the 1964 Agrarian Reform- it became harder to make a living purely on the basis of agriculture in the communities around Otavalo. Necessity, as has been said before, put people up to invention: people had to look for alternative sources of income. It seems no more than logical that the Otavaleños started to build upon the tradition of producing arts and crafts and trade, in which they had a long experience. So

far, there was nothing new under the sun really. However, some things in this respect were new, which justifies the term *modern tradition*. These were (1) the large scale at which the production and trade took place, and (2) the internationalization of the trade. Next to this, we have seen that the colours and designs were adjusted to the tastes of the foreign buyers, that power-operated looms were introduced which nearly completely displaced the traditional hand-loom, and that artificial fibers were introduced. These last two innovations led to a rapid increase in production.

These developments took place in a time which was favourable: a time of growing tourism and increasing interest in and sympathy for indigenous peoples and their ways of life. The Otavaleños, now, had at their disposal a product for which there was a demand, and they knew how to sell it in the right way. At the same time they enjoyed a rather favourable image both within the Ecuadorian society and outside. These things, the financial help from the Ecuadorian government and foreign donors, and the proximity of Quito gave the Otavaleños a certain lead -a relative advantage- in comparison with other indigenous groups in Ecuador. If any group was well-equipped for the 'new era', the Otavaleños were.

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