



Analysis of the "National Development Plan 2017-2021 for a lifetime" and its implications for the economic development of Ecuador

Análisis del "Plan nacional de desarrollo 2017-2021 toda una vida" y su implicancia en el desarrollo económico del Ecuador

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ABSTRACT

Ecuador has gone through a series of stages in the construction of a Nation State with a better capacity to sustain a higher level of quality of life for its inhabitants. In the global context, the planning and management of a country's resources must be guided by the development policies that economic science provides in the theories put forward, some of which Ecuador has addressed with a series of social repercussions. The National Program of Good Living whose role is to create an economic, political and social planning at the service of the human being expands its more humanistic reason in its theoretical structures and takes the name of "National Development Plan 2017-2021 All a Life". The main arguments set out in the plan,

the policies it addresses, the goals to be achieved and statistical data in its first two years of implementation will be presented to determine the trend of compliance with its objectives.

RESUMEN

Ecuador ha vivido una serie de etapas en la construcción de un Estado Nación con mejor capacidad para sustentar un nivel superior en la calidad de vida de sus habitantes. En el contexto mundial la planificación y gestión de los recursos de un país deben estar direccionados con las políticas de desarrollo que la ciencia económica dispone en las teorías plateadas, las cuales el Ecuador abordó algunas con series repercusiones sociales. El programa Nacional del Buen Vivir cuyo rol es crear una planificación económica, política y social al servicio del ser humano expande su razón más humanística en sus estructuras teóricas y toma el nombre de "Plan Nacional de Desarrollo 2017-2021 Toda una Vida". Se presentará de primera fuente los principales argumentos expuestos en el plan, las políticas que aborda, las metas a alcanzar y datos estadísticos en sus dos primeros años de ejecución para determinar la tendencia del cumplimiento de sus objetivos.

Keywords / Keywords

Good living, Plan, State, Nation

Buen vivir, Plan, Estado, Nación

Introduction

Ecuador has gone through a series of stages in the construction of a Nation State with a better capacity to sustain a higher level of quality of life for its inhabitants. In the global context, the planning and management of a country's resources must be guided by the development policies that economic science provides in the theories put forward, some of which Ecuador has addressed with a series of social repercussions.

By studying this Ecuadorian Plan, which has been implemented since 2007 until the culmination of Lenin Moreno's presidential term in

Ecuador, we will seek and intend to provide empirical evidence on its execution. It will show how to plan the available resources, know the structure, laws, instruments and methodology to measure the results, and that the same are in pursuit of the development of society.

This axis positions the human being as a subject of rights throughout the life cycle, and promotes the implementation of the Good Living Regime. Public policies and services that ensure availability, accessibility, quality and adaptability on the fundamental rights of people in the Ecuadorian territory.

According to Salazar (2012), planning used to focus primarily on "land acquisition"; today it refers, among other things, to urban design and community project of the population in which they will live, adequate financing and also social planning of the way of life.

104 Within this objective there are 17 policies with 43 goals, including areas such as poverty, employment, access to basic services, inequality and security. Of the 43 established goals, 19 are in red alert, goals such as poverty reduction or employment generation, 3 goals are in yellow, 7 goals are in green and 14 goals have no information, i.e. no figures have been generated.

This goal contains important targets such as "eradicating" extreme poverty, with a target of 3.5% by 2021; increasing from 53% to 95% the number of households with their own decent housing that are in extreme poverty by 2021; reducing from 10.4% to 7.6% the youth unemployment rate between 18 and 29 years of age by 2021; or improving the response time in comprehensive emergency care by 2021, among some of the targets of Goal 1 that have not been met.

The availability of these research tools will provide first-hand knowledge of the progress of the goals set for the country's development.

Also in the analysis of this can be established whether the policies of the current governments are co-integrated for the achievement of development. Less developed countries implement these policies because they are of vital importance for the various problems of society.

Materials and Methods

In any evaluation, three basic questions must first be answered: what do we want to evaluate? How are we going to evaluate? and Who will be the evaluator?

Our object of study is to evaluate the Toda una vida National Development Plan and its influence on the country's economic development -what to evaluate-. In order to achieve this objective, a mixed approach has been determined; on the one hand qualitative, since it does not intend to explain structures, but to know the action, that is, how the evaluation process has developed from the perspective of those responsible for the evaluation, and on the other deductive (Vásquez, 2008), since from the general considerations on economic growth we intend to arrive at specific issues on structural change or change in the national society.

A qualitative methodology is used to capture the origin, process and nature of these meanings that emerge from the symbolic interaction between individuals. From this symbolic interaction or interpretation that individuals make of reality, a meaning shared by the participants is born.

This study is supported by various techniques to analyze a social reality. As our object of study is complex and very broad, it was proposed that as the research progresses, new realities will emerge. For this reason, the open-ended interview was chosen.

Techniques to be used In accordance with the objectives set out, we plan to use a quantitative-inferential approach based on econometric techniques, with a view to finding the main behavioral relationships and interrelationships of the variables.

In addition, the data will be standardized; standard deviations are made in the series to make them stationary. Subsequently, standardized time series of the variables to be studied are crossed.

Data Management; it will be carried out through the collection of information, data processing.

Statistical analysis; it will be carried out through the construction and analysis, data standardization, analysis of contingency tables, construction of indicators, data analysis.

Results

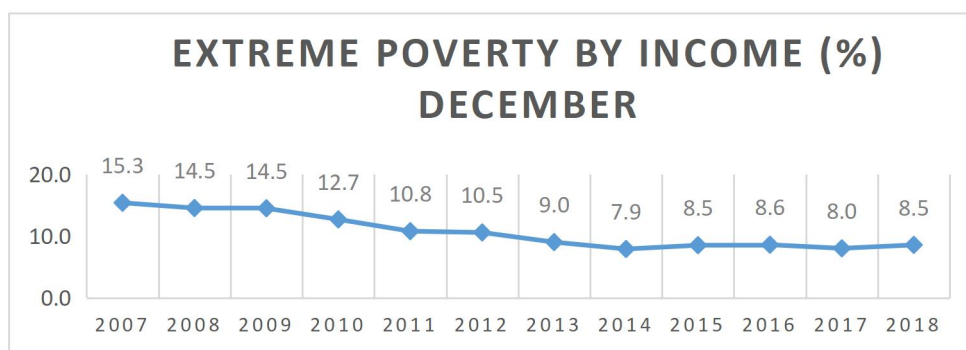
a) Reduce the multidimensional poverty rate from 35.1% to 27.4% by 2021.

According to Carrasco & Marcela (2011), the MPI attempts to capture aggregate deprivations in health, education and standard of living, the same dimensions included in the Human Development Index (HDI), through 10 indicators on nutrition, infant mortality, years of schooling, school enrollment, cooking fuel, sanitation, water, electricity, flooring and assets. It takes into account both the incidence and intensity of poverty as the product of the proportion of people who are poor in various dimensions (incidence) times the average number of deprivations experienced by each poor household (intensity).

b) Eradicate the incidence of extreme income poverty, reducing it from 8.7% to 3.5% by 2021.

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Graph 1. Extreme poverty by income

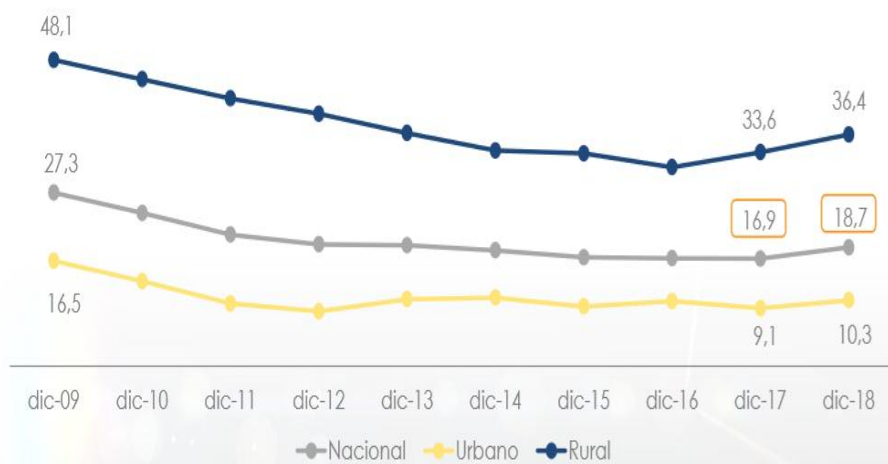


We can observe that the national extreme poverty line decreased from 15.3 percent in 2007 to 8.5 percent in 2018. There was an increase of 0.5 percent from 2017 to 2018.

c) Poverty by unsatisfied basic needs

Poverty by Unsatisfied Basic Needs (UBN) is a multidimensional poverty measure developed in the 1980s by the Economic Commission for Latin America and the Caribbean (ECLAC). The method encompasses five dimensions and within each dimension there are indicators that measure deprivation:

Graph 2. Multidimensional Poverty Index



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In December 2018, the multidimensional poverty index was 18.7 points at the national level; 10.3 in the urban area, and 36.4 in the rural sector.

Objective 2: To affirm interculturality and plurinationality, revaluing diverse identities.

We are a state that recognizes plurinationality and celebrates diversity, in an inclusive society with collective rights and equal conditions. Through intercultural dialogue, we promote the coexistence of urban cultures, peoples and nationalities, LBGTI groups and migrants.

For Giuseppe (2010), the struggle for plurinationality means, above all, to recognize oneself and others across cultural boundaries. It means building interculturality through the recognition of differences. This leads to the inclusion and legal recognition of all forms of organization of society and life that until then had been expelled from institutions and viewed with suspicion and mistrust.

It is based on 7 and 17 goals, of which 13 goals have no information, 3 goals are in red traffic light and one goal is in green traffic light.

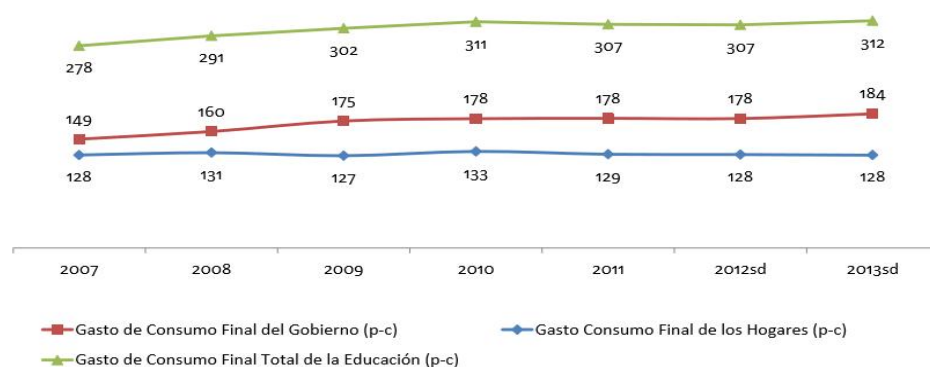
It is clear that this objective is of minimal importance for the current government, since not only do we not have statistics for the evaluation of this objective, but it should also be emphasized that the cultural sphere is one of the sectors that has been hit the hardest

within the fiscal austerity programmed by the government, with a budget reduction of 26%.

Like the previous objective, this one has a red traffic light.

- a) Increase the percentage of educational institutions of intercultural bilingual jurisdiction, improve educational services, net enrollment rates, increase the participatory role of national ethnic groups, eradicate discrimination within the educational field.

Graph 3. Final consumption expenditure (FCF) per capita (p-c) according to education sectors. Period 2007-2013, 2007 dollars.



Source: INEC, Cuenta Satélite de Servicios de Educación 2007 - 2013, population projection to 2015.

In the 2007-2013 period, the government's per capita GCF increased 23%, from \$149 to \$184 dollars. Meanwhile, household GCF remained constant over the same period.

Objective 3: Guarantee the rights of nature for current and future generations.

Nature faces imminent risks, such as climate change. To reduce environmental vulnerability, it is urgent to take actions for the responsible management of the natural heritage, its terrestrial and marine biodiversity, ensuring conditions for the regeneration of life cycles, with special emphasis on water.

Fernandez (2000) Ecology or the protection of nature are nowadays principles generally accepted by most contemporary societies and tasks that any State of rights assumes as its own.

Nature faces imminent risks, such as climate change. To reduce environmental vulnerability, it is urgent to take actions for the responsible management of the natural heritage, its terrestrial and marine biodiversity, ensuring conditions for the regeneration of life cycles, with special emphasis on water.

This objective has 12 goals, of which 6 goals have no information, 2 goals are in red traffic light, 2 goals are in yellow traffic light and 2 goals are in green traffic light.

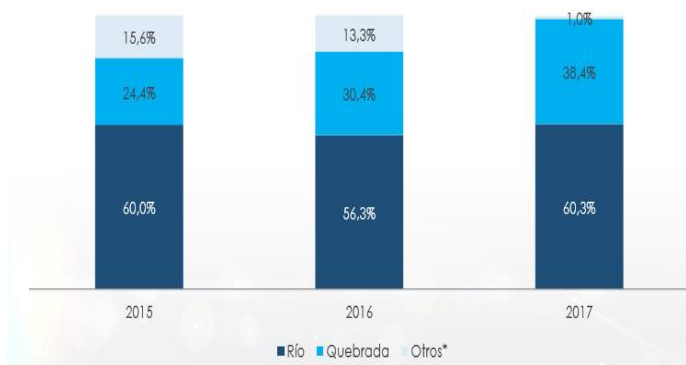
The 6 goals that do not have information depend to some extent on the decentralized autonomous governments.

Under this analysis, goal 3 is with a red traffic light. It is necessary to emphasize that none of the goals raised have to do with aspects related to global warming or mining extraction, which is a major source of degradation and wear of the country's natural resources (Diego, 2018).

At the national level, the average unit cost per m³ for the provision of potable water service at the household level is 0.49 cents. The highest rate is found in the province of Santo Domingo, where the cost is \$2.

a) Increase the number of municipalities that treat water discharges before discharging them into the environment by 2021.

Graph 4. Final disposal of untreated wastewater 2015 - 2017.

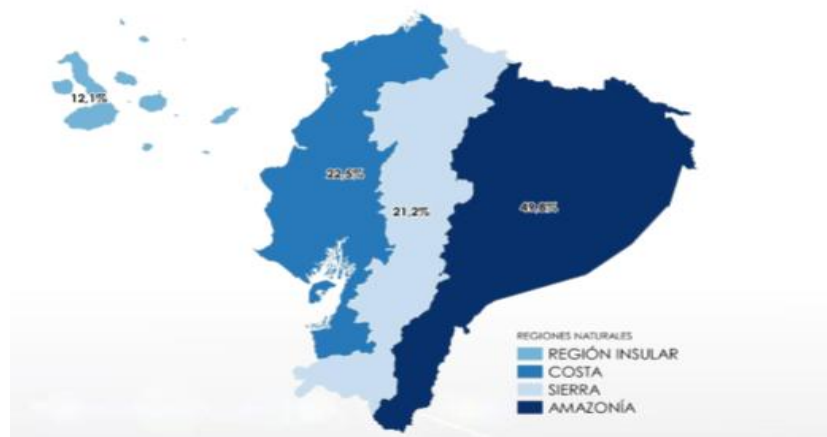


Source: AME-INEC. Drinking Water and Sewerage Management Registry, 2015 - 2017.

Analysis: In 2017, 60.3% of municipalities dispose untreated wastewater in rivers, while 38.4% in streams. An increase in the disposal in streams is observed.

b) Increase the percentage of wastewater with adequate treatment by 2021.

Graph 5. Wastewater entering GADM Treatment Plants



Analysis: Of the total water distributed nationwide, 23.3% enters treatment plants. The Amazon is the region with the highest percentage with 50%.

Axis 2: Economy at the Service of Society

Our economic system is social and solidary. The economy is at the service of the population to guarantee rights and in it the public, popular private and solidarity subsystems interact, all three require incentives and regulation by the public apparatus.

According to Duñanturria & Eusebio (2011) All peoples in any space or historical moment have needed to develop an economic base but the economy was a means to develop other ends and not a means at the service of society. Therefore, it is necessary to resituate the economy in its rightful place, it has to be a means or social instrument aimed at achieving a society free of exploitation and oppression.

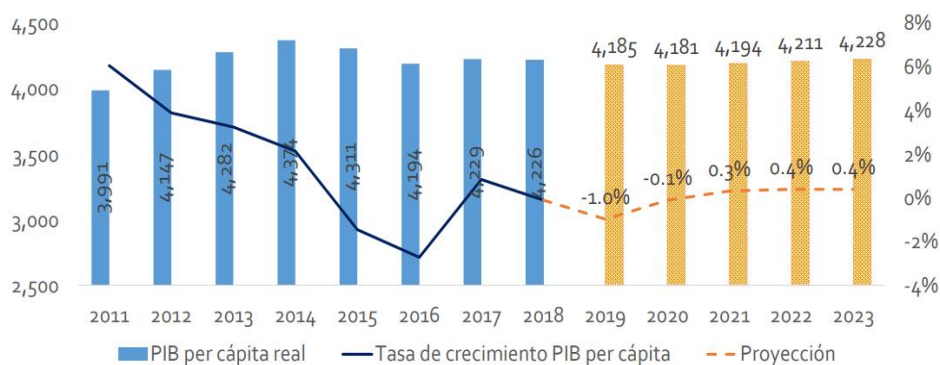
Objective 4: Consolidate the sustainability of the social and solidarity-based economic system and strengthen dollarization.

The sustainability of the Ecuadorian economic system must bring confidence to domestic and foreign investors, it seeks to maintain dollarization, improve regulatory capacities and promote the right conditions for trade, all with the support of public and private and community actors SEMPLADES (2017).

This objective has 10 established goals, of which 2 goals are green, 4 goals are yellow, 3 goals are red and 1 goal is blue.

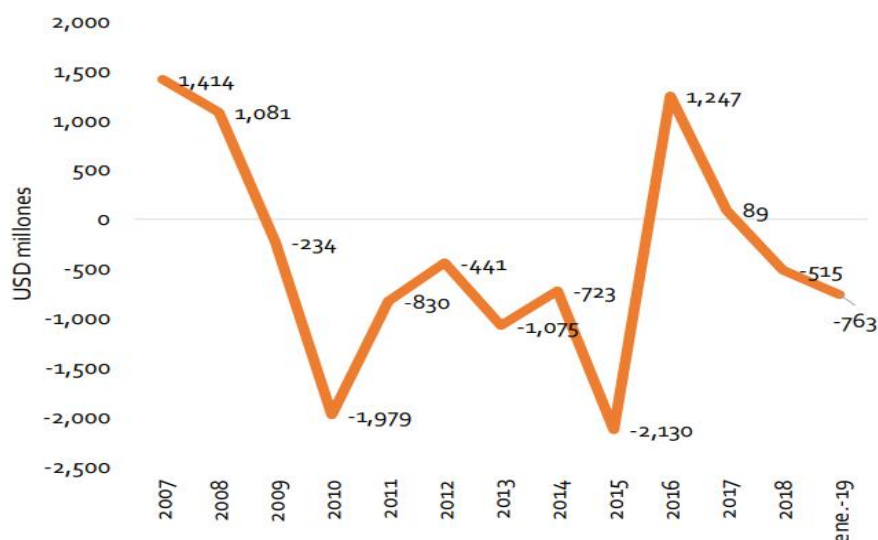
In this objective there are goals such as decreasing the deficit of the Non-Financial Public Sector to at least -0.41% in 2021 or increasing the collection of direct taxes in relation to the total collection of taxes to 2021, both are in red color, this last goal is in contrast with the letter of 111 intent signed with the International Monetary Fund that emphasizes indirect taxes, since in the present National Development Plan it is established to increase the collection of direct taxes, there is no percentage. Under this analysis, this objective has a yellow traffic light. (ISIP, 2019)

Graph 6. Evolution of real GDP per capita



Source: Central Bank (ECB, 2019)

Graph 7. As of January 2019, the trade balance shows a monthly deficit of \$248 million and a cumulative deficit of \$763 million.



Source: Central Bank (ECB, 2019)

Objective 5: Promote productivity and competitiveness for sustainable economic growth in a redistributive and supportive manner

Produce more and with better quality to give way to a solidarity economy that integrates more actors in the process, where citizens are the main citizens.

This objective has 21 established goals, of which 4 goals are green, 2 goals are yellow, 5 goals are red and 10 goals are blue.

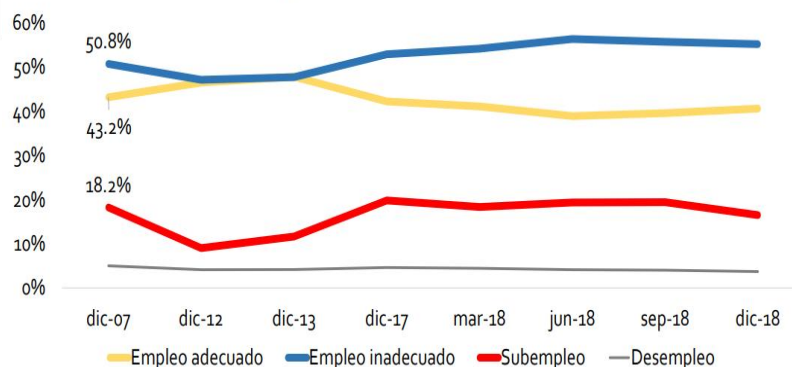
Although it is currently an objective that is under discussion, since it establishes parameters on productivity, the goals of this objective are under construction or there is no information for its evaluation. One of the goals establishes "to improve the National Productivity Index by 2021", it does not establish how or what is the exact goal for 2021.

Among the most relevant goals in this objective is to increase the adequate employment rate from 41.2% to 47.9% by 2021 and to improve the non-oil trade balance by 2021, whose results are in red traffic lights.

Under this analysis, this objective has a red color, since 5 of the 21 established goals are in red color and 10 goals have no information or the goals are under construction. (ISIP, 2019)

increase the adequate employment rate from 41.2% to 47.9% by 2021.

Graph 8. Labor sector in Ecuador



Source: National Institute of Statistics and Census, National Urban Employment and Unemployment Survey, ENEMDU.

Increase the value of non-traditional exports from US\$295 to US\$375 per capita by 2021.

Graph 9. evolution of ecuadorian exports



Source: ECB, Monthly Statistical Bulletin as of February 2019.

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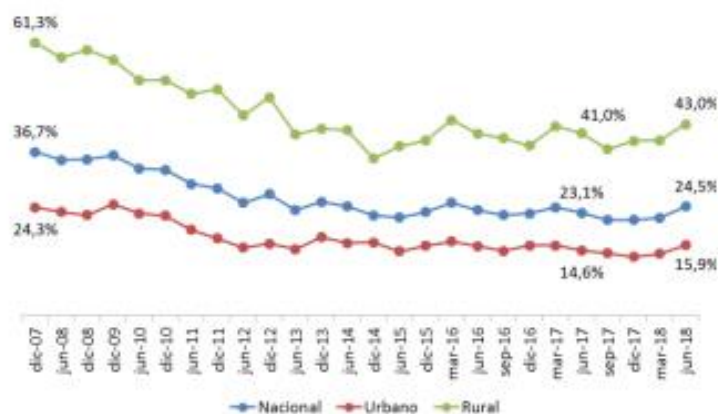
Objective 6: Develop productive and environmental capacities to achieve food sovereignty and Good Rural Living.

There is no good living without rural development. It is necessary to guarantee access to the means of production; the maintenance of water, the diversity of local products and their knowledge, and the provision of basic services in conditions of dignity.

Under this analysis, this objective has a red traffic light, since 4 of the 18 established goals are in red and 13 goals have no information or are under construction.

a) Reduce the incidence of rural income poverty from 38.2% to 31.9% by 2021.

Graph 10. Poverty by income in Ecuador



Source: ENEMDU

115 **Axis 3: More society, better State.**

It encourages participation in our society, which demands a State with better intervention capabilities. It recognizes that society is the guiding vertex of social development and that the State cannot be isolated or separated from it. The challenge will be to consolidate an active and participatory society hand in hand with a State that, through democratic public management, will guide us towards a society committed to the collective management of public affairs.

Objective 7: Encourage a participatory society, with a State that is close to the citizenry.

Promote the autonomous organization of society, with better and greater citizen participation, encouraging a dialogue that goes beyond the political sphere.

We promote freedoms (expression, thought, worship, conscience, association) to build a society based on associativity and interpersonal trust, with a state that guarantees rights.

This objective has 17 established goals, of which 13 goals are blue (under construction or no information available), 2 goals are yellow and 2 goals are green.

The characteristic of this objective is citizen participation, which is an important element of democracy, most of the proposed goals are under construction, goals such as strengthening the scope and commitment of citizen participation in the management of the

Ecuadorian State: increasing the percentage of registered social organizations and strengthening their organizational capacities by 2021 or increasing the degree of institutional consolidation of the entities of the Executive function by 2021, do not have clear goals or indicators that allow their follow-up.

Under this analysis, this objective has a red traffic light, since of the 17 established goals, 13 have no information or are under construction.

Objective 8: Promote transparency and co-responsibility for a new social ethic.

We fight head-on and relentlessly to eradicate corruption in its various manifestations and at all levels, both in the public and private sectors. This implies prevention (education in values and co-responsibility, with 116a State that guarantees rights).

This objective has 3 established goals, where these goals are in blue, i.e., under construction or there is no information.

Important objective that has been established with goals that do not have adequate information to help monitoring and proper evaluation, goals such as improving the indices of perception of discrimination and exclusion to 2021, improving the indices of citizen perception of corruption in the public and private sectors: improving the Public Transparency Index (Citizen Dimension) to 2021 and improving the indices of citizen perception of corruption in the public and private sectors: improving the Public Transparency Index (Institutional Dimension) to 2021, do not have official information.

Under this analysis, this objective has a red traffic light, since none of the three established goals has information.

Objective 9: Guarantee sovereignty and peace, and strategically position the country in the region and the world.

Ecuador is a sovereign and peaceful state that actively contributes to the consolidation of Latin American integration processes.

We present ourselves to the world in both regional and global spaces and work towards the objectives of the National Development Plan,

prioritizing the benefit of Ecuadorians, both inside and outside the country.

This objective has 8 goals, of which 2 goals are green, 1 goal is yellow, 3 goals are red and 2 goals are blue, which have no information or are under construction.

Although this objective positions areas of sovereignty, the two goals that are met are related to tourism, increasing the number of tourism jobs from 137,647 to 202,762 by 2021 and increasing the number of tourists from 1.4 million to 2 million people by 2021.

But goals such as improving the non-oil trade balance with neighboring countries by 2021, despite the fact that there are no figures that allow us to follow up, not even the word "improve" has been met, and this goal is in red.

- 117 From a critical point of view, this objective does not have goals that reflect the true meaning of the proposal, since it does not adequately establish the "strategic positioning of the country in the region and the world".

Conclusions

In short, the balance of the National Development Plan "Toda una Vida" is negative, of the 149 goals established 39 are red or there is non-compliance, especially in the areas of poverty, employment, housing and economy, in other important areas such as environment, the goals are not clear or are not structured. What is worrisome is that 75 goals have no information or are under construction, which implies that the government has not given them the importance that national planning deserves.

The National Development Plan is a living, changing document; apparently during these two years there has not been sufficient interest on the part of the government to update goals or improve indicators, despite the fact that the President of the Republic mentions the importance of planning the country at every international event. It is evident that what the constitution establishes, where the National Development Plan is the tool that links the budget execution with the development of the country through plans, programs and projects included in the plan, is not linked.

It should be remembered that the planning cycle is established in four main phases: preparation, implementation, monitoring and evaluation, and it seems that the first phase has not yet been completed.

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