

# Paraguayan Strategic Culture

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FINDINGS REPORT

**FIU**

Applied Research Center

Latin American and Caribbean Center

Florida International University



**Applied Research  
Center**

FLORIDA INTERNATIONAL UNIVERSITY

**The FIU-SOUTHCOM Academic Partnership  
Strategic Cultures Assessments**

Florida International University's Applied Research Center (FIU ARC), in collaboration with the United States Southern Command (SOUTHCOM) and FIU's Latin American and Caribbean Center (LACC), has recently formed the FIU-SOUTHCOM Academic Partnership. The partnership entails FIU providing the highest quality research-based knowledge to further explicative understanding of the political, strategic, and cultural dimensions of state behavior and foreign policy. This goal will be accomplished by employing a strategic culture approach. The initial phase of strategic culture assessments consists of a year-long research program that focuses on developing a standard analytical framework to identify and assess the strategic culture of ten Latin American countries. FIU will facilitate professional presentations of the following ten countries over the course of one year: Venezuela, Cuba, Haiti, Brazil, Colombia, Ecuador, Nicaragua, Bolivia, Chile, and Argentina. In addition, a report of findings on the impact of Islam and Muslims within Latin America will be produced.

The overarching purpose of the project is two-fold: to generate a rich and dynamic base of knowledge pertaining to the political, social, and strategic factors that influence state behavior; and to contribute to SOUTHCOM's Socio-Cultural Dynamics (SCD) Program. Utilizing the notion of strategic culture, SOUTHCOM has commissioned FIU ARC to conduct country studies in order to explain how states comprehend, interpret, and implement national security policy vis-à-vis the international system.

SOUTHCOM defines strategic culture as follows: "the combination of internal and external influences and experiences – geographic, historical, cultural, economic, political and military – that shape and influence the way a country understands its relationship to the rest of the world, and how a state will behave in the international community." FIU will identify and expound upon the strategic and cultural factors that inform the rationale behind the perceptions and behavior of select states in the present political and security climate by analyzing demography, history, regional customs, traditions, belief systems, and other cultural and historical influences that have contributed to the development of a particular country's current security rationale and interpretation of national security.

To meet the stated goals, FIU ARC will host a series of professional workshops in Miami. These workshops bring subject matter experts from all over the US and Latin America together to explore and discuss country specific history, geography, culture, economic, political, and military climates vis-à-vis strategic culture. At the conclusion of each workshop, FIU publishes a findings report, which is presented at SOUTHCOM.

The following Paraguayan Strategic Culture Findings Report, authored by Dr. Félix E. Martín, is the product of a working group held in Miami on September 23, 2010, which included six prominent academic and private sector experts in Paraguayan history, culture, geography, economics, politics, and military affairs.

The views expressed in this findings report are those of the author and do not necessarily reflect the official policy or position of the US Government, US Department of Defense, US Southern Command, FIU-ARC, or Florida International University.

On behalf of FIU-ARC, we wish to acknowledge and thank all of the participants for their contributions, which made the Paraguayan Strategic Culture workshop a tremendous success.

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## **Executive Summary**

- Paraguay fought in the two largest and most destructive conventional wars in Latin American history, the “War of the Triple Alliance” (1864-1870) and the Chaco War (1932-1935). Further, it was involved in 35 militarized interstate disputes from 1846 to 1962.
- Its society is unique among Latin American nations; the pre-Colombian Guaraní indigenous tribe’s culture and language became Paraguay’s national essence. In fact, Paraguay is the only country in Latin America with two official languages: Spanish and Guaraní.

### ***Geographic and Historical Influences on Strategic Culture***

- Paraguay’s history, despite its landlocked geographical position, has been defined by access to the rivers that form its southern and eastern borders.
- Paraguay’s position between the largest and most powerful regional rivals in South America—Argentina and Brazil—has conditioned its view of itself and its foreign policy, particularly its security policy.
- Paraguay’s isolation from established Spanish trade routes limited the size of the Spanish population. As a result, the indigenous Guaraní became integrated into the colonial social structure as it became bi-cultural in character.
- Paraguay’s isolation created a sense of xenophobia, which led to isolationist foreign policies throughout its history. Its isolation enabled it to maintain its security despite its interposition between regional rivals Argentina and Brazil as it refused to let either power gain influence in Paraguay to upset the balance of power in the region.
- Paraguay’s abandonment of its isolationist foreign policy led to the destructive War of the Triple Alliance. The war proved to be the most traumatic event in the country’s history. In the aftermath of the defeat, Paraguay’s foreign policy sought to counterbalance Brazilian and Argentinean influence and to encourage the interest of the United States in maintaining Paraguay’s security.
- The Chaco War (1932- 1935) was a legacy of Paraguay’s limited national presence on its western territory and Bolivia’s quest to utilize that advantage to incorporate it. Disgruntled Chaco War veterans later toppled the government that won the war, beginning a nearly 60-year era of authoritarian regimes, ending with Alfredo Stroessner’s departure in 1989.
- Paraguayan popular sentiment remains highly nationalistic today as a legacy of the conditions of its colonization and the catastrophic cost of defending its existence and national integrity between two regional powers and Bolivia on its western frontier.

### ***Keepers of Strategic Culture***

- Strategic Culture is a reflection of its society's conception of nationalism, expressed in the exhortation "*independencia o muerte*", and defined by historical grievances and suspicion towards neighboring Brazil, Argentina, and Bolivia to its west.
- Historically, elite keepers of strategic culture were authoritarian civilian or military governments. A departure from this history occurred with the end of General Alfredo Stroessner's regime in 1989 and his supplanting by a democratic regime that remains in power to this day.
- Paraguayan political elites throughout its history have consistently reflected their society's nationalistic sentiments. Since the 1970's their participation in regional cooperation and integration initiatives have been limited by suspicion over their neighbors' intentions.

### ***Change and Continuity in Paraguayan Strategic Culture***

- Economically, Paraguay has been willing to mobilize its national substance to protect its economic interests, even resorting to war against numerically superior opponents to do so.
- Its nationalistic strategic culture has led to frequent state interventions in its national economy. As its economy subsequently stagnated and came under heavy government regulation, a large black-market industry assumed a large part of Paraguay's economy. This structural problem is reflected in its narcotics production and smuggling in central Paraguay.
- Despite entrenched nationalism, the regime of General Alfredo Stroessner initiated the first bilateral agreements with its feared neighbors Argentina and Brazil in the 1970's.
- National political leaders continue to seek the U.S. and more recently, Argentina, as a strategic counterweight against Brazil. However, neither has demonstrated a willingness to do so.
- Since 1989, Paraguay has more actively sought to participate in regional forums and multilateral political, economic and diplomatic initiatives, such as MERCOSUR and joint military exercises.
- Paraguayan security analyses have recently incorporated state capacity building, linking security to domestic socio-economic development. This is a departure from its historical security analysis based on external threats.
- The country's current stagnant political system is creating a leadership crisis that could tempt populist or radical personalities to step into the vacuum as has happened often throughout the country's history.

## Introduction

Strategic culture is a complex concept with a principal explanatory focus on the elucidation of cultural, political, and military national experiences under-girding a country's strategic use of its armed forces and its attitude and dealings with the rest of the world.<sup>1</sup> This report adheres strictly to this application of the concept. Other companion country reports in this series on strategic culture have occasionally adopted more expansive and liberal conceptual applications in order to explain non-military external projections and internal state behaviors that are particular to the case at hand and better fit various specific national historical experiences.<sup>2</sup>

It is assumed in this report, accordingly, that countries interact in a highly competitive environment where other state-actors, with their respective utility functions, “rationally” plan for ways to advance and protect their national interests. This is otherwise known as a country's national strategy.<sup>3</sup> Given the unique nature of national formative historical experiences, nation-building and state-consolidation processes, popular social ethos, national elites' socio-economic interests, geographical imperatives, and the institutional memory, posture, and interests of the armed forces, however, a particular pattern of strategic behavior or national style in security policy evolves in respective countries. Consequently, combining the process of “rational planning” in a competitive context (*i.e.*, strategy) with a distinctive longitudinal national experience pattern and approach to the rest of the world (*i.e.*, culture) produces the complex notion of Strategic Culture.

The application of the narrow definition of strategic culture to Paraguay's history is the principal analytical focus of this report. To be sure, Paraguay is a paradigmatic case in the external, aggressive use of its armed forces. No other country in the Western Hemisphere throughout its history as an independent state has used its forces as frequently and with more lethal results than this small, landlocked country. Paraguay fought two major wars against its neighbors in the nineteenth and twentieth centuries respectively: The Paraguayan or Triple Alliance War of 1864-1870 against an international coalition formed by Argentina, Brazil, and Uruguay; and the Chaco War of 1932-1935 against Bolivia. In addition, as Table 1 shows, from 1846 to 1962 Paraguay engaged in thirty-five militarized interstate disputes (MIDs) as documented in the Correlates of War project.<sup>4</sup> The data include seven MIDs with Argentina,

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<sup>1</sup> Jeffrey S. Lantis, “Strategic Culture: A Multifaceted Cultural Approach to the Study of Latin America,” Florida International University, Applied Research Center, 2009, particularly, p. 6. For other works on strategic culture, see Alastair Iain Johnston, “Thinking about Strategic Culture,” *International Security* 19:4 (Spring 1995), 32-64; and John Glenn, “Realism versus Strategic Culture: Competition or Collaboration?” *International Studies Review* 11:3 (September 2009), 523-551.

<sup>2</sup> To access other country reports and specific studies on strategic culture, visit <http://strategicculture.fiu.edu>.

<sup>3</sup> See the definition of strategy and the notion of rationality in national planning advanced in Félix E. Martín and Marvin Astrada, “Argentina Strategic Culture General Findings Report,” Florida International University, Applied Research Center, April 13, 2010, pp. 2–3.

<sup>4</sup> For a history of the project and description of the data sets, see at <http://www.correlatesofwar.org>.

one with Uruguay and the UK, seven with Brazil, and twenty with Bolivia. Certainly, this evidence suggests that Paraguay has been the most bellicose country on the continent when accounting for its territorial and population size.<sup>5</sup>

In the course of this general findings report the author will cull and integrate more specific findings reports on various aspects of Paraguay's strategic culture. These findings were presented in several individual reports written by a number of academics invited to participate in a workshop on the strategic culture of Paraguay, held in Miami, Florida, on September 23, 2010.<sup>6</sup> Nonetheless, the ultimate responsibility of selecting and integrating the findings in a general findings report rests with this author. The first section of this report will examine the foundational historical elements of Paraguay's strategic culture. Within this section extended treatment and analyses will be accorded to its geographical, socio-political, historical, and political features. The second section will examine the economic determinants of Paraguay's strategic culture. Particular attention will be devoted to an economic analysis of the causes and consequences of the Triple Alliance War. The third section will examine the status of the geopolitics and strategic culture of Paraguay since the advent of democracy in 1989. The fourth and final section will discuss present challenges, continuities, and changes in Paraguay's strategic culture.

## **Origins of Paraguay's Strategic Culture**

### ***Physical Aspects***

Social scientists and historians agree that, from colonial times to the present, Paraguay's national territory, polity, society, economy, and its national identity have been shaped by geographical constraints and by history.<sup>7</sup> As Thomas Whigham writes in his individual report, "Paraguay is a landlocked country, one of two in South America, but it is hardly the land that defines the place historically—it is the water!" Paraguay is truly a country of rivers, with the Paraná, Pilcomayo, and Paraguay forming its national boundaries on the south and east. Instead of this physical reality producing abundant food and busy trade

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<sup>5</sup> Carlos Seiglie, "The Economic Determinants of Paraguayan Strategic Culture," Florida International University, Applied Research Center, September 23, 2010, p. 3.

<sup>6</sup> Workshop participants included, in alphabetical order, Professors Norman A. Bailey (World Affairs, Institute for Global Economic Growth); Aberto E. Dojas (International Law, Universidad de Buenos Aires, Argentina –UBA-); Enrique S. Pumar (Sociology, The Catholic University of America); Carlos Seiglie (Economics, Rutgers University); and via teleconferencing Thomas L. Whigham, (History, University of Georgia).

<sup>7</sup> The foundational and historical part of this report draws on the individual findings of Alberto E. Dojas, "Elementos para un Informe sobre la Cultura Estratégica del Paraguay," Florida International University, Applied Research Center, September 23, 2010; Enrique S. Pumar, "Paraguay: Social Fragmentation and Strategic Culture," Florida International University, Applied Research Center, September 23, 2010; and, particularly, Thomas Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience," Florida International University, Applied Research Center, September 23, 2010.

routes amidst a prosperous economy, as liberal economic thinking would stipulate, this river system set apart the earliest inhabitants of Paraguay.

From the perspective of Paraguay's natives, the many waterways divided people, setting them against each other in seemingly perpetual antagonism.<sup>8</sup> The lush landscape held any number of enemies, and wherever too many opponents appeared on the horizon, there also developed a real need for allies. This suggests some basic sense of a strategic culture among the Guaraní, the pre-Columbian inhabitants of the land, whom, we are told, were looking not just for allies to help them defend against Indian marauders, they were also looking for a "land without evil," a Garden of Eden.<sup>9</sup> They found, instead, a necessary collaboration with the Spanish *conquistadores*, who arrived among them in the 1530s.<sup>10</sup> The Spaniards were looking for precious metals—hence the Río de la Plata—the river of silver, which they ascended in caravels to get to Paraguay in the first place. The newcomers encountered no gold or silver nor even any easy route to the rich mines of Upper Peru. Instead, they found the Guaraní Indians in the vicinity of today's Asunción, a community of long-houses that was home to a few hundred individuals, all anxious to make common cause with the Spaniards.

The Guaraní boasted a stateless society based on the cultivation of manioc root and on hunting wild game. But when they were not hunting, they were being hunted by other Indians, the Guaicurú of the Gran Chaco territory. The arrival of the men from Europe offered the Guaraní another option that they were quick to seize upon; by organizing an alliance with the newcomers, they could not only defend themselves, they could conquer and expand their hold over a much wider area in the center of the continent. Soon, territories that had never known the Guaraní language were using it exclusively.<sup>11</sup>

There were many ironies in this process. For one thing, from the geopolitical perspective of the Spaniards, it would have been preferable to build a colonial settlement at the mouth of the Río de la Plata

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<sup>8</sup> The interpretations and data included in this point and the rest of this and next sections are drawn from Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience," pp. 2-6.

<sup>9</sup> See Thomas Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience," Florida International University, Applied Research Center, September 23, 2010. In support of his assertions Dr. Whigham cites the works by Paulo de Carvalho Neto, *Folklore del Paraguay* (Asunción, Paraguay, 1996), pp. 71-128; regarding geographical realities more narrowly, he cites Juan Natalicio González, *Geografía del Paraguay* (México, 1986), and Fidel Maíz, *Pequeña geografía* (Asunción, Paraguay, 1886); Richard Gott, *Land Without Evil. Utopian Journeys across the South American Watershed* (London and New York, 1993); and Erland Nordenschild, "The Guaraní Invasion of the Inca Empire in the 16th Century: An Historical Indian Migration," *Geographical Magazine* 4 (July-Dec. 1917), pp. 103-121.

<sup>10</sup> For an extensive discussion of the arrival of Spanish *conquistadores* to the land now known as Paraguay and its discovery by the expedition of Alejo García, see Dojas, "Elementos para un Informe sobre la Cultura Estratégica del Paraguay," p. 1; and his previous report, "La Cultura Estratégica en la Argentina," Florida International University, Applied Research Center, Miami, February 4, 2010.

<sup>11</sup> Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience," p. 3. In support of his analysis Dr. Whigham cites the works by Alfred Métraux, "The Guaraní," in Julian H. Steward, *Handbook of South American Indians* (Washington, 1948), Vol. 3, pp. 69-94; Branislava Susnik, *Los aborígenes del Paraguay*. 7 vols. (Asunción, 1978-1985); Elman R. Service, *Spanish-Guaraní Relations in Early Colonial Paraguay* (Ann Arbor, 1954); James Schofield Saeger, *The Chaco Mission Frontier. The Guaycuruan Experience* (Tucson, 2000).

at Buenos Aires, some 700 miles to the south. Unfortunately, the Indians they found near where the present Argentine capital is located proved anything but friendly, displaying a strong contrast with the Guaraní. Because they saw no other choice, therefore, the Spaniards established their chief base in the southern areas of the continent in Paraguay, far from the oceanic link with Spain. Asunción, which was nothing more than a muddy camp outfitted with palisades, became *la Madre de las Ciudades*, the mother of cities, from which *Spanish* or Hispano-Guaraní influence spread in many directions.<sup>12</sup>

Flanked by Argentina to the south and southwest, by Brazil to the north and northeast, and by Bolivia to the northwest, Paraguay evolved, first, into a sort of “buffer state” in the important regional rivalry between Argentina and Brazil. And second, it became a belligerent against its three adjoining neighbors at different points during its history. Given this spatial imperative, it is reasonable to argue that geography has influenced Paraguay’s foreign policy, particularly, its national defense policy. Similar to its political isolation during several centuries of Spanish colonialism, Paraguay opted for isolationism in its post-independence period. Since it continued to be beset by Argentine and Brazilian machinations, it became highly suspicious of these two powerful neighbors and tried to distance itself from these bordering neighbors by seeking distant allies.<sup>13</sup> Ultimately, not only did Paraguay fight a major war against an Argentine-Brazilian and Uruguayan military alliance, but, more importantly, waged the last major war in South America in the twentieth century against Bolivia over territory in the Gran Chaco region. Thus, since early on in its post-independence period, Paraguay adopted four fundamental diplomatic and security policy priorities, namely: avoidance of regional military and diplomatic entanglements; preference for distant allies like Spain and the United States instead of regional allies, national self-reliance in defense matters, and preference for nonintervention in the internal affairs of all neighboring countries.

### ***Socio-Cultural Aspects***

The Spaniards generally conceived of the Guaraní not as allies but as useful dependents to be used when convenient, to be more commonly exploited, but never to be elevated to the status of co-equals. And yet, as the years went by, the absence of European women meant that the extemporaneous liaisons that developed between Spanish *conquistadores* and Guaraní Indians women took on a decidedly formal character. Furthermore, polygamy among the Guaraní Indians facilitated a high degree of *mestizaje* with the Spaniards.<sup>14</sup> This led, for example, to the first Spanish governor’s legitimizing the

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<sup>12</sup> Whigham, “The Longue Durée of Strategic Culture: The Paraguayan Experience,” p. 3. In support of his argument Dr. Whigham cites the works by Fulgencio R. Moreno, *La ciudad de la Asunción* (Buenos Aires, 1926).

<sup>13</sup> Frank O. Mora and Jerry W. Cooney, *Paraguay and the United States: Distant Allies* (Athens, Georgia: The University of Georgia Press, 2007), p. 2.

<sup>14</sup> See Dojas, “Elementos para un Informe sobre la Cultura Estratégica del Paraguay,” p. 1.

children he had from four different Indian women, the only place in South America where such practice received legal sanction. And therein lays the most curious fact of all: unlike other areas of the Empire, which experienced regular immigration from Europe, Paraguay soon became rather isolated from the rest of the colonial world, and the first generation of metropolitan Spaniards to inhabit the province was the last one until almost the end of the Bourbon era, nearly 300 years later. Buenos Aires in the meantime had been successfully reestablished and the need for ongoing Guaraní support receded accordingly.<sup>15</sup>

During the eighteenth century, Paraguayan society evolved into something truly unusual—a nominally Spanish community in which the Catholic Church predominated and in which the rule of the King went unquestioned, but which at the same time had a bilingual and, in some ways, bi-cultural character. As Bailey asserts, Paraguay is an overwhelmingly multicultural, bilingual and *mestizo* country. In fact, it is the only country in Latin America with two official languages: Spanish and Guaraní.<sup>16</sup> In Mexico or Peru, if an individual spoke an Indian tongue, then he or she was an Indian and subordinate to any white person; in Paraguay, by contrast, a person speaking Guaraní was likely European and automatically subordinate only to the King or his representatives. This curious bilingual status defines the country today and it is seriously misleading to argue, as some commentators have done, that Paraguay is an Indian country. That said, the average Paraguayan of the colonial period spoke only Guaraní and had minimal contact with outsiders, even from other parts of South America. Paraguayan culture and psychologies, in consequence, had many curious—even perhaps—unique aspects. And that drew from this experience of life in the extreme periphery. They were decidedly more self-involved—or perhaps incurious about the outside—than were comparable societies elsewhere in South America.<sup>17</sup>

The Paraguayan colonists became markedly xenophobic and their mistrust of outsiders never really abated with the passage of the years. Quite the contrary, the few contacts that Paraguay had with distant peoples tended to confirm the supposition that such peoples could never be trusted, and that the survival of the Paraguayans depended on keeping Spaniards, Portuguese, Brazilians, Argentines, *Orientales*, and everyone else at arm's length. This isolationist impulse has never entirely vanished from Paraguayan thinking, and even in a modern age of television and satellite communication, there is this unspoken supposition that Paraguayans are a people apart, and have virtues and attitudes that naturally separate them from their neighbors.<sup>18</sup>

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<sup>15</sup> Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience," p. 4. In support of his conclusion Dr. Whigham cites the works by Enrique de Gandía, *Indios y conquistadores en el Paraguay* (Buenos Aires, 1932); and Félix de Azara, *Descripción e historia del Paraguay y del Río de la Plata* (Madrid, 1923).

<sup>16</sup> Bailey, "The Strategic Culture of Paraguay," p. 1.

<sup>17</sup> Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience." In support of his assertion Dr. Whigham cites the works of Efraím Cardozo, *El Paraguay colonial* (Asunción, 1959); and Jerry W. Cooney, *Economía y sociedad en la intendencia del Paraguay* (Asunción, 1990).

<sup>18</sup> Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience," p. 5.

In this sense a high degree of national pride is a distinctive socio-cultural trait among Paraguayans. They are quite proud of their power to resist, and of their bravery and toughness in battle. Not only did they succeed in settling an isolated land disputed among several groups of natives, but the descendants of those early Paraguayans created a multicultural society, prevailed over an early attempt by an Argentine army to incorporate the country into Argentina, and fought the combined forces of Argentina and Brazil in the Triple Alliance War until less than 30,000 boys and old men were left alive in the country. This sense of national pride received an additional dose of energy during the Chaco War, when Paraguay fought the superior German-trained Bolivian army and prevailed, taking the bulk of the Chaco region.<sup>19</sup> As one of the participants in the workshop remarked in his paper, the view in this subsection is perhaps exaggerated, but, as is usually the case, it matters little what the historical reality was and a great deal what people “think” it was.<sup>20</sup>

### ***Political Features: The Founding of Independent Paraguay***

Paraguay officially gained its independence on May 17, 1811. The process of independence began simultaneously with the May 1810 Revolution in Río de la Plata, Argentina. From its inception as an independent nation-state, however, Paraguayans viewed with great trepidation and suspicion the political designs originating in Buenos Aires, particularly its liberation army, commanded by General Belgrano, which was meant to “liberate” the province.<sup>21</sup> Clearly, the Paraguayan revolutionaries did not want to be part of a greater Argentina, because they had a profound desire for national independence on their own terms, not on those imposed by external powers like the more powerful independent neighbor to the south.

In addition to national pride and geopolitical reasons, there was, according to Whigham, an economic reason as well for Paraguay’s misgivings about possible Argentine encroachment over its territory and economy: the province had profited extensively in the late 18th and early 19th centuries from the marketing of *yerba mate*, the famous green tea. This economic success convinced some, though not all, Paraguayans that integration into the broader economy of the Plata held many advantages.<sup>22</sup> At the same time, however, the common feeling asserted itself that for every peso a Paraguayan earned, someone in Buenos Aires was making three, and to the people who held this view, independence simply meant the continuation of an unfair and unequal place in the economic firmament. It was hardly surprising, therefore, that anti-Argentine feelings shared a common place with anti-Spanish feelings, and that real

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<sup>19</sup> Bailey, “The Strategic Culture of Paraguay.”

<sup>20</sup> Whigham, “The Longue Durée of Strategic Culture: The Paraguayan Experience,” p. 6.

<sup>21</sup> Liliana Brezzo, “Argentina y Paraguay 1810-2000,” in Pablo Lacoste Ed. *Argentina-Chile y sus vecinos* (Mendoza, Argentina: Caviar Bleu, Editora Andina Sur, 2005), pp.166-168.

<sup>22</sup> Whigham, “The Longue Durée of Strategic Culture: The Paraguayan Experience,” p. 6.

independence came only after a nominally Royalist Paraguayan militia defeated a Patriot army sent from Buenos Aires to “liberate” the province.<sup>23</sup>

Paraguay’s self-reliance during the War of Independence was an early indication of its isolationist policy to follow once it became a sovereign nation-state in 1811. The strongest manifestation of Paraguay’s isolationist policy evolved during the dictatorship of Dr. José Gaspar Rodríguez de Francia from 1814-1840. De Francia proved to be the most exceptional revolutionary and the regime that he established was curious by every measure. He was a middle-aged man when he took power, a full generation older than Bolívar and San Martín, and his mindset became fixed not on creating a new society in Paraguay, but on protecting what remained of the old. Rodríguez de Francia was, of all things, a doctor of theology, and the system of governance that he constructed had much of the stern schoolmaster in it. At the same time, he enjoyed the broad support of the Paraguayan masses, which saw in his administration, absolute as it was wise, the best guarantee of their survival. Poor Paraguayans, thus, regarded Rodríguez de Francia in the same light that the early Guaraní had seen the newly arrived Spaniards.<sup>24</sup>

Toward the outside world Rodríguez de Francia inclined toward the traditional xenophobia, though with a practical difference: noticing the chaos that strained the regular functioning of the political order next door in Argentina, and the seeming expansionist impulse in monarchist Brazil, he opted to close the door shut, forbidding all ingress and egress from the Republic. Paraguay isolated itself and insulated itself, from all foreign contact and sought national security in a policy that can only be called reclusive. Rodríguez de Francia’s Paraguay wanted to truck with no one.<sup>25</sup>

As Supreme Dictator (this was his title), Dr. Rodríguez de Francia gave his country peace for 26 years. The foreigners kept their distance, just as he had promised, and life for the average person was stable, if undistinguished, with an economy based on barter similar to that of earlier colonial times. There was no democracy, of course, not even a glimmer of an open government, just a reiteration of the time-honored and immutable Laws of the Indies. There was much ambiguity in all this, for, as one commentator put it, "Dr. Rodríguez de Francia may have bought peace to Paraguay, but it was the peace of the grave." No effort was ever made to encourage change, or even to keep up with trends in other parts of South America, and along the way, the accepted view—sort of the strategic culture of the day—stressed the relative weakness of a country that finds safety only in its own traditions and resources. Above all, Paraguay should never involve itself with foreigners. Isolationism became the “golden rule” of

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<sup>23</sup> Alberto Ezcurra Medrano, *La independencia del Paraguay. Historia de una desmembración argentina* (Buenos Aires, 1941).

<sup>24</sup> Whigham, “The Longue Durée of Strategic Culture: The Paraguayan Experience,” p. 6; and Julio César Cháves, *El supremo dictador* (Asunción, 1964).

<sup>25</sup> Thomas Whigham, *The Politics of River Trade. Tradition and Development in the Upper Plata, 1780-1870* (Albuquerque, 1991), pp. 24-45.

Paraguayan diplomacy. This attitude had a very long life in Paraguay. It reflected the colonial past and its echoes still find a place in many people's hearts today.<sup>26</sup>

Such isolation could not last forever. When Dr. Rodríguez de Francia died in 1840, the fears that he both reflected and inspired lived on without him. His successor, Carlos Antonio López, proved equally talented but was nonetheless cut from a different cloth. In Paraguayan terms, this country lawyer—who was as well known for his enormous girth as for his sagacity—was decidedly open-minded and liberal. He believed that conditions were right for the country to engage with the outside, but in a way that would never limit its independence.

Argentina and Brazil tolerated Paraguayan independence as long as neither won a decisive influence in the country and as long as Paraguay did not become a threat to either power.<sup>27</sup> This norm in Paraguayan diplomacy began to crumble under Carlos Antonio López and ultimately led to the Triple Alliance War during the dictatorship of his own son, Francisco Solano López, who succeeded him in office in 1862. Solano López intervened militarily against the Brazilian invasion of Uruguay and invaded the Matto Grosso in 1865. Argentina, however, refused to allow Paraguayan troops to cross Argentine territory in order to attack Río Grande do Sul. Argentina's refusal prompted its entrance into the war, curiously siding with Brazil and Uruguay. (The complicated series of events leading to this unexpected decision will be discussed in greater detail below in the section on economic determinants of Paraguay's strategic culture.) Solano López's miscalculation was his misperception of Argentina's and Brazil's internal organization and their respective views of the geopolitical role that each envisioned for South America.

The Triple Alliance or Paraguayan War is the most traumatic episode in Paraguayan history. Its effects were devastating, given the lack of treasure and military preparedness for a war of such magnitude. Paraguay not only lost territory and treasure, but most importantly, as mentioned above, lost close to 60% of its population—particularly an important percentage of its male population. In private correspondence regarding this point, Whigham affirmed to this author that, “unlike the Chaco War and largely unlike the Pacific War, the Triple Alliance War had an enormous effect on civilian populations, especially in Paraguay. The country started off with a population somewhere around 450,000 in 1864 and

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<sup>26</sup> John Lynch, *The Spanish-American Revolutions, 1808-1826* (New York, 1973), pp. 104-117.

<sup>27</sup> For works on the Argentine-Brazilian competition over Paraguay, see, for example, Leonel Itaussu Almeida Mello, “Brasil y Argentina en perspectiva: competencia, distensión e integración,” in Atilio A. Borón y Álvaro de Vita, Eds., *Teoría Política y Filosofía. La recuperación de los clásicos en el debate latinoamericano*, (Buenos Aires, Clacso, 2002); Luiz Alberto Moniz Bandeira: *Argentina, Brasil y Estados Unidos. De la Triple Alianza al Mercosur*, Grupo Editorial Norma, Buenos Aires, 2004; and Frank O. Mora, “Política exterior del Paraguay: a la búsqueda de la independencia y el desarrollo,” in José Luis Simón Ed., *Política exterior y relaciones internacionales del Paraguay contemporáneo* (Asunción: Centro de Estudios Sociológicos, 1990).

by 1871 it had shrunk to around 221,000, of whom 28,000 were adult males.”<sup>28</sup> In order to gauge the effect of the Great War on the Paraguayan psyche, we should keep in mind these daunting losses. In addition, not a single family in Paraguay escaped unscathed. Many communities were entirely wiped out.

Under such circumstances, the survivors had to rethink everything. Would they even have a country for their children to grow up in? Very few Paraguayans felt that it might be wiser for the nation to be annexed by Argentina, to give up its independence altogether.<sup>29</sup> Others frankly did not know what to think. Francisco Solano López had died on the battlefield, as had most of his ministers and associates, and the supposedly liberal regime that replaced the old order in Asunción seemed artificial, unfocused, and oftentimes subject to the machinations of the Brazilian occupiers.

What, then, happened to the strategic culture during the postwar period? The distraught people of Paraguay could not hope to go on as before. A country destitute of resources does what it can to survive, and with its population severely reduced, the Republic witnessed considerable immigration, with Italians, Germans, Lebanese, Poles, Argentines, Russian Mennonites, and eventually Koreans arriving to broaden the ethnic spectrum. A society previously known for its reclusiveness now included people of nearly every nationality and background.<sup>30</sup>

Amazingly, however, the past still held the strongest hand. A new nationalism that was rather imprecisely called revisionist began to affect first the elites, through the polemics of Manuel Domínguez, Juan O’Leary (and later Natalicio González), and then the masses, both through word of mouth and partisan propagation.<sup>31</sup> Long-standing habits and ways of thinking also proved remarkably resilient. Such was the strong pull of tradition, in fact, that even today one can find individuals in the town of *La Colmena* who fashion fried tempura out of manioc and who feel more comfortable speaking in Japanese and Guaraní than in Spanish. It is the same down the road in Hohenau, though there sauerbraten predominates as does the speaking of German and Guaraní among the unlettered, not Spanish. Ask the inhabitants of either town about international politics and they will display the same traditional mixed feelings about outsiders that were common a century before. And many will wistfully and quite irrationally allude to the López regime, saying that Paraguay was better off in those days. The influx of foreigners in the late 19<sup>th</sup> and early 20<sup>th</sup> centuries was accompanied by considerable investments of outside capital, which helped develop the timber and *yerba mate* industries in a way and at a pace

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<sup>28</sup> Thomas Whigham, private electronic correspondence with the author of this report, Wednesday, September 29, 2010.

<sup>29</sup> Whigham, “The Longue Durée of Strategic Culture: The Paraguayan Experience,” p. 12, and supports his assertion by citing Harris Gaylord Warren, *Rebirth of the Paraguayan Republic: The First Colorado Era, 1878-1904* (Pittsburgh: University of Pittsburgh Press, 1985), p. 55.

<sup>30</sup> Jerry W. Cooney, *Paraguay: A Bibliography of Immigration and Emigration* (Longview, Washington, 1996).

<sup>31</sup> Manuel Domínguez, *El alma de la raza* (Asunción, 1918); Juan E. O’Leary, *Apostolado patriótico* (Asunción, 1930); and Natalicio González, *Proceso y formación de la cultura paraguaya* (Buenos Aires, 1938).

undreamed of during the López years. The economy began to recover in the 1880s and people could begin to think again about something other than mere survival. Yet, Paraguay still had to face challenges from the outside.

How did the war affect Paraguay's relations with its two powerful neighbors? In brief, Brazil and Argentina maintained their influence on Paraguay's domestic politics after the Great War through their respective affinity with the Colorado party, which brought together former Solano López supporters, and the Liberal party whose followers mainly resided in exile in Buenos Aires. General Bernardino Caballero Melgarejo, a former war hero, was the power balancer in Paraguay for over two decades. He founded the Colorado Party and established a semblance of political stability after the disastrous war. Also, during this period, Paraguay had to sell large tracts of public land in order to pay for the war debt. This development led to the concentration of land in few hands.

Despite the fact that all talk of annexation by a neighboring power had ended a decade earlier, there remained the issue of how to stay plausibly independent of Brazil and Argentina. The answer to this dilemma was obvious: you play the two neighbors off against each other while simultaneously seeking patronage and support from some third power, preferably one located very far away. Paraguay found that third power in the United States, which over many decades constituted what Frank Mora and Jerry W. Cooney have described as a "distant ally." The first manifestation of "friendship" that was widely recognized as such by the Paraguayan people came in 1869, when the newly-appointed U.S. Minister, Martin T. McMahon, chose to accompany Francisco Solano López and his government on the retreat into the interior as a seeming show of support for a "gallant little republic" on its last legs. Then, the Hayes Award of the late 1870s came in which U.S. President Rutherford B. Hayes acted as an international arbitrator and decided in favor of Paraguay in a land dispute with Argentina. The Paraguayans not only remembered the man's sympathy, they even proceeded to name the biggest community in their Chaco territory after the American president.<sup>32</sup>

The hope of finding security in the patronage of a far-off government in Washington, and in causing Brazil and Argentina to compete for influence in Asunción sustained Paraguay for many years and came to constitute a major factor in the country's strategic culture. Even on occasions where American support seemed indirect, still it was vital. For instance, between 1932 and 1935, Paraguay engaged in a bloody war with Bolivia over possession of the Chaco territory. Extremists of both the Left and the Right claimed that the war was inspired by the competing interests of the major oil companies. While proof was lacking in this accusation, the notion of a malevolent specter threatening Paraguay in the

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<sup>32</sup> Frank O. Mora and Jerry W. Cooney, *Paraguay and the United States: Distant Allies* (Athens, 2007), pp. 23-91. This supporting source is cited by Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience," pp. 14-15.

form of international capitalism worked well for those Paraguayans who had rediscovered their xenophobia, now expressed in tones redolent of fascism. At the same time, the majority of the Paraguayans, especially those in government, praised the efforts of the United States to bring about a resolution to the conflict. Though the Nobel Peace Prize went to the Argentine foreign Minister, it was widely recognized in Asunción that the North Americans had done more to bring peace.<sup>33</sup>

The political hegemony of the *Colorado* party in Paraguay's domestic arena ended in 1904, when a revolution, with the support of Argentina, returned the Liberal party to power in Asunción. But the Liberal party and its members were not successful in maintaining political and democratic stability from 1904 to 1922. During this period fifteen different presidents—all members of the Liberal party—came and left office under strained conditions. Despite these political difficulties, the favorable international market conditions and a number of effective state policies allowed the country to start economic recovery, producing important export surpluses that made the country better off. It is safe to argue, however, that up to the 1930s global economic crisis and the outbreak of war with Bolivia in 1932 both the *Colorado* and Liberal parties, the military leadership, and the large landowners (all related to each other by family ties, business interests, and political interests) were the generators and gatekeepers of Paraguay's strategic culture.

The Paraguayan people learned, with a degree of surprise, despite the twists and turns that had spread for decades, that another armed conflict was brewing in the horizon. This time it was against Bolivia over disputed territory in the western Chaco.<sup>34</sup> Concerned by the situation created by its powerful neighbors to the north and south, Paraguay never established the definitive boundaries of the vast territory opening to the West, nor was the region sufficiently populated by Paraguayans and economically developed. In fact, Paraguay's actual presence was limited to merely some minor military posts, a number of colonies, and nomadic Indians. War erupted in June 1932 and culminated with the triumph of Paraguay over Bolivia. Peace was signed on July 21, 1938, allowing Paraguay to consolidate its western boundaries and gain a significant portion of territory in the Chaco Boreal.

In many ways, the Chaco War was a catalyst to unite the political opposition with workers and peasants, who furnished the raw materials for a social revolution. After the 1935 truce, thousands of soldiers were sent home, leaving the regular army to patrol the front lines. The soldiers who had shared

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<sup>33</sup> Leslie R. Rout, Jr., *Politics of the Chaco Peace Conference, 1935-1939* (Austin, 1970).

<sup>34</sup> The extended discussion in this section of the events leading up to the Chaco War and the political aftermath of the war for Paraguay are drawn entirely from Alberto E. Dojas, "Elementos para un Informe sobre la Cultura Estratégica del Paraguay," pp. 4-6. He also cites the following sources in support of his historical narrative, arguments and conclusions: Luis A. Galeano and Olga M. Zarza, "Paraguay y sus vecinos: los condicionamientos políticos-ideológicos de los conflictos," *Perspectiva Internacional Paraguaya*, Vol. 1, No. 1-2, (1989) Centro Paraguayo de Estudios Sociológicos, Asunción.; and Riordan Roett, *Paraguay: The Personalist Legacy* (Boulder, CO.: Westview Press, 1991).

the dangers and trials of the battlefield deeply resented the ineptitude and incompetence they believed the Liberals had shown in failing to prepare the country for war. These soldiers had witnessed the miserable state of the Paraguayan army and were forced in many cases to face the enemy armed only with machetes. After what they had been through, partisan political differences seemed irrelevant. The government offended the military rank-and-file by refusing to fund pensions for disabled war veterans in 1936 while awarding 1,500 gold pesos a year to General Estigarribia, commander of the Paraguayan forces during the Chaco War. Colonel Franco, back on active duty since 1932, became the focus of the nationalist rebels inside and outside the armed forces. The final spark to rebellion came when Franco was exiled for criticizing President Ayala. On February 17, 1936, units of the army descended on the Presidential Palace and forced Ayala to resign, ending thirty-two years of Liberal rule.

Outside Paraguay, the February revolt seemed to be a paradox because it overthrew the politicians who had won the war.<sup>35</sup> The soldiers, veterans, students, and others who revolted felt, however, that victory had come despite the Liberal government. Promising a national and social revolution, the *Febrerista* Revolutionary Party (*Partido Revolucionario Febrerista*—PRF)—more commonly known as the *Febreristas*—brought Colonel Franco back from exile in Argentina to be president. The Franco government showed it was serious about social justice by expropriating more than 200,000 hectares of land and distributing it to 10,000 peasant families. In addition, the new government guaranteed workers the right to strike and established an eight-hour workday. Perhaps the government's most lasting contribution affected the national consciousness. In a gesture calculated to rewrite history and erase seven decades of national shame, Franco declared Solano López a national hero *sin ejemplar* (without precedent) because he had stood up to foreign threats and sent a team to Cerro Corá to find his unmarked grave. The government interred his remains along with those of his father in a chapel designated the National Pantheon of Heroes, and later erected a monument to him on Asunción's highest hill.

Despite the popular enthusiasm that greeted the February revolution, the new government lacked a clear program. A sign of the times, Franco practiced his Mussolini-style, spellbinding oratory from a balcony. But when he published his distinctly fascist-sounding Decree Law No. 152 promising a "totalitarian transformation" similar to those in Europe, protests erupted. The youthful, idealistic elements that had come together to produce the *Febrerista* movement were actually a hodgepodge of conflicting political tendencies and social opposites, and Franco was soon in deep political trouble. Franco's cabinet reflected almost every conceivable shade of dissident political opinion, and included socialists, fascist sympathizers, nationalists, *Colorados*, and Liberal *cívicos*. A new party of regime supporters, the

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<sup>35</sup> In addition to the sources identified in the previous footnote, see <http://www.country-data.com/cgi-bin/query/r-10086.html> for material used in this narrative of historical and political events in the aftermath of the Chaco War.

Revolutionary National Union (*Unión Nacional Revolucionaria*), was founded in November 1936. Although the new party called for representative democracy, rights for peasants and workers, and socialization of key industries, it failed to broaden Franco's political base. In the end, Franco forfeited his popular support because he failed to keep his promises to the poor. He dared not expropriate the properties of foreign landowners, who were mostly Argentines. In addition, the Liberals, who still had influential support in the army, agitated constantly for Franco's overthrow. When Franco ordered Paraguayan troops to abandon the advanced positions in the Chaco that they had held since the 1935 truce, the army revolted in August 1937 and returned the Liberals to power.

The military, however, did not hold a unified opinion about the *Febreristas*. Several attempted coups served to remind President Félix Pavia (the former dean of law at the National University) that although the February Revolution was out of power, it was far from dead. People who suspected that the Liberals had learned nothing from their term out of office soon had proof: a peace treaty signed with Bolivia on July 21, 1938, fixed the final boundaries behind the Paraguayan battle lines. In 1939 the Liberals, recognizing that they would have to choose someone with national stature to be president if they wanted to hold onto power, picked General Estigarribia, the hero of the Chaco War who had since served as special envoy to the United States. Estigarribia quickly realized that he would have to adopt many *Febrerista* ideas to avoid anarchy. Circumventing the die-hard Liberals in the National Assembly who opposed him, Estigarribia assumed "temporary" dictatorial powers in February 1940, but promised the dictatorship would end as soon as a workable constitution was written.

Estigarribia vigorously pursued his goals. He began a land reform program that promised a small plot to every Paraguayan family. He reopened the university, balanced the budget, financed the public debt, increased the capital of the Central Bank, implemented monetary and municipal reforms, and drew up plans to build highways and implement public works. An August 1940 plebiscite endorsed Estigarribia's constitution, which remained in force until 1967. The constitution of 1940 promised a "strong, but not despotic" president and a new state empowered to deal directly with social and economic problems. But by greatly expanding the power of the executive branch, the constitution served to legitimize open dictatorship.

The death of Estigarribia in a plane crash in 1940 brought to power the Minister of War, Higinio Morínigo, whose rule lasted until 1948. He concentrated power in his hands and pursued a somewhat ambiguous policy during the Second World War, which led to confrontations with the United States for his sympathy for the pro-Axis Argentines.<sup>36</sup> Interestingly enough, though, the coalition formed by liberals, *febreristas* and communists to overthrow Morínigo facilitated the resurgence of the Colorado

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<sup>36</sup> Dojas, "Elementos para un Informe sobre la Cultura Estratégica del Paraguay," p. 6. He cites in support of his assertion, Roet, *Paraguay: The Personalist Legacy*, p. 147.

Party and the accession to power of General Alfredo Stroessner, who became the leader of the party. He proceeded to govern the Paraguay as a "strong man" between 1954 and 1989. His rule helped to consolidate the influence of the military on the political life of Paraguay and, therefore, its major influence on the strategic culture of the country.<sup>37</sup> In sum, the coming to power of the Colorado Party and General Stroessner closed the cycle of Argentina's influence in Paraguay, through its support of the liberals, and opened a new period of Brazilian influence through its active support of the Colorado Party. The Colorado Party became an authoritarian structure, predominantly in the conception and implementation of public policies and in its control of the armed forces.

Purportedly victorious in the Chaco conflict, Paraguayans now witnessed a new period of national self-assertiveness, though not of economic prosperity. Strategic culture in the post-Chaco War period took the form of playing all potential competitors off against each other.<sup>38</sup> During World War II, a time in which its government was as authoritarian as that of Spain or Italy, Paraguay shrewdly moved to join the U.S. bandwagon against the Axis. North American monies paid for the construction of highways through the countryside, and U.S. health programs worked to curb malaria.<sup>39</sup>

The allied victory in World War II and the expansion of U.S. hegemony in Latin America set the stage for Paraguay to use its alliance with Washington as a balancer to upset the traditional pressures of Argentina and Brazil on the country. This was evident during the rule of Stroessner,<sup>40</sup> who became one of the paradigmatic examples of what would be years later termed the Kirkpatrick Doctrine; that is, to favor pro-Western authoritarian over communist dictatorships like Fidel Castro's Cuba. Stroessner used and exploited the East-West rivalry very shrewdly in order to articulate Paraguay's relationship with Washington.

Postwar prosperity in both Brazil and Argentina brought Paraguay considerable benefits, especially in commerce. Brazilian monies started slowly to flow into the Alto Paraná. The Perón government in Argentina successfully courted Asunción, which agreed for a time to a trade convention between the two countries. Yet, despite words evoking an "undying friendship" with Buenos Aires, the Paraguayans carefully eschewed the use of any Argentine nationalist vocabulary that Washington would likely find provocative or insulting.

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<sup>37</sup> "Paraguay's long tradition of personalism and autocratic rule, since before the regime of President Alfredo Stroessner, emphasizes the role of the executive over the legislature and society in foreign policy decision-making. Paraguay's strong caudillo heritage exaggerated personal rule, and weak institutionalization has led to the dominance of the executive in all areas of public policy." This is quoted by Alberto E. Dojas in his individual report. The citation is attributed to Frank O. Mora, "Paraguay, from the *stronato* to the democratic transition," in Jeanne A. K. Hey Ed., *Small States in World Politics: Explaining Foreign Policy Behavior*, (Boulder, CO: Lynne Rienner Publishers, 2003).

<sup>38</sup> Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience," p. 15-17.

<sup>39</sup> Michael Grow, *The Good Neighbor Policy and Authoritarianism in Paraguay* (Lawrence, 1981).

<sup>40</sup> As recommended by Dojas in his report, for an analysis of the decision-making process during the "Stronato" and its successors, see Frank O. Mora, "Paraguay, from the *stronato* to the democratic transition."

Paraguay had learned to play the diplomatic game very well, successfully bidding for economic aid from whomever would offer help, while keeping the domestic scene controlled, especially after a civil war in 1947 drew blood on a fairly wide scale. The Paraguayans certainly learned some lessons from that conflict on how foreign powers could be managed. In this respect, the Stroessner dictatorship (1954-1989) displayed a strategic outlook rather like Ceausescu's Romania--internally repressive, often brutally so, while externally flexible, it was always ready to play the role that foreign patrons might assign it. When one outside power failed to deliver, Alfredo Stroessner never had trouble finding another. The Brazilian military regime eventually provided the material support that the U.S. had grown either too conservative or too squeamish to provide, and when Brasília pulled back on some of its aid, Asunción had little difficulty in appealing to South Korea, Chile, Nationalist China, and even the apartheid regime in South Africa. Liberal opponents of the *Stroenista* regime condemned it as ethically reprehensible, as upholding reactionary politics in the region. But the skill of the Paraguayan government in generating outside help was truly impressive.<sup>41</sup>

At the same time, the success of the *Stroenista* economic policies eventually undermined the workings of the dictatorship. To borrow a phrase from Karl Marx, Stroessner created the conditions for the rise of his own gravediggers. The construction of a more modern economy, associated in the 1970s with the building of the Itaipú hydroelectric complex on the Paraná River, saw the birth of a politically significant middle class that proved intolerant of the *status quo*, and anxious for the next generation to live not just longer, but better lives in a new Paraguay.

The decline of the Stroessner dictatorship, we should remember, coincided with that of the Soviet Union and its satellites. The two phenomena are remotely connected. More than most Latin American dictators, Stroessner coveted the laurels associated in Washington's eyes with an unbending anti-communism. Though this Cold War posture masked an ongoing repression of moderate reformers rather than communists, still it won for the dictator two decades of active support and nearly one decade of waning support from the United States government. But Stroessner did not know what to do with President Carter's human rights policy. From his perspective, he had served as a loyal friend in the global struggle against the Soviets and now had been betrayed by ingrates in Washington. The Paraguayan people, however, viewed this development differently, giving the United States a new measure of prestige for its moral leadership. Ultimately, General Alfredo Stroessner could not adapt to the new political landscape in the region and his rule caved in under a coup orchestrated by his own son-in-law, General Andrés Rodríguez, who despite his *golpista* credentials served well as a transitional figure to the current far more complex and sometimes more confusing form of representative government. Civilians came to

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<sup>41</sup> Carlos Miranda, *The Stroessner Era: Authoritarian Rule in Paraguay* (Boulder, 1990).

dominate the state, though the *Asociación Nacional Republicana* (or *Colorado Party*) continued as the majority party well into the 21st century.

Throughout these complex series of twists and turns in the political history of Paraguay since independence to the present, there were few real shifts in the strategic culture. First, the government in Asunción and the public at large continued to dwell on the constraints imposed by geography and by the political machinations of Paraguay's neighbors. The elaboration of a free trade arrangement through MERCOSUR convinced many people that the old fears had been justified, and that Brazil and Argentina would sooner exploit the country than aid its development. At least under the old regime there was smuggling as a way to get ahead, now even that avenue seemed closed off. There has been a great deal of disappointment that democracy has failed to deliver anything remotely like prosperity and where there is disappointment, there can also be anger.

Second, the younger generation is apt to make jokes about corruption in Paraguay, and to bemoan the president's womanizing not because it is morally repugnant but because it is all too familiar. But behind the self-deprecation we can still hear the pride of community and tradition. Guaraní has undergone a resurgence in the country, and popular sentiment had once again turned decidedly against outsiders, especially Brazilian agro-business in the Alto Paraná. No one would seriously suggest that Paraguay re-isolate itself as in the time of Dr. Rodríguez de Francia, but politicians have issued demands that foreign powers show greater respect for Paraguayan sensibilities. It is doubtful that such demands will go much beyond words, but any foreigner seeking to understand the enduring power of Paraguayan history should know that Paraguayans have paid a remarkably high price for their freedom. Even in a continent marked by increased economic integration, the phrase "*independencia o muerte*" still animates more than a few hearts. So does the ongoing quest for a "land without evil," as the old Guaraní Indians were trying to find.<sup>42</sup>

## **Geo-economics and Strategic Culture**

The economic dimension of Paraguay's strategic culture stems primarily from market considerations that may have led to the Triple Alliance War and Chaco War.<sup>43</sup> According to Seigle's individual report, in order to understand the argument, it is important to keep in mind that the liberal economic paradigm holds that international trade, based on comparative advantage, will benefit all countries that engage in it, and the fear of losing the gains from trade will lessen the likelihood of

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<sup>42</sup> This part of the analysis draws on the report by Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience," pp. 18-19.

<sup>43</sup> This section on the economic determinants of the strategic culture of Paraguay is based on the data, analysis, and conclusions presented in the individual report written by Carlos Seigle, *The Economic Determinants of Paraguayan Strategic Culture.*"

international conflict between trading partners. By a corollary of the liberal economic model, it is argued that since Paraguay's neighboring countries had similar natural endowments, they were less likely to trade with each other and more likely to engage in wars such as the Triple Alliance War and the Chaco War. In other words, these neighboring countries produced similar tradable goods and, thus, competed for the same input sources and international product markets.

The Triple Alliance War erupted soon after world trade began to expand in the mid- eighteenth forties, partly as a result of the fall in transportation costs stemming from the introduction of steamship navigation, and following the replacement of the relatively conservative government of Rosas in Argentina by a relatively more liberal government that in 1852 allowed free navigation of interior rivers, the Paraná river in particular, through which the output of interior regions could reach the Atlantic. Until then, virtually autarkic Paraguay and the Brazilian interior province of Mato Grosso stood to benefit significantly. In Argentina and Brazil increased trade appears to have been positively associated with political liberalization. In Paraguay, however, rising exports in the 1850s and early 1860s strengthened the autocracy that had been installed during the preceding decades of world trade contraction. Interpreting the 1845 Anglo-French expedition that sought to lift Rosas' blockade of the Paraná river as a sign that internal river navigation would soon be free, the autocratic Paraguayan government of Dr. Rodríguez de Francia in 1846 reserved for itself the international trade in *yerba mate* and naval construction woods, the country's most important export products. That is, it declared a government monopsony (or buyer's monopoly) on export-quality of these two staples, and monopolized their export. Private entrepreneurs could export these goods only by express government permission. As a result, the Paraguayan government became the country's main exporter of forest goods after 1852.<sup>44</sup>

The government of Paraguay power over regional markets, together with falling prices of European manufactures, improved the country's terms of trade as well, and government revenues and the state's military capability also grew rapidly. Government imports of European guns, ships, and military materiel rose. In addition, the government established a "capital goods industry" to make local production of military goods feasible and to attempt the construction of ships and of a railroad, all of which would facilitate increased exports of resource intensive goods and imports of European manufactures. Free

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<sup>44</sup> Seiglie provides the following evidence in support of his argument. That the autocratic Paraguayan government did interpret the combined Anglo-French expedition of 1845 and its September blockade of Buenos Aires as a harbinger of increased trade and higher land prices is clear from an article titled "La navegación del Río Paraná y sus afluentes," published in Paraguay's government newspaper and therefore attributable to Carlos Antonio López. See *El Paraguayo Independiente* No. 32, Saturday 13 December 1845, pp. 1-5. After their victory at the battle of Vuelta de Obligado in January of 1846, the combined Anglo-French forces broke the chains that Rosas had stretched across the Paraná River to prevent interior river navigation and sailed upriver. *El Paraguayo Independiente*, No. 40, of Saturday, 7 February 1846, pp. 1-5 reported the Battle of Vuelta de Obligado and its outcome by reprinting an article from *Comercio del Plata*, No. 52 titled "Destrucción de las baterías de La Vuelta de Obligado." The similarity between the combined Anglo-French expedition and Commodore Perry's attempt to lower Japanese barriers to trade is striking.

interior river navigation had a much lesser effect on Brazil's terms of trade since the region of Mato Grosso accounted for a comparatively small proportion of total Brazilian exports. Unlike in Paraguay, the government of Brazil had not established a monopsony over either *yerba mate* or naval construction goods, instead the production and distribution of these goods were in private hands.

The Triple Alliance War broke out after Brazil's constitutional monarchy, led by a liberal government, invaded Uruguay to help depose the conservative Blanco government. The *Blancos* were engaged in a civil war against their liberal Colorado opponents, who also enjoyed the support of the liberal government of Argentina, Brazil's traditional enemy in the region. The momentary coincidence of Argentinean and Brazilian interests and their joint support for the *Colorados* made a *Blanco* defeat in Uruguay certain. The Brazilian invasion did not threaten Uruguay's existence as a separate political entity, since the latter had been established as a result of the late 1820s Cisplatine War between Brazil and Argentina, had been preserved with the help of Britain, and served as a buffer between Argentina and Brazil. Yet, arguing that Brazil's invasion of Uruguay had altered the region's balance of power, the Paraguayan government seized a Brazilian steamship making its way to Mato Grosso and declared war on Brazil. Shortly thereafter it invaded the Brazilian province of Mato Grosso lying to the North, putting under Paraguayan control *yerba mate* forests previously exploited by Brazilian entrepreneurs who exported *yerba mate* to markets downriver, competing with Paraguayan producers.

As discussed above, the Paraguayan government attempted to march troops through Argentina's territory, which until then had remained neutral, to take control of Mato Grosso and engage the Brazilian troops. When the Argentine government refused to allow passage of belligerents through its territory, Paraguay declared war on Argentina as well. In Uruguay the *Colorados* had by now displaced the *Blancos* from power as well, and Argentina and Uruguay then joined Brazil in the war against Paraguay. In May of 1865 the three signed the Treaty of the Triple Alliance, through which Brazil secured Argentina's participation in the war by secretly agreeing to partition Paraguay in a manner very favorable to Argentina. Brazil would take disputed territory to the east and northeast of Paraguay; Argentina, on the other hand, would take territories to Paraguay's southeast, as well as the entire Chaco region. Though that clause of the Treaty was meant to be kept secret, it was published by Great Britain's government in early 1866.

Given Brazil's vast superiority over Paraguay, and the still greater superiority of the Triple Alliance partners, the Paraguayan war should not have erupted. So why would the Paraguayan government be willing to go to war not only against Brazil, but ultimately against Argentina and Uruguay as well—merely to assure that the Uruguayan *Blanco* government would remain in power? Seigle suggests that there may well have been good economic reasons or incentives for the Paraguayan

government to prefer a Blanco government in Uruguay, as well as to view with hostility Brazil and Argentina's imposition of a *Colorado* government there.

The economic reasons may be found by looking, first, at the similarities between the relative factor endowments of Brazil and Paraguay, and the competition for regional *yerba mate* export markets, those of Uruguay in particular, between the Paraguayan state and Brazilian private entrepreneurs. Attention must also be paid to the Paraguayan government's long nursed plans to form a federation with the similarly conservative government of Uruguay and with the Littoral provinces of Argentina that lay between them. These federative plans were consistent with how the Paraguayan government planned to exclude Brazilian competition in downriver markets as well as to assure itself unimpeded navigation of the Paraná and Uruguay rivers, a deep-water port at Montevideo, and access to the Atlantic. An early version of this federation had included Bolivia, which had been the most important market for Paraguayan *yerba mate* during the late colonial period and where similar political conditions as in Paraguay existed. Furthermore, there are indications that López's version of these federative plans could conceivably have included Bolivia as well. In that case, the federation would have stretched from the Atlantic to the Pacific. Such a federation, given its negative implications for Argentine territorial integrity, its political nature contrary to those of the governments of Argentina and Brazil, and the economic and military power that it could muster, would clearly have threatened Argentina, as well as Brazil, and would have met with their opposition.

What lessons can be drawn from the analysis of the Triple Alliance War about the economic origins of Paraguay's strategic culture? First, given Paraguay's isolated position and its paradoxical war against a much larger, better equipped, and formidable military alliance to protect its economic interests, demonstrates a resolute approach to use force aggressively to advance and protect its national geo-economic interests. Second, the devastating military loss was critical to the development of its strategic culture, because the country's economy became closed and the degree of government intervention in the economy became rampant and continues to this day. While its neighbors have looked outwards to expanding export markets, the power of the Paraguayan state has historically permitted contraband trade to flourish as a source of generating income. In other words, wealth is generated by arbitraging on the differential tax and regulatory policies of their neighbors instead of on productive economic activities that would lead the country to experience economic growth.

## **Originators, Guardians, and Conveyors of Paraguay's Strategic Culture**

Historically, Paraguay maintained an isolationist posture. It was an integral aspect of its strategic culture. This is significant and unique, especially when compared to the rest of its regional neighbors. In fact, no other country in South America opted for such a reclusive foreign policy disposition while

simultaneously exhibiting on several occasions the propensity to use its armed forces against external threats and regional rivals. Further, another element of its national strategy was the tactic to play off its powerful neighbors against each other, particularly during Stroessner's dictatorship, and courting and enlisting distant allies, like the U.S., to protect its national interests, territorial integrity, independence, and sovereignty.

Paraguay aggressively used its armed forces to advance and protect its vital national interests from 1846 up until the end of the Chaco War in 1935. It continued this strategy—albeit in a milder manner—until its last documented military interstate dispute with Argentina in 1962. During the post-Chaco War period, however, the role of the military became increasingly politicized and inward-looking. It clearly signaled an important strategy shift in the use of the armed forces. The military and former military leaders participated actively and routinely in the national political process, ultimately leading to the installation via a *coup d'état* in 1954 of the long-lasting military dictatorship of General Alfredo Stroessner Matiauda.

As discussed in greater details in the first two sections of this report, geographical imperatives and social fragmentation among several native peoples inhabiting the land now known as Paraguay caused a violent environment among the indigenous groups in the area. Accordingly, based on different sets of reasons, the Guaraní and the newly arrived Spanish *conquistadores* stroked an alliance of mutual convenience to advance and protect each other's interests. Ultimately, this relationship led to a strong and enduring socio-political bond that has defined to these days the general contours of Paraguay's national traits and strategic culture. It is, thus, plausible to affirm that Paraguay's propensity to isolate itself from neighboring actors and its inclination to seek distant allies instead of regional powers can be traced back to the early, colonial experiences in the province. These strategic cultural traits would be reaffirmed during the post-independence period and, certainly, throughout the nation-building and national consolidation processes in Paraguay, particularly in the aftermath of the Triple Alliance War.

It is no coincidence that national leaders like Rodríguez de Francia succeeded in keeping Paraguay's national independence intact against Argentine and Brazilian encroachment by adopting a reclusive approach *vis-à-vis* its powerful neighbors. Similarly, even when the country was in ruin, paying war reparations, and in need to rebuild an emaciated male population due to the war, Paraguay opened to migration and liberalization but, ultimately, rebuilt a sense of national pride and uniqueness as being sort of a people apart from the rest of its neighbors. Even when migration diversified the basic social fabric of the country, Paraguayans successfully fomented a new sense of national identity based on the *mestizo* and bilingual nature of their earlier ancestors. It was a kind of new Paraguayan social melting pot that promoted traditional national values, pride and a sense of uniqueness in the region—sort of a new Paraguayan nationalism. Thus, while these early experiences and actors were the originators of

Paraguay's strategic cultural traits, it is safe to argue, however, that up to the 1930s global economic crisis and the outbreak of the Chaco War in 1932, key individuals (for example, Rodríguez de Francia, Carlos Antonio López, Solano López, Manuel Domínguez, Juan O'Leary, Natalicio González, Caballero Melgarejo, General Estigarribia, Colonel Franco, President Ayala, and even the despicable dictator Alfredo Stroessner Matiauda), both the Colorado and Liberal parties, the *Febreristas*, the military leadership, the National War College, later the Institute of High Strategic Studies, and the large landowners (all related to each other by family ties, business interests, and political interests), were—whether one agrees or not with their socio-political views and approaches—the guardians and conveyors of Paraguay's strategic culture.

### **Paraguay's Strategic Culture since the Advent of Democracy in 1989**

Strategic culture since 1989, however, has taken on a more open and inclusive direction. At the state-to-state level it translates, first, to fomenting regional cooperation through interdependence, second, to promote and adhere to regional collective security, and, third, to promote an integrated domestic security.<sup>45</sup> Perhaps not originally linked to the wings of change in Paraguay's strategic culture, the Instituto de Altos Estudios Estratégicos (Institute of High Strategic Studies), together with several other national actors, has participated in devising, formulating, advancing, and disseminating through education and training a new integrated national strategy. Originally founded as the National War College on August 27, 1968, the Institute adopted its present name in 1999 and continued to train members of the National Armed Forces, National Police, Government functionaries, and members of the private and foreign sectors. Its mission has been to educate future national leaders in the doctrinal and methodological knowledge required to achieve the following objectives:

Greater harmony and effectiveness between different fields of state action and, thus, enable the realization of the common good of all Paraguayans on the bases of national development and National Defense, promoting civil-military integration; joint work; and the extensive discussion of national problems within a framework of academic freedom.<sup>46</sup>

The Institute has certainly played an increased role as keeper and conveyor of Paraguay's strategic culture, particularly since the advent of democracy in 1989.

Returning to the three post-1989 objectives listed above, with regard to the first objective, Paraguayan civilian and military leaders actively pursue a strategy of regional cooperation that consists of

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<sup>45</sup> This part draws on the individual report written by Enrique S. Pumar, "Paraguay: Social Fragmentation and Strategic Culture."

<sup>46</sup> See [http://www.iaee.gov.py/index\\_archivos/Page379.htm](http://www.iaee.gov.py/index_archivos/Page379.htm)

conducting joint military exercises and fostering tight bilateral and multilateral political, economic, diplomatic, and military relations with its South American neighbors, especially Brazil and Argentina.<sup>47</sup> The Asunción Declaration of 1971 governing the utilization of natural resources, the Brazilian-Paraguay Commission for Cooperation and Coordination established in 1975 to promote and monitor cooperation between the two countries, and more recently Paraguay's involvement with MERCOSUR are just three practical illustrations of how regional accords have been conceived by Paraguay's military and civilian conveyors of strategic culture to cultivate regional interdependence and, in turn, assure peace and stability with neighboring nations, short of military conflict.<sup>48</sup>

Another component of the external threat containment is the strategy aimed at inserting Paraguay into hemispheric regimes while fomenting close collaboration with the United States. In this regard, the number of collective security arrangements and initiatives conducted by civilian elites with the purpose of solidifying Paraguay's standing among the peaceful community of nations has included signing all major Inter-American treaties and participating in such homologous organizations as the Organization of American States (OAS) and the Inter-American Defense College. In terms of its relation with the United States, Paraguay occasionally participated in joined military exercises with American forces, has purchased substantial amount, by Paraguayan standard, of light military equipment from the United States. The reason for the relatively modest military procurement policy is to combat domestic terrorist threats and possible insurgency embodied by the (*Ejército Popular Paraguayo*) EPP. In addition, Paraguay has pledged to fight vigorously the number of subversive transnational activities originating out of the Tri-border region.

The origins of *Ejército Popular Paraguayo* date back to 1992, when a group of trainee priests established the *Movimiento Monseñor Romero*.<sup>49</sup> Their aim is to plot a socialist revolution. The leader of this group was Alcides Oviedo Brítez, who had allegedly been radicalized by Juan Francisco Arrom Suhurt, a noted local left-wing activist whom Oviedo had met in 1990. The group devised a strategy simultaneously comprising military and political elements. The clandestine military campaign was to be fronted by the *Ejército Revolucionario del Pueblo* (ERP), or Revolutionary Army of the People, led by Oviedo and his future wife, Carmen Villalba. Meanwhile, a parallel political campaign was allegedly to be spearheaded by the *Partido Patria Libre* (PPL), or Free Homeland Party, led by Arrom, which would operate legally within the country's system of "bourgeois democracy." The ERP subsequently re-branded

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<sup>47</sup> See <http://www.ejercito.mil.py/desarrollo.html>; and <http://www.ejercito.mil.py/internacional.html>

<sup>48</sup> See, Brazil and Paraguay Treaty of Friendship and Cooperation, [http://untreaty.un.org/unts/60001\\_120000/8/6/00014298.pdf](http://untreaty.un.org/unts/60001_120000/8/6/00014298.pdf)

<sup>49</sup> Background information, and explanations of ideology and political aims of the EPP are drawn from "Jane's World Insurgency-and Terrorism," and can be found at <http://www.janes.com/articles/Janes-World-Insurgency-and-Terrorism/Ejercito-del-Pueblo-Paraguay-EPP-Paraguay.html>

itself as the Ejército del Pueblo Paraguayo (EPP). According to the recently published report in *Jane's*, the EPP pursues a radical socialist political agenda that is broadly in line with the objectives of other left-wing militant groups operating in Latin America, and claims to be influenced by the Marxist revolutionary ideology of Ché Guevara and Régis Debray. The group has previously stated that "radical and revolutionary changes [are] the only way to dignify the suffering and hunger of our poor people," and a particular objective of the group is to assist peasant farmers in achieving land reform. Although engaged in criminal activity such as kidnapping—which the Paraguayan government has used to try and discredit the organization—the EPP has argued that such tactics represent a legitimate tool of political struggle. Ironically, though, President Fernando Lugo, who is the target of the EPP's attacks, received medical treatment in Cuba and has just paid an official visit to Fidel Castro and Raúl Castro in Havana, admittedly the Deans and champions of the radical communist movement in Latin America.<sup>50</sup>

In the domestic arena, on the other hand, the principle of integrated security, according to Paraguay's Ministry of Defense documents, calls for the Paraguayan military to work closely and in conjunction with the other branches of the state to foster the necessary peaceful internal environment that would facilitate the implementation of nation-building initiatives to develop further the country. The rationale behind this strategy evolves from the assumption, well documented by social science research, that underdevelopment, social deprivation, and despair are some of the root-causes of possible political discontent and upheaval. The principle of integrated security is well captured in the following statement from the Ministry of Defense:

It is a primary political and permanent function since it commences and develops during times of peace through activities geared toward the preparation of human, financial, technical and material resources that the country requires to confront in the best possible way modern threats to its national security.<sup>51</sup>

More specifically, the principle of domestic integrated security calls for policies aimed at the following national strategic goals and objectives:

- Preserve the inviolability of the Republic of Paraguay's national boundaries.
- Strengthen civil-military relations.
- Cooperate with the reestablishment of internal order in light of alterations in the public order.
- Cooperate in case of emergencies; provide in need of civil defense.

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<sup>50</sup> <http://www.presidencia.gov.py/v1/?p=55714>; <http://www.presidencia.gov.py/v1/?p=55729> and [http://www.elpais.com/articulo/internacional/Cuba/excarcela/miembro/Grupo/75/quedan/prision/elpepuintlat/20110219elpepuint\\_13/Tes](http://www.elpais.com/articulo/internacional/Cuba/excarcela/miembro/Grupo/75/quedan/prision/elpepuintlat/20110219elpepuint_13/Tes)

<sup>51</sup> See <http://www.mdn.gov.py/vision.html>

- Organize squadrons and administer reserves.
- Organize, equip and train its armed forces to confront any threat.
- Cooperate with activities supporting the national development of the country.
- Cooperate with the scientific and technological development of the country.<sup>52</sup>

Undoubtedly, in the final analysis the two most dramatic events that have influenced the strategic culture of Paraguay are the War of the Triple Alliance (1864-1870) and the Chaco War (1932-35). In the first, Paraguayan leaders miscalculated the amount of strategic support from its neighbors and ventured into attacking Uruguay expecting Argentina's backing. But Argentinean leaders surprised everyone by joining forces with its traditional rivals Brazil and Uruguay declaring war in order to counteract Paraguay's incursion into Argentina.

In the Chaco War, Paraguay declared war on Bolivia over a disputed territory in the western Chaco Boreal. The Paraguayan army managed to win the military battle but only after incurring an astronomical cost of human life on both sides. However, despite the military victory, Paraguayan officials could not win the political and diplomatic campaigns that ensued and it took until 1935 for a commission of neutral nations to guarantee an armistice and define the terms of the peace settlement between the two rivals.

The repercussions of these two conflicts, particularly the Chaco War, transformed the mindset of the military and civilian political leaders alike.<sup>53</sup> In addition to weakening the strategic capacity of the armed forces, these conflicts taught leaders about the futility of belligerent maneuvering as a means to achieve national security. Thereafter, there was a political realignment regarding the conduct of the country's security policies whereby the armed forces assumed the role of securing domestic sovereignty from any internal threats and meanwhile leaving the conduct of international entanglements in the hands of civilian diplomats. It is no coincidence that Paraguay has not fought another inter-state war since 1935 while also attempting to reaffirm its collective security through peaceful negotiations and by joining the United Nations, and most other international and regional regimes, only ten years after the settlement of the Chaco conflict.

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<sup>52</sup> See <http://www.ejercito.mil.py/>

<sup>53</sup> For a discussion and analysis of the lessons learned by Paraguayan military during the Chaco War, see Félix E. Martín, *Militarist Peace in South America* (New York: Palgrave, 2006), chapter 7.

## **Conclusion: Challenges, Continuity, and Change in Paraguayan Strategic Culture**

Paraguay is the only country in South America that pursued an isolationist foreign policy for much of its history. Also, it is a paradigmatic case in terms of the frequent, aggressive use of force in its external relations. Since the end of the Chaco War in 1935, nonetheless, the country began to shift the use of the armed forces from external to internal missions. This trend accelerated considerably in the early years of the dictatorship of Alfredo Stroessner, when the military became highly politicized and inward-looking in order to serve Stroessner's interests. Since the advent of democracy in 1989 the military began to move steadily towards a more professional role in society, diminishing somewhat its level of politicization. Further, Paraguay has accepted a regional and international responsibility and is actively participating in humanitarian international missions, spearheaded by the military, as is the case in Haiti.<sup>54</sup> The emergence of the Ejército del Pueblo Paraguayo and its increased belligerent activities, however, has prompted the military back into action, together with the National Police. This development maintains the use of military force focused on internal rather than external objectives, thus, rendering the strategic cultural shift more permanent.

Concluding, several challenges faced by Paraguay and possible changes in its strategic culture are discussed subsequently in bullet format:

(1) Paraguay has been historically notorious as a center of smuggling activities. It continues to be so, smuggling activities now concentrated in the tri-border area with Argentina and Brazil. In fact, drug trafficking in Concepción and San Pedro continue to present a problem. Impoverished farmers with few options have turned to cultivating marijuana for the Brazilian market, leading to greater lawlessness, and the threat, not entirely credible, of a peasant-based guerrilla *foco* or the Ejército Popular Paraguayo. Further, traditional smuggling of commodities and products such as cigarettes and most modern electronics has now been supplemented by arms trafficking, money-laundering and activities directed to the financing of terrorist organizations such as Hamas and Hezbollah. The fact that Asunción enjoys minimal control over the area offers reason for concern to international observers.<sup>55</sup>

(2) The weakness of the current Paraguayan government is not merely manifested in Ciudad del Este, it is evident everywhere. President Fernando Lugo currently enjoys almost no public support. The military remains loyal to him but principally because it is so weak. The *Colorado* Party, still dominant in many areas of the country, is plagued with internal divisions, and the Liberal Party, which for generations constituted the main opposition, is even more divided. Politicians try to act on these divisions by pushing

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<sup>54</sup> <http://www.presidencia.gov.py/v1/?p=55719>

<sup>55</sup> The conclusions in this section are drawn from the individual reports written by Whigham, "The Longue Durée of Strategic Culture: The Paraguayan Experience," pp. 19-20 and Bailey, "The Strategic Culture of Paraguay."

narrow, self-interested agendas in congress and generally getting nowhere for their efforts. It might be said that Paraguay suffers from a leadership crisis—a situation that might offer opportunities for unscrupulous self-promoters now and in the future. It has happened before.

(3) Paraguay's evolution as a representative democracy has occurred concomitantly with the rise of Brazil to hegemonic status. This represents the perennial fear for Paraguayans dating back to colonial times. They have, as we have seen, often sought to counteract its effects by appealing to Argentina or the United States or some other power for support. This will not happen so easily this time, in part because no one has shown any interest in assuming the role of 21st-century patron, and also because Brazil's development has taken on the character of an unstoppable juggernaut. Venezuela, or some combination of states dominated by Venezuela, may yet seek to overcome the advantages that Brazil has won in the rest of the continent, but in Paraguay it is already too late. Hegemons can afford to accommodate the whims of smaller countries on occasion, and we may see some minor concessions coming out of Brasilia, but that government shows little willingness to elaborate a flexible policy towards Paraguay. Paraguayans will continue to resent their neighbors, as much as they need them to survive.

(4) Paraguay maintains a small but active and well-trained riverine naval force, complete with air arm and a marine corps. The air force, on the other hand, is of negligible significance. And the army—the inheritor of the bellicose traditions fostered by the indigenous inhabitants and by the great interstate wars that were fought by the country in the nineteenth and twentieth centuries, is presently quite depleted and weak to serve as the major purveyor of an active external projection toward the border with Bolivia and the tri-border region. While Paraguay has a one-year mandatory military service, it has very small defense expenditures. Its force structure amounts to six infantry and three armored divisions. In addition, it counts on several engineering, communications and Special Forces battalions, and the Presidential Guard. Paraguay no longer has an indigenous defense industry and, thus, buys small amounts of military equipment from Brazil and the United States.

In sum, the considerably stronger military and the more aggressive military strategy of the country in regional affairs since independence up to the end of the Chaco War in 1935 were supplanted by weaker, inward-looking forces that were (and are) mostly focused on supporting the internal political designs and goals of the Chief Executive in office. In this sense, Paraguay's strategic culture changed drastically in the mid-1930s from an externally offensive posture to an internal, political focus. Weaker armed forces negatively affect the capacity of the country to handle effectively the increasing level of criminal and terrorist activities (and other non-traditional threats to the national interest) in the volatile tri-border region. Even if one considers it a hypothetical scenario at present, the weaker Paraguayan armed forces may not be capable of deterring or neutralizing a potentially emboldened Bolivia—given its militant political alliance with Chávez's Venezuela—from turning revisionist along its disputed border

with Paraguay in the near future. In the final analysis it appears that as part of its “new” national strategy, Paraguay opted for its military to be apt for police and law enforcement tasks and for multilateral humanitarian and peace-keeping missions rather than for external aggressive missions and/or to remain guardians of the state against possible external threats.<sup>56</sup>

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<sup>56</sup> <http://www.presidencia.gov.py/v1/?p=56071>

**TABLE 1**

NO	Source Country	Target Country	Start Year	Start Month
1	Paraguay	Argentina	1846	1
2	Paraguay	Brazil	1850	9
3	Paraguay	Argentina	1850	12
4	Paraguay	Brazil	1855	1
5	Paraguay	Brazil	1856	8
6	Paraguay	UK	1859	11
7	Paraguay	Brazil	1862	4
8	Paraguay	<b>War of the Triple Alliance</b> Brazil, Uruguay and Argentina	1863	8
9	Paraguay	Bolivia	1886	8
10	Paraguay	Bolivia	1887	12
11	Paraguay	Bolivia	1906	1
12	Paraguay	Argentina	1911	2
13	Paraguay	Argentina	1912	1
14	Paraguay	Bolivia	1918	11
15	Paraguay	Bolivia	1921	10
16	Paraguay	Bolivia	1922	9
17	Paraguay	Bolivia	1923	10
18	Paraguay	Bolivia	1924	8
19	Paraguay	Bolivia	1927	8
20	Paraguay	Bolivia	1927	2
21	Paraguay	Bolivia	1928	8

NO	Source Country	Target Country	Start Year	Start Month
22	Paraguay	Brazil	1928	10
23	Paraguay	Bolivia	1928	12
24	Paraguay	Bolivia	1930	1
25	Paraguay	Brazil	1930	2
26	Paraguay	Bolivia	1931	6
27	Paraguay	Bolivia	1935	8
28	Paraguay	Bolivia	1936	10
29	Paraguay	Bolivia	1936	3
30	Paraguay	Bolivia	1937	7
31	Paraguay	Bolivia	1937	5
32	Paraguay	Bolivia	1938	6
33	Paraguay	Germany and Japan	1945	2
34	Paraguay	Argentina	1959	12
35	Paraguay	Argentina	1962	5

Sources: Carlos Seigle, "Economic Determinants of Paraguay's Strategic Culture," Florida International University, Applied Research Center, September 23, 2010. This is based on data found in the Correlates of War Project Dataset at [www.correlatesofwar.org](http://www.correlatesofwar.org).

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