



**STRONISMO, POST-STRONISMO, AND THE  
PROSPECTS FOR DEMOCRATIZATION  
IN PARAGUAY**

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## **ABSTRACT**

This paper examines the possibilities for the emergence of a situation that would favor a transition to democracy in Paraguay. The author analyzes the historical development of relevant factors, both structural—demographic changes, transformations in the social structure, and international realignments—and contingent—redefinition of space for the opposition, the decay of stronismo and the difficulty of reproducing it—and evaluates the implications of these changes. The overall conclusion is that the changes in the socioeconomic and geopolitical matrix tend to favor a democratic outcome, but it is unlikely that these alone could bring about a political transformation. Nevertheless, when contingent factors are also taken into account, particularly the nature of the last phase of stronismo and the beginning of post-stronismo, there are indications that Paraguay is entering a crucial stage that opens up a range of possibilities for liberalization and democratization.

## **RESUMEN**

Este estudio examina las posibilidades de surgimiento de una situación susceptible de generar una transición a un sistema competitivo y participativo en el Paraguay. A fin de determinar las posibilidades de surgimiento de tal coyuntura democratizante, el trabajo analiza la evolución de una gama de factores estructurales (cambios demográficos, transformaciones en la estructura social, y realineamientos internacionales) y contingentes (la redefinición del espacio opositor, la descomposición del stronismo, y la dificultad de reproducirlo) y evalúa sus implicaciones. La conclusión general es que a pesar de que las transformaciones en la matriz socioeconómica y geopolítica favorecen una salida democrática, es improbable que ellas de por sí desencadenen un cambio político. No obstante, dichas transformaciones en conjunción con factores contingentes especialmente relacionados con la última fase del stronismo y el inicio del post-stronismo, señalan que el Paraguay comienza a vivir una etapa crucial que abre un abanico de posibilidades para la liberalización y la democratización del país.

## FOREWORD

This essay was completed in late February 1988. A draft copy was read at the Congress of the Latin American Studies Association in New Orleans. Stylistic corrections and a couple of updating footnotes were added in early October, when the final copy was made available for publication. Unfortunately, successive and unexpected publication delays held it from the public until this moment, when the Stroessner dictatorship is already history. I trust that, in spite of this, it can still be read profitably.

When a momentous event such as the overthrow of Stroessner takes place, the temptation to revise one's own writing in line with the new developments is great. To avoid falling into that trap, and yet account for the new events, this study is published as it would have been in October 1988 and a brief addendum is incorporated. As the reader can see, the basic liberalization scenarios that I argued were likely to prevail in a post-stroessner situation are unfolding as predicted. That includes the reunification of the Colorado Party with its center of gravity tilting towards the softliners and the reproduction of the civil-military pact although in more fluid terms.

Nevertheless, a year ago almost everybody—including this writer—would have been surprised first by the likelihood of a putsch occurring at all, and secondly by its timing. While the possibility of a coup increased dramatically toward the end of 1988, in the aftermath of Stroessner's prostate operation (see note 105), its timing caught most people (apparently Stroessner too) by surprise. Indeed, as is discussed in the addendum, the regime's decomposition process sped up significantly toward the end of 1988, and by early 1989 the possibility of a relatively violent or even military resolution of the crisis could no longer be ruled out.

This study explores whether a democratizing conjuncture<sup>1</sup> is emerging or is likely to emerge in these waning years of the Stroessner regime. The analysis is based on the assumption that a change of political regime requires that a number of identifiable conditions be met, and therefore that it is both theoretically possible and useful to assess the prospects for democratization.<sup>2</sup>

While in general regime change is the outcome of several developments, for the purpose of this analysis a distinction between structural and contingent factors is made. Structural variables refer to those less malleable and more long-term transformations (or lack thereof) in the socioeconomic structure and the international arena. They provide the matrix within which the political process unfolds and are not readily amenable to political manipulation in the short run. As the subsequent analysis demonstrates, structural transformations have direct implications for the behavior of political actors but the reverse is not always the case.

Contingent factors, on the other hand, denote the more manipulable universe of political strategies, civil-military relations, and the ideological outlooks of key political actors. Changes at

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### Endnotes

<sup>1</sup>A concept similar to J. Samuel Valenzuela's "situación democratizante," *Democratización Vía Reforma: La Expansión del Sufragio en Chile* (Buenos Aires: IDES, 1985).

<sup>2</sup> The theoretical approach that I have adopted is an eclectic synthesis, largely inspired by the works of Dankwart A. Rustow, Guillermo O'Donnell and Philippe Schmitter, and Adam Przeworski. See Rustow's "Transitions to Democracy: Towards a Dynamic Model," *Comparative Politics*, 2 (1977): 337-363, and the recent four-volume study edited by Guillermo O'Donnell, Philippe Schmitter, and Laurence Whitehead *Transitions from Authoritarian Rule: Prospects for Democracy* (Baltimore: Johns Hopkins University Press, 1986)—especially Adam Przeworski's "Some Problems in the Study of the Transition to Democracy" (pp. 47-63 in volume 2, *Comparative Perspectives*) and O'Donnell and Schmitter's *Tentative Conclusions About Uncertain Democracies* (Vol. 4). Future references to this work will indicate only the title of the volume. A recent and thought-provoking essay that examines some of the main theoretical issues in the study of Latin American redemocratization is James M. Malloy's "The Politics of Transition in Latin America" in *Authoritarians and Democrats: Regime Transition in Latin America*, edited by James M. Malloy and Mitchell A. Seligson, (Pittsburgh: University of Pittsburgh Press, 1987), pp. 235-258. Other studies of the topic include *Elections and Democratization in Latin America*, edited by Paul Drake and Eduardo Silva (San Diego: Center of U.S.-Mexican Studies, 1986), *Comparing New Democracies: Transition and Consolidation in Mediterranean Europe and the Southern Cone*, edited by Enrique Baloyra (Boulder, Co.: Westview Press, 1987), and the multi-volume collection edited by Larry Diamond, Juan Linz, and Seymour Lipset, *Democracy in Developing Nations* (Boulder, Co: Lynne Rienner, forthcoming 1989). Two very recent and different critical appraisals of the O'Donnell, Schmitter, and Whitehead project are Daniel H. Levine "Paradigm Lost: Dependence to Democracy," *World Politics*, XL, 3 (April 1988), pp. 377-394, and Jorge Nef "The Trend Toward Democratization and Redemocratization in Latin America: Shadow and Substance," *Latin American Research Review*, XXIII, 3 (fall 1988), p. 131-153.

this level may be prompted by structural shifts but may also result from other more ad hoc, short-term resource distribution or political choices. To use a game-theoretic analogy, while structural factors set the parameters that largely determine the game or range of games that can be played, it is the contingent factors that determine how the games are to be played.

A study of the prospects for political transition such as the one undertaken here need not, indeed cannot, focus on one set of these factors to the exclusion of the other. Democracy is neither the automatic byproduct of the “right” set of socioeconomic and geopolitical circumstances (or games), nor the pure and exclusive result of contingent compromise among political actors (or strategies) agreed upon in a structural vacuum. Rather, both structural and conjunctural variables combine to produce regime change. Hence, while some socioeconomic transformations tie old or free new social actors and determine the pool of resources available in the political arena, how, when, and for what purpose they are to be used depends largely on more specific political choices and organizational skills and constraints.

The relative importance of structural and contingent factors and the particular roles they play depend on national and historical circumstances. In the case of a transition from authoritarianism to democracy in Paraguay the specific set of conditions that must obtain cannot be determined independently from an understanding of the nature of the Stroessner regime. The first part of this essay will then be devoted to a brief but indispensable dissection of the regime that has been in power since 1954 and the sociopolitical context within which it emerged. Rather than attempt a complete historical discussion, the analysis highlights some of the key developments that accompanied political change in the post-1870 period to place the problematic of democratization in its broader historical context.<sup>3</sup> The rest of the paper is divided into two sections. The first examines the structural changes that have transformed Paraguay during the last two decades. The second analyzes the developments of the last few years and discusses possible scenarios for the future.

## I

### THE NATURE OF THE STROESSNER REGIME

The Stroessner regime cannot be simply described as a military dictatorship, a one-party dictatorship, or a personalist dictatorship. It combines elements of all three forms of domination,

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<sup>3</sup> The ridiculous claim that a transition to democracy in Paraguay is unlikely because of the country’s lack of democratic tradition is not only logically and theoretically flawed but also historically false. Time and space limitations preclude me from addressing this issue at greater length, but I do so in my “The Liberal Republic and the Failure of Democracy,” *The Americas*, (forthcoming April 1989).

however, and blends them in a very peculiar way. The military component provides the force and coercion, but the military does not rule as an institution. The Armed Forces have been pushed out of the process of governance and at the same time fully partisanized (*partidizadas*) through compulsory affiliation to the governing party.<sup>4</sup> The party, on the other hand, is in power only as a member of a troika. It provides political support and the necessary mass mobilization. A traditional nineteenth-century elite party, the Colorado or Republican Party has been increasingly militarized and through its 229 powerful local branches, or *seccionales*, reaches down to the remotest rural village. The *seccionales* administer political patronage and constitute a successful example of the counter-insurgency philosophy of civic action applied by a civilian bureaucracy.<sup>5</sup>

The leader of this system, General Alfredo Stroessner, is the great mediator: the military man vis-à-vis the party, and the party man vis-à-vis the military.<sup>6</sup> When he assumed power in 1954 after having dominated a military uprising he allegedly told the party that he had solved the “military” problem and that it was up to the politicians to solve the “political” one. The party then adopted Stroessner as its candidate, thus allowing him to go back to the barracks with the political endorsement of the Colorado Party.<sup>7</sup> By the early 1960s Stroessner had managed to eliminate all military rivals, ensuring that from then on no contact would exist between the party and the army but through him.

Two key historical developments, the evolution of the party system and the transformation of the military, should be borne in mind if one is to understand the success of the

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<sup>4</sup> The process was initiated by a decision of the party *Junta de Gobierno* to conduct a census of party members. The Comando en Jefe de las Fuerzas Armadas, by Circulars No. 24 and No. 26 of 22 and 23 July 1955, respectively, took the census to the barracks, Partido Liberal, *Manifiesto a la Opinión Pública*, 16 de Octubre de 1955. U.S. diplomatic documents dealing with this issue are transcribed in Alfredo Seiferheld and José Luís de Tone, eds., *El Asilo a Perón y la Caída de Epifanio Mendez* (Asunción: Editorial Histórica, 1988), pp. 91-93.

<sup>5</sup> Approximately twelve percent of the economically active population is employed by the government. Luis A. Campos and Ricardo Canese, *El Sector Público en el Paraguay* (Asunción: Ediciones de la Universidad Católica, 1987), p. 64. Affiliation to the party is compulsory for public employees, as is the payment of party dues, which are automatically withheld from their payroll.

<sup>6</sup> This double role is illustrated by Stroessner’s official dressing code. According to the circumstances he dresses in full military garb or in civilian clothes, even though he is still in active service. Only Stroessner has this double dress code. Other high-ranking military men only wear civilian clothes on private occasions.

<sup>7</sup> “Informe de la Junta de Gobierno del Partido Colorado a los Correligionarios Sobre los últimos Acontecimientos y la Situación Política Presente,” *El País* (Asunción) 19 May 1954, p. 1. Paul H. Lewis in *Paraguay Under Stroessner* (Chapel Hill: University of North Carolina Press, 1980), pp. 63-84, describes the coup and the circumstances surrounding Stroessner’s rise to power.

political formula that the Stroessner regime embodies. First, the structure of political support built by the Stroessner regime can only be comprehended against the background of the Paraguayan party system—one of the oldest and most powerful in Latin America. The Colorado (or Republican) and the Liberal Parties combined have historically shared more or less equally the support of as much as 90 percent of the population. Paraguay's traditional parties emerged in the 1880s and developed vast networks of clientelistic relations—veritable political machines that unlike their North American counterparts were however largely rural-based.<sup>8</sup> This was not a mere coincidence nor did it simply reflect the fact that 90 percent of the population lived in the countryside: it was also a function of the laissez-faire nature of the state apparatus.<sup>9</sup> Although clientelistic relations were solidly anchored on private bases, a considerable degree of overlapping between political and economic clientelism soon ensued. Political loyalties, hence, reflect the Paraguayan social structure. The enduring nature of party affiliations, on the other hand, results from the slow pace of social change—it has nothing to do with racist fantasies about the “psychology” of Paraguayans.

The Colorado or Conservative Party was born in power and remained in power until 1904. The slow but significant transformation of the economic structure in the last decades of the nineteenth century weakened the Colorado bases of elite support and allowed the liberals to take power in 1904. By the 1940s the country had changed significantly as well, but this time around the political transformations were probably more far-reaching than the economic ones. Chief among them, the growing militarism and institutional autonomy of the Armed Forces and the unprecedented expansion of the state generated a whole new situation. The Republican Party seized the opportunity opened by the collapse of the military-corporatist experiment to recapture power on January 13, 1947. Since then, the systematic partisan utilization of state resources to

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<sup>8</sup> For a more thorough discussion of the importance of timing and sequence of political development, especially the early introduction of universal adult male suffrage before the emergence of the parties, see my “The Liberal Republic and the Failure of Democracy.”

<sup>9</sup> In turn, the specific kind of machine that evolved was conditioned by the predominant property relations in rural Paraguay, characterized by the coexistence of a few large cattle-raising *latifundios* with many small agricultural *minifundios*. The hacienda-like structure, which thrived in the Andes and Central America and Mexico, did not develop in Paraguay, and therefore the use of hired rural manpower was largely limited to the few *peones* needed in the *estancias*. Agricultural production was undertaken by independent *campesinos*, occasionally small property-owners, sometimes sharecroppers, but more often simple squatters.

The type of political machine that can prosper in this environment is almost inevitably tied to the commercialization process. Since the political apparatus of the state is not a large enough source of patronage, bosses are bound to be those with easy access to premium resources: commercialization, financing, and transportation. Patrons would then be those who can provide links to the urban markets and/or those who can grant credit for the purchase of essential staples.



strengthen the already existing clientelistic apparatus has resulted in the emergence of a formidable machinery of control and cooptation unseen before in Paraguay. Furthermore, the partisanization of the Armed Forces that followed in the wake of the revolution of 1947 ensured the emergence of a one-party army and the use of the repressive apparatus of the state to sustain the regime.

In turn, the rising militarism and the changing nature of military intervention in the 1940s and early 1950s was the result of a complex set of factors. For the first three decades of the twentieth century the Paraguayan Armed Forces underwent a rapid process of professionalization and institutionalization. Although not without setbacks, that development succeeded nonetheless in creating the machine that made it possible to defeat Bolivia, a larger and more populated country with a better equipped and generously financed military, in the Chaco War.

The victorious war brought about, if unintendedly, the growing militarization of civil society. Thousands of veterans—for whom the distinction between the military and civilian sphere of life had been blurred by the war experience—were demobilized and reentered the political arena.<sup>10</sup> The Chaco War victory also infused the military with both a greater awareness of its corporate self-interest and a newfound confidence and sense of mission. Having defeated the external adversary, a large part of the officer corps felt it was time to tackle the domestic enemy: the backwardness and economic dependence that resulted from the laissez-faire nature of the liberal state. The growing diffusion and attraction of nazi/fascist and socialist ideas further contributed to the intensity of the anti-liberal feelings in some military circles. Finally, the Liberal Party's virtual abdication from power in February 1940 opened the doors wide open to military intervention.<sup>11</sup>

For the following five years the military unsuccessfully tried to impose a corporatist-military model. Yet, unlike its Argentine counterparts at the time, the Paraguayan military could

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<sup>10</sup> For example, in his *Capítulos de la Historia Política Paraguaya 1935-1940* (Asunción: Criterio Ediciones, 1986), p. 96, the distinguished liberal intellectual Carlos Pastore argues that the "civilianist" tradition of the Liberal Party was subsumed ("*superada*") by the identification of civilians and military men in the war front.

<sup>11</sup> The Liberal Party had hoped to reestablish control of the military through the "adoption" of the Chaco War's greatest hero, General José F. Estigarribia, as its presidential candidate. Soon after elected, Estigarribia died in a plane crash, however, and the whole plan collapsed. The relative ease with which the liberals were thrown out of power after Estigarribia's untimely death attests to the fragility of their control over the military. The "adoption" strategy had been most enthusiastically supported by the liberal youth under the leadership of a group later known as *cuarentista* (after the year), and the older generation of traditional liberals made it something of a scapegoat. In their defense, the *cuarentistas* responded that "hicimos un acuerdo con los hombres, pero no hicimos un pacto con la muerte." Pedro R. Espinola, "Introducción," p. 26, in Pastore, *Capítulos de la Historia Política Paraguaya*.

not count on a social base of political support capable of challenging existing political organizations. Political parties had so deeply penetrated the fabric of civil society and party affiliations were so intense and widespread that the “market” for new political organizations was simply saturated. Attempts to rely on the support of alienated conservative civilians also collapsed as they failed to elicit popular support. By the early 1950s a clear power stalemate had emerged. Neither the political parties—unable to control the barracks—nor the military—devoid of political support—could govern alone. The need for some sort of politico-military alliance along the lines of that made by Estigarribia in 1939 had become evident. The Stroessner regime filled that need.

Although the paramount importance of domestic developments can hardly be overemphasized, external factors also played a large role in the emergence and especially in the consolidation of the Stroessner regime. From the beginning Brazil enthusiastically supported Stroessner. He had been trained in Brazil and in an aborted 1948 uprising sought refuge in the Brazilian Embassy. The pro-Argentine leaning of the government of Federico Chaves and his signing of an economic union agreement in October of 1953 was resented by some military groups and played an important role in the 1954 crisis.<sup>12</sup> In contrast, Stroessner moved Paraguay into becoming firmly integrated into the Brazilian sphere of economic and military influence. As a result, by the early 1980s Brazil had become Paraguay’s largest creditor, biggest trading partner, and second largest source of foreign investment.<sup>13</sup>

Under the influence of Cold War hysteria, the United States provided additional economic support needed for Stroessner to consolidate his power. Paraguay ranked in the top third of Latin American countries recipients of U.S. aid until the early 1960s. U.S. aid as a percentage of its GDP was 2.7 percent for the 1953-1961 period, significantly higher than that of such big aid-getters such as Brazil, Chile, and even Nicaragua. That percentage increased to almost 5 percent for the 1962-1965 period.<sup>14</sup> Equally important were intelligence sharing<sup>15</sup> and the public

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<sup>12</sup> I discuss this in more detail in “Notes on the Emergence of the Stroessner Regime,” unpublished manuscript, Miami University 1988, and “Constraints and Opportunities: External Factors, Authoritarianism, and the Prospects for Democratization in Paraguay,” *Journal of InterAmerican Studies and World Affairs*, 30, 1 (Spring 1988), pp. 73-104.

<sup>13</sup> Ricardo Rodriguez Silvero, *La Integración Económica del Paraguay en el Brasil* (Asunción: Editorial Arte Nuevo, 1983), pp. 108, 143, 146, and 172-73.

<sup>14</sup> Abente, “Constraints and Opportunities,” pp. 15-17.

<sup>15</sup> Philip Agee, *Inside the Company: A CIA Diary* (New York: Stonehill Publishers, 1975), pp. 338-343, describes an operation mounted in Montevideo to infiltrate the Paraguayan opposition engaged in a rural guerrilla movement against the government of General Stroessner.

displays of support offered by successive U.S. ambassadors and military missions and recorded by the Paraguayan government through photo opportunities that sent powerful messages to regime supporters and opponents alike.<sup>16</sup>

The Stroessner regime would not have lasted as long as it has had it not resorted to high levels of repression. Gradually, however, the institutionalization of coercion and fear led to the internalization of repression, or the “*reprimete a vos mismo*” attitude. This factor, together with the very success in destroying political opposition groups as well as the ruthless resort to highly targeted repression to prevent the re-emergence of organized opposition, resulted in a decrease in the general level of open repression as measured by “indicators” such as number of political prisoners and disappeared persons. The story that lies behind the surface, therefore, belies the unfortunate belief that Stroessner has ruled “almost unchallenged.”<sup>17</sup> That over time the balance between coercion and consent has somewhat shifted toward the latter is the proof that repression had been so effective that the system could start relying more on targeted repression combined with the cheaper mechanism of self-repression. Yet, when self-control begins to relax, and fear starts to be overcome, the regime unleashes a new wave of violent and indiscriminate repression to make sure that the memories of terror do not fade too far into the past.<sup>18</sup> This is why both repression and relaxation are cyclical or, better, have become cyclical *after* the regime managed to consolidate its military situation in the early 1960s. The Stroessner regime, in short, has used repression to a much greater extent and in a much more sophisticated fashion than casual observers, believing that his is a traditional and caudillistic dictatorship, realize.

The above discussion illustrates a more general point. The subsistence of a regime, authoritarian or otherwise, does not always require the support of a majority of the population or the permanent use of high levels of generalized repression. A well organized minority and an

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<sup>16</sup> Until the early to mid-1970s the North American Ambassador and the Papal Nuncio were the two diplomats most often seen with Stroessner in prominent pictures printed by newspapers and shown on television. This was the case not only on official occasions but on others, such as his birthday, as well.

<sup>17</sup> As, for example, Alan Riding is led to believe in “Tensions Usher in a Ritual Election in Paraguay,” *The New York Times*, February 14, 1988, p. 12.

<sup>18</sup> One such fear-instilling measure constitutes, for example, periodic and surprising police round-ups of the population in highly visible public places and at peak traffic hours, conducted to “verify” if all carry proper police identification, the *cedula de identidad*. Those who do not are jailed until positively identified as a non-suspects. Political opponents when jailed are often deprived of their *cedulas*, which are not returned to them upon release. As a result, many of them are forced to live as non-documented individuals, unable to get credit, open a checking account, or even get a job.

apathetic majority or a population paralyzed by fear, despair, or distrust will do. There are many political resources available to authoritarian rulers intent on perpetuating themselves in power other than seeking the active support of the populace or engaging in direct repression of the opposition.<sup>19</sup> In the case of Paraguay, after the “success” of the unusually harsh and repressive period of demobilization and destruction of the political organizations of the opposition that accompanied the installation of the regime, the reproduction costs of the system in terms of coercion lowered just as its legitimacy requirements rose. Then and only then was the regime able to capitalize on its argument that not only is the opposition nonviable as an alternative, but the regime itself constitutes a better one anyway because it provides (terror-born) peace, (police-state) order, and (U.S.-financed) progress.

Yet, the Stroessner regime is a powerful authoritarian machine that rests not only on force and repression but also on the ability to mobilize the support of a mass-based conservative party and coopt the consent or at least neutrality of a large segment of the population. Without repression the regime would have not lasted as long as it has, but neither would it have lasted without the politics of cooptation and neutralization. Because the Stroessner regime came to power as it did and when it did, it froze the inclusion into the political arena of a segment of the population (in a relation of dependence) and the exclusion of another one. Inclusion and exclusion, nevertheless, did not follow class but partisan lines, thus assuring for the regime the support of a significant cross-section of the country’s population. This support, of course, was elicited because the regime was able to deliver tangible benefits to its supporters.<sup>20</sup> Also, the fact that the structure of support crossed class lines made a new political class-based praxis more difficult and reinforced existing partisan identities by design (in the case of the Colorado Party) and by default (in that of the Liberal and Febrerista Parties).

The effective closing of the political arena outside the Colorado Party has also been accompanied by the lack of restrictions, in fact by the inducement to participate, in the economic and social realm. “*No te metas en política*” has then not only been a negative warning. It has also been a suggestion of a thoroughly depoliticized alternative lifestyle, the culmination of which

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<sup>19</sup> Alexis de Tocqueville put it this way “... un despote pardonne aisément aux gouvernés de ne point l’aimer, pourvu qu’ils ne se aiment pas entre eux. Il ne leur demande de l’aider à conduire l’État, c’est assez qu’ils ne prétendent point a le diriger eux mêmes.” *La Démocratie en Amérique* (Paris, 1963), p. 272. This passage was brought to my attention by a footnote of Francisco Delich “Estructura Agraria y Hegemonia en el Despotismo Republicano Paraguayo,” *Estudios Rurales Latinoamericanos*, IV, 3 (September-December 1981), pp. 239-256.

<sup>20</sup> I am partially drawing here on the insights of analysis of Adam Przeworski’s in his “Material Bases of Consent: Economics and Politics in a Hegemonic System” in Maurice Zeitlin, *Political Power and Social Theory*, Vol. 1 (Greenwich: JAI Press, 1980), pp. 21-66.

was the distribution of rewards, quasi-militarily administered by the government and the party. Thus, the "*afiliate al partido*" suggestion opened even more opportunities for personal and socioeconomic advancement.<sup>21</sup> By the early to mid-1960s the very longevity of the regime added to its strength both in terms of repressive capabilities as well as in terms of the arsenal of spoils at its disposal, and therefore it became increasingly difficult to combat. As we will show later, however, just as it has been proven extremely difficult to change it or, better, precisely because of that, it will be equally or more difficult to reproduce it.

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<sup>21</sup> I cannot deal with the issue of corruption here. Suffice it to say, that, although it is widespread, the regime does not rest on it to the extent that other dictatorships have done. Corruption helps, no doubt, to grease the machinery of government and keep high-level discontent at bay, but often it acts more as a golden parachute for one who has no option but to open it or fall without it than as the pillar without which the regime would collapse. Corruption mollifies more than it buys; it sweetens alternative options and enhances the attractiveness of not challenging the system. Although not referring to corruption per se, Victor Morinigo in a letter to his friend and mentor Natalicio Gonzalez eloquently captured the reality that lies behind it when he complained that he faced two choices, exile or paid exile, meaning the ambassadorship in Peru. Like corruption, the paid exile alternative makes the system easier to accept and the price of an unsuccessful challenge much more expensive. (From Victor Morinigo to Natalicio Gonzalez, Lima, March 16, 1959. Natalicio Gonzalez Collection, MS E 192 Vol. 2, Kenneth Spencer Research Library, The University of Kansas, Lawrence.)

## II

### THE POLITICAL IMPLICATIONS OF STRUCTURAL CHANGE

Regime change in Paraguay, as elsewhere, has been related to broader transformations along a number of key structural dimensions. As Figure I shows the three instances of regime change experienced in Paraguay in the twentieth century have been primarily associated with significant shifts in a number of structural dimensions such as the demographic balance, the social structure, and the international context. Figure I also examines the present circumstances to ascertain the extent to which changes important enough to provide structural possibilities for regime change are present. Figure II reorders that information in a condensed manner in terms of whether certain changes are present or absent. The analysis that follows seeks to determine the extent to which current structural changes are favoring or hindering political change.

#### The Demographic Balance

The rural-urban cleavage has played a significant role throughout the history of the country.<sup>22</sup> This fact, compounded by the strong rural roots of the party system, makes it very important to examine the evolution of the urban-rural balance in the last few decades. Census data (see Table I) show a very slow rate of urbanization, particularly if compared with the rapid process of rural-urban migration undergone by other Latin American countries. The urban population remained at about 34 percent of the total population from 1950 to 1960 and increased to 37.4 percent by 1972 and to 42.3 by

TABLE I

#### The Urban-Rural Dimension

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Year	% Urban Population	% Rural Population	No. of Cities > 5,000	No. of Districts > 20,000
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<sup>22</sup> Yet its importance has too often been ignored. The origins of this cleavage can be traced back to the very foundational years of the nation when Dictator Francia with the support of the rural oligarchy of old settlers destroyed the Asunción-based mercantile elite, mostly made up of Spanish newcomers. For an insightful analysis of an aspect of this conflict see Jerry Cooney "The Rival of Dr. Francia: Fernando de la Mora and the Paraguayan Revolution," in *Revista de Historia de América*, 100 (July-December 1985), pp. 201-229.

1950	34	66	8	7
1962	35	65	16	21
1972	37	63	18	27
1982	42	58	32	37

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SOURCE: CEPAL, *Anuario Estadístico de América Latina, 1976*, p. 500, and Dirección General de Estadística y Censos, *Censo Nacional de Población y Viviendas 1982. Cifras Provisionales* (Asunción, 1982), pp. 3, 25, 26.





**FIGURE 2**  
**A Comparison of Regime Chance along Key Variables**

Change in	1904	1930s	1954	1990s
Demographic Balance	P	A	A	P
Social Structure*	A	A	A	P
Dominant Socioeconomic Elite	P	P	A	P
International Context	P	P	P	P
Military	P	P	P	?
Dominant Ideological Discourse	A	P	A	P
Nature of Change Coalition	SB**	SBI	SNE	WBI

P = present to a significant degree  
A = significantly absent

S = strong  
W = weak  
B = broad

N = narrow  
E = exclusionary  
I = inclusionary

\* Refers to changes in the social structure other than realignments at the elite level.

\*\* Popular sectors present somewhat in the rhetoric but significantly absent from the whole political problematic.

1982.<sup>23</sup> An estimate for 1986 put it at 43.9 percent. Whereas in the 1960s urban areas grew faster than the national average, in the 1970s and the 1980s their growth rates remained hovering around the national average.<sup>24</sup>

Aggregate figures on urbanization, however, do not show certain important dimensions of demographic change. For example, while the number of cities of more than 5,000 inhabitants only rose from 16 to 18 between 1962 and 1972, that number reached 32 by 1982. Also, the rate of growth of urban conglomerates of more than 20,000 inhabitants has been considerably higher than that for urban areas as a whole. Whereas they accounted for 15.2 percent of the population in 1950 and 15.9 in 1960, they represented 21.5 percent in 1970 and 29.3 percent in 1982, i.e.

<sup>23</sup> Conferencia Episcopal Paraguaya, Equipo de Pastoral Social, *Tierra y Sociedad. Problemática de la Tierra Urbana, Rural, e Indígena en el Paraguay* (Asunción: CEP, 1984), p. 62.

<sup>24</sup> Inter American Development Bank, *Economic and Social Progress in Latin America. 1987 Report* (Washington: IDB), p. 422.

the percentage of the population living in cities of more than 20,000 inhabitants almost doubled in the last 30 years. Several of these conglomerates are located in the periphery of the capital and consequently the growth of metropolitan Asunción has been significant.<sup>25</sup> In 1982, 26.24 percent of the national population lived in Asunción and its environs as compared to 24.56 percent in 1972, 22.49 percent in 1962, and 20.46 percent in 1950.<sup>26</sup> In short,

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<sup>25</sup> To be sure, a change in the definition of urban districts might be inflating this growth somewhat but the trend holds nevertheless because of the growing economic integration and subordination of the whole area to Asunción.

<sup>26</sup> CEPAL, *Anuario Estadístico 1985* (New York: United Nations, 1985), p. 80, and Dirección General de Estadísticas y Censos, *Censo de Población y Viviendas de 1982. Resultados Preliminares* (Asunción: Ministerio de Hacienda, 1982), pp. 21 and 26.

whereas as a whole the urban/rural balance has changed slowly, it is noteworthy to observe that the pace of urbanization has accelerated in the last decade and there is a steady tendency toward concentration within urban areas, particularly metropolitan Asunción and cities of more than 20,000 inhabitants.

Secondly, and perhaps more importantly, the rural panorama has changed dramatically as well. A major demographic shift, perhaps the most important in Paraguayan history, has taken place with the opening of the eastern agricultural frontier. As a result, the three most important departments of the east have experienced phenomenal growth rates between 1972 and 1982.<sup>27</sup> Whereas the increase of population for that period averaged 28.3 percent nationally, the population in the Department of Alto Paraná grew by 178.8 percent, that of Canendiyú by 138.3 percent, and a more modest but still remarkable 47.7 percent was registered in the case of Caaguazú. Only the Central Department that includes the periphery of Asunción kept up with the growth rate of the east and showed a 59.2 percent increase. Likewise, only three other departments had growth rates slightly exceeding the national average.

The population of the whole central and southwestern part of the country has grown at well below the national average between 1972 and 1982.<sup>28</sup> This region concentrated 43.4 percent of the population in 1950, 39.4 percent in 1962, 32.9 percent in 1972, and only 26.5 percent in 1982. In contrast, whereas only 6.1 percent of the population lived in the eastern departments in 1950,<sup>29</sup> that figure increased to 8.2 percent in 1962, 12.7 percent in 1972 and 18.4 percent in 1982. If the southeastern department of Itapúa, which has a relatively similar socioeconomic and historic background is included, the percentage increases from 14.5 in 1950 to 27.1 percent in 1982.<sup>30</sup>

Thus, in spite of the overall impression that little if anything has changed in this respect in the last three decades, what has taken place is indeed a fundamental population shift. Migratory flows involved the growth, indeed the creation, of an Asunción metropolitan area that barely

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<sup>27</sup> I am excluding the northeastern Department of Amambay from this comparison and including that of Caaguazú, because the former has an older and different settlement pattern. The latter's, on the other hand, is socioeconomically more similar to that of Alto Paraná and Canendiyú.

<sup>28</sup> Includes the Departments of Cordilleras, Caazapá, Guairá, Ñeembucú, Misiones, and Paraguari.

<sup>29</sup> The Department of Canendiyú is not included in 1962 and 1950 because its creation dates from late 1973. The department, however, was formed by allocating an area originally belonging to Alto Paraná and Caaguazú and therefore the total population of the *area*, including what is now Canendiyú, is represented by the older departments.

<sup>30</sup> Calculations of the author based on 1982 Census data.

existed three decades ago, and the movement of a vast segment of the population from the areas of old settlement in the central and south-western region of the country to the newly open frontier in the east and northeast.<sup>31</sup>

The political economy of this transformation is discussed elsewhere.<sup>32</sup> Suffice it to say here that it cannot be explained in isolation from the new role of Brazil and the strategic political, economic, and military policies of the Stroessner regime. More importantly, though, this population shift was certainly *not* a spontaneous process but rather the result of three decades of implementation of an agrarian colonization program devised in the context of broader policies that consistently promoted the ruralization as well as the deindustrialization of the country.<sup>33</sup>

Any discussion of the impact and result of the colonization policy should begin by emphasizing that in spite of its thirty years, only 52.2 percent of the farms in the eastern region of the country where 98 percent of the population lives correspond to property owners with legal titles. Almost a third, 29.9 percent still correspond to simple squatters and 12.7 to sharecroppers.<sup>34</sup> Secondly, the Gini index of land concentration varies from a low of 0.67 for the Itapua region (a zone of significant Japanese migration) to a high of 0.90 for the Misiones area.<sup>35</sup> This situation has remained unchanged for the last 30 years. The index of concentration rose from 0.743 in 1942/43 to 0.955 in 1956 and stood at 0.928 in 1981.<sup>36</sup> As Tables II, III, IV, and V show, in spite of thirty years of agrarian colonization policy, the rural structure continues to show persistent patterns of gross inequality in the distribution of land.

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<sup>31</sup> The rural-rural migration process is also discussed by Francis Gillespie in his "Comprehending the Slow Pace of Urbanization in Paraguay Between 1950 and 1972," *Economic Development and Cultural Change* (January 1983), pp. 355-375.

<sup>32</sup> For example, R. Andrew Nickson, "Brazilian Colonization of the Eastern Border Region of Paraguay," *Journal of Latin American Studies* 13,1 (May 1981), pp. 111-131.

<sup>33</sup> It is useful to note here that the architect of the regime's agrarian policy was Juan Manuel Frutos, a leader of the Paraguayan section of the World Anti-Communist League. Although not a traditionalist, he ended up joining them in confronting the militants and is expected to lose his position in the near future. The last section of this essay deals with the intra-party rivalry between traditionalists and militants in more detail.

<sup>34</sup> Slightly different figures are given by Carlos Romero Pereira, *Una Propuesta Ética* (Asunción: Editorial Histórica, 1987), p. 126.

<sup>35</sup> Conferencia Episcopal Paraguaya, Equipo Nacional de Pastoral Social, *Tierra y Sociedad*, pp. 319-321.

<sup>36</sup> Carlos Fletschner et. al., *Economía del Paraguay Contemporáneo*, 2 vols. (Asunción: Centro Paraguayo de Estudios Sociológicos, 1984) I: 55.

Finally, whereas 80 percent of the land distributed was government-owned, 20 percent of it came from the breakdown of 93 *latifundios* of well more than 10,000 hectares each. The expropriations, however, were agreed upon in a very gentlemanly manner and the phenomenal increase in the value of the land that those landowners retained,

**TABLE II**  
**Land Tenure Patterns: 1956 and 1981**  
**Paraguay and Eastern Region\***

Hectares	Number of Farms (%)		Surface Area (%)	
	1956	1981	1956	1981
Up to 10	69.3 (87.1)	55.9 (78.0)	1.5 (8.8)	1.6 (11.8)
From 10 to less than 50	25.6 (10.6)	37.0 (17.0)	3.9 (6.3)	7.6 (13.9)
From 50 to less than 200	2.9 (1.5)	4.4 (2.2)	2.4 (5.6)	4.8 (10.4)
From 200 to less than 1000	1.2 (0.6)	1.6 (0.6)	4.6 (12.0)	7.4 (14.8)
More than 1000	1.1 (0.2)	0.9 (0.2)	86.7 (67.2)	78.0 (49.3)

\* Percentages between parenthesis are for the eastern region only.

SOURCE: CEPAL, *Economic Survey of Latin America and the Caribbean*, 1982, I: 507.



**TABLE IV**

**Land Tenure Patterns in Areas of Old and New Settlement  
According to Five Size Criteria  
(in percentages of total units in department)**

	CAAZ	CORD	GUAI	CTRL	PRGI	ALPR	CAAG	CANY
Hectares								
Up to 10	67.4	83.8	75.5	86.96	79.6	40.9	71.6	46.1
10- 50	28.6	14.5	21.8	11.93	16.9	48.6	25.6	44.9
50- 200	3.0	1.2	2.1	0.85	2.4	8.4	2.1	6.5
200-1000	0.6	0.3	0.5	0.18	0.7	1.8	0.6	1.6
1000 & more	0.4	0.1	0.1	0.07	0.4	0.2	0.2	0.8

SOURCES: Conferencia Episcopal Paraguaya, Equipo de Pastoral Social, *Tierra y Sociedad*.

**TABLE V**

**Patterns of Land Occupation  
(in hectares and percentages)**

	Less than 5	Surface occupied by units of Between 5 and 10	More than 200
Caazapá	2.51	3.56	66.27
Central	9.54	6.97	67.25
Cordillera	7.52	10.60	52.20
Guairá	5.61	8.94	37.66
Paraguarí	4.83	6.05	63.79
Alto Paraná	0.68	2.29	56.30
Caaguazú	2.97	8.43	46.36
Canendiyú	0.41	1.77	73.21

SOURCES: Same as Table III.

brought about by the same colonization that the expropriation was making possible, far exceeded what they may have lost through underpricing and/or bribing. Perhaps more importantly, the steady but nonetheless dramatic decline of the yerba mate market, which was by far the most important productive activity of the eastern region, had left those landowners somewhat impotent and had significantly devalued the price of their land-holdings. Last but not least, the largest eastern landowner, *La Industrial Paraguaya*, was controlled by Argentine interests. As we have seen elsewhere the waning influence of Argentina weakened this group further and left it willing to be satisfied with damage control strategies that relied heavily on offering government and military officers large chunks of land in exchange for limiting the amount of land to be expropriated.<sup>37</sup> Thus, whereas landholdings of more than 10,000 hectares now occupy 51.5 percent of the farmland as opposed to 62.6 percent in 1956, claims that such a change means that the government has intended to and has actually destroyed the landed oligarchy are totally farfetched.<sup>38</sup>

At the same time, though, the policy of colonization has brought about too many significant changes that can be ignored only at the peril of losing sight of reality. To begin with, more than 93,000 lots were awarded between 1956 and 1982, giving birth to 487 rural colonies and directly affecting the lives of an estimated 450,000 people, or some 25 percent of the rural population.<sup>39</sup> The number of lots awarded is equivalent to 50 percent of the number of rural families in 1956, or 30 percent in 1981, and 89 percent of the increase in farms between these

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<sup>37</sup> Comité de Iglesias, *Formas de Organización Productiva Campesina* (Asunción: np, 1981), p. 213, n. 65, includes excerpts of an interview with a well-informed observer, which discusses these deals. Another interviewee, p. 215, n. 74, describes the uneasiness of a lt. colonel in carrying out some arrests. See also, Tomás Palau Viladesau and María Victoria Heikel, *Los Campesinos, El Estado, y Las Empresas en la Frontera Agrícola* (Asunción: Base/Pispal, 1987), pp. 32 and 40.

<sup>38</sup> IBR populist rhetoric notwithstanding. Consider, for example, this jewel: “En 1940 la estructura de la tenencia de la tierra estaba conformada de la manera siguiente: a. propietarios 5%, b. arrendatarios o aparceros 4%, c. ocupantes precarios 91%. Unica alternativa: Guerra al latifundio, adoptando medidas políticas en sus dos aspectos: como ciencia y como arte. Para enfrentar a sectores poderosos como la oligarquía latifundista, hay que contar con aliados también poderosos. En Paraguay los ejecutivos de la Reforma Agraria nos aliamos con el pueblo, las Fuerzas Armadas, y la juventud.” Juan Manuel Frutos, *De la Reforma Agraria al Bienestar Rural* (Asunción: IBR, 1977).

<sup>39</sup> The rural population of Alto Paraná, Caaguazú, and Canendiyú accounts for 23.4 percent of the total rural population of the country. However, if one adds the departments of San Pedro and Itapúa—large areas of which exhibit a pattern similar to that of the eastern departments—the percentage rises to 44.4.



two years is accounted for by the agrarian colonization policy. How can such a process be ignored?

Land tenure patterns also changed significantly. In traditional settings 94 percent of the farms had 50 hectares or less. This percentage remained almost unchanged for 93 percent of the farms in the newly open agricultural areas. The ratio of small to middle-size farms is quite different, however. In areas of old settlement, three quarters of those units have less than 10 hectares and only a quarter fall in the 10 to 50 hectares category. By contrast, in the new agricultural colonization area the ratio is roughly 1 to 1 with a slight predominance of middle-size over small-size farms. As table 3 shows, the ratio of middle-size (20-50 hectares) to small-size (less than 5 hectares) holdings is 1.44 for the three eastern departments, but only 0.16 for the 5 *minifundio* departments of the central region. In the case of the two most typical areas of new settlement, Alto Paraná and Canendiyú, the ratio is 1.94, i.e. there are almost two kulaks for each poor peasant. The kulak, thus, is by far a stronger component of the rural countryside in the east than in the rest of the country.

What are the political implications of all these demographic changes? Until the mid- to late 1970s, the slow overall pace of urbanization clearly benefited the political status quo, reinforcing the conservative "agrarian bloc" at the expense of urban constituencies. The net result has been to retard political change not only because it slowed the development of socially new constituencies but also, and perhaps more fundamentally, because the slow pace of the process of change facilitated political manipulation and control from above.<sup>40</sup> Nevertheless, there is a limit as to how much can be accomplished through policies aimed at delaying urbanization. With the agricultural frontier virtually exhausted, and barring radical land redistribution, it seems evident that this model cannot last much longer. In fact, the faster rates of urbanization and urban concentration of the last decade indicate that a gradual reversal of that situation has already begun.

On the other hand, the emergence of a new rural middle class raises the possibility that some sort of permanent political realignment has taken or may soon take place in the countryside. How has the colonization process affected the existing balance of political loyalties between the Liberal and the Colorado Parties in rural areas and the possibilities of developing new ones? Is the new rural constituency of kulaks likely to become a pro-government stronghold and/or a bulwark of conservatism? By and large, the new rural middle class has lent considerable support to the regime, albeit not so much because of its socioeconomic background

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<sup>40</sup> Samuel Huntington, *Political Order in Changing Societies*, 1968.

as because so large a segment is made up of Brazilian migrants.<sup>41</sup> Foreigners in the east, as everywhere, tend to stay away from politics and provide at least passive support to the existing regime.<sup>42</sup> As for the Paraguayans, those who managed to get the bigger lots probably did so because of their good connections and therefore it may be safe to assume that a large percentage of them are supportive of the government or at least neutral toward it.

Nevertheless, as the actual act of settlement and the mechanisms utilized to accomplish it fades into the past, more immediate current concerns are going to play a larger role. Such issues includes the exchange rate and credit policies that greatly determines their profitability. To the extent that the present problems overcome the importance of past connections this class—regardless of party affiliation—is likely to become increasingly vocal and its political position may well therefore depend more on contingent instrumental calculations than on past party loyalties.

Finally, and concomitantly with the strengthening of a rural middle class, a large number of peasants, as much as 42.3 percent of the total, still belongs in the category of small peasants owning less than 5 hectares. Furthermore, the available evidence suggests that there is a growing process of disintegration of this group in the east and

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<sup>41</sup> As many as 41 percent of the farmers owning between 20 and 50 hectares in Alto Paraná are Brazilians. In the case of Canendiyú the figure is 31 percent. According to the 1982 census, 82,953 Brazilians live in rural Paraguay. This represents 78 percent of the total population of foreigners in rural areas but less than 20 percent of the number of *campesinos* affected by the colonization process. Ministerio de Agricultura y Ganadería, *Censo Agropecuario de 1981* (Asunción, MAG, 1985), pp. 42-43, and Dirección General de Estadísticas y Censos, *Censo de Población y Viviendas de 1982* (Asunción: Ministerio de Hacienda, 1986), p. 416.

<sup>42</sup> No survey of political opinions is available for this area. However, a study of a German colony in the neighboring Department of Itapúa shows a strong support for the regime and a great suspicion of the opposition. José N. Morinigo and Ilde Silvero, *Opiniones y Actitudes Políticas en el Paraguay* (Asunción: Editorial Histórica, Fundación Friedrich Naumann, and Universidad Católica, 1986), pp. 143-148. Again, fear may play a role in shaping the respondent's answer, but it seems clear that even controlling for that the government would come up well. A difference, potentially important in the future, is that whereas the experience indicates that German and Japanese migrants as well tend to retain their foreign identities for several generations, Brazilians may become integrated more rapidly and easily into mainstream Paraguayan society.

that as a result of it the size of the properties they own is shrinking. More poor peasants are now at the bottom of the ladder than in 1956.<sup>43</sup> Also the number of landless peasants, although small as a percentage of the total rural population, is growing.<sup>44</sup> Whether or not these peasants still retain the political loyalties they had before migrating, their political behavior appears to be less and less determined by party affiliation. It is important to note, for example, that it is in this area where the most bitter land occupations and conflicts are taking place<sup>45</sup> and that the well-known leaders of the *Unión Nacional de Campesinos Onondivepa*, have defined themselves as belonging to traditional parties.<sup>46</sup> It is also important to observe that the level of organization of the peasantry has reached an all-time high and, as never before, independent peasant movements have won a significant political space thus enhancing the prospects for the emergence of new political forces.<sup>47</sup>

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<sup>43</sup> Tomas Palau, *El Cultivo del Algodón y la Soya en el Paraguay y Sus Derivaciones Sociales*, Estudios e Informes de la CEPAL No 58 (Santiago de Chile: CEPAL, 1986), pp. 30-31, and Luis A. Galeano, "La Diferenciación Socioeconómica en el Campo y las Migraciones. Paraguay 1950-1975," pp. 208-209, in Domingo M. Rivarola, ed., *Estado, Campesinos, y Modernización Agrícola* (Asunción: Centro Paraguayo de Estudios Sociológicos, 1982). Compare also in Table V the area occupied by small units in areas of old and new settlement.

<sup>44</sup> According to the 1981 Agricultural Census there were 7,278 "explotaciones sin tierra." Assuming an average family size of six, the number of landless peasants would then be around 44,000. Some experts disagree with that figure, however, and suggest that the number of landless peasant increased from approximately 68,000 in 1956 to approximately 91,000 in 1981. Ministerio de Agricultura y Ganadería, *Censo Agropecuario 1981* (Asunción: MAG), p. 15, and Tomas Palau Viladesau, personal communication to the author, 26 February 1988.

<sup>45</sup> Whether this is the case because of the process of pauperization alluded to above, or because of the general loosening of rigid standards and control mechanisms that generally accompanies massive population shifts, or both, can only be ascertained in an impressionistic way because of the lack of systematic studies of this phenomena. Data on recent conflicts is available in Romero Pereira, *Una Propuesta Ética*, p. 134, and Ramón Fogel, "Las Invasiones de Tierras: Una Respuesta Campesina a la Crisis," pp. 45-88, in Domingo Rivarola, ed., *Los Movimientos Sociales en el Paraguay* (Asunción: Centro Paraguayo de Estudios Sociológico, 1986).

<sup>46</sup> Marcelino Corazón Medina as a colorado and Bernardo Torales as a liberal radical authentic, "Amenazan a Dirigentes Campesinos," *Notas Trimestrales del Comité de Iglesias*, No. 4, 1987, p. 29.

<sup>47</sup> There are three major peasant organizations in Paraguay, the MCP (*Movimiento Campesino Paraguayo*), the *Unión Nacional de Campesinos Onondivepa*, and the CONAPA (Coordinación Nacional de Productores Agrícolas), and one umbrella institution, the *Asamblea Permanente por el Derecho a la Tierra*. For a brief review of recent development see Celso Velazquez "Algunos Logros y Muchos Problemas en las Organizaciones Rurales," in *Sendero. Anuario 1987*, pp. 50-52. For a more historical and general overview see José Carlos Rodríguez, *Onondivepa: Análisis*

This trend toward a gradual disintegration of traditional constituencies in some areas of the countryside has created a highly volatile and increasingly polarized rural situation whose political implications are difficult to predict. On the one hand it has resulted in a tremendous increase in land takeovers and in peasant organizations that press for social and implicitly political reform as well. Nevertheless, the highly unstable situation of the new frontier has also provided a ready mass of helpless peasants, economically dispossessed and no longer able to resort to traditional clientelistic networks, easily manipulable by government hardliners.<sup>48</sup> Thus, whereas the breakdown of old constituencies offers high potential for political change in the long run, in the short run it may help precisely those sectors most adamantly opposed to it.

To summarize, it is much too early and we know too little about it to be able to predict any permanent political realignment, either pro- or anti-colorado, as a result of the opening of the eastern frontier.<sup>49</sup> Although the migratory shift to the east has created a new class of kulaks likely to support this regime and conservative governments in the future, it is far from clear that it has set up a totally new political game. To begin with, the pattern of change had a distinctive geographic connotation that left out vast areas of the countryside. Most Paraguayan beneficiaries of land awards, moreover, were obviously coreligionists of the government, or peasants just finishing their military drafts, and party structures were used to extract political benefits from the process and semi-coactively exact support for the regime. Once the lid is off, however, old political loyalties may resurface and the liberal-colorado balance of sorts reestablished. Moreover, whereas the process of colonization gave the government a twenty-year grace period to safely deal with land pressure, the exhaustion of the agricultural frontier combined with the growing importance and increasing radicalization of poor peasants may be creating the conditions for a realignment but of a different sort: one which could bring about the breakdown of the colorado-liberal monopoly of peasants' political allegiances.

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*de Algunas Formas de Organización Campesina en el Paraguay* (Asunción: Comité de Iglesias, 1982), Carlos Alberto Gonzalez, Gladys Casaccia, Mirna Vazquez, et. al. *Organizaciones Campesinas en el Paraguay* (Asunción: CIDSEP, 1987), pp. 25-65, and Benjamin Arditi and José Carlos Rodríguez, *La Sociedad A Pesar del Estado. Movimientos Sociales y Recuperación Democrática en el Paraguay* (Asunción: El Lector, 1987), pp. 53-70.

<sup>48</sup> As will be seen below, it is in these areas where the *militante* faction of the Colorado Party has made the greatest strides, while it is in areas of old settlements where *traditionalist* strongholds are located.

<sup>49</sup> Francisco Delich in his "Estructura Agraria y Hegemonía" takes a different position and sees this development as quasi-irreversibly strengthening the Stroessner regime by way of reinforcing the agrarian bloc. Many important political and historical mediations, however, significantly complicate the picture.

## The Social Structure

How much socio-structural change has taken place in Paraguay in the last three decades? How profound were the changes that occurred? Has a significantly new social setting emerged? Are there new social actors? Have existing players been weakened or strengthened? What impact does it all that have on the political process?

Although in general Paraguay's social matrix has changed just as slowly as other relevant indicators, the pace has certainly quickened in the last decade. In 1950, 56.1 percent of the workforce was employed in agriculture and this figure decreased slightly to 54.7 by 1960. By 1972, however, that figure had declined to 49.6 percent and fell further to 42.9 percent by 1982. Employment in the secondary sector, in contrast, remained steady at 19 percent between 1950 and 1982 whereas the share of the service sector grew from 25 percent in 1960 to 38 percent in 1980. (Table VI). As a result of these changes the population not employed in agriculture expanded from 43.9 percent of the workforce in 1950 to 57.1 percent in 1980.

As is the case with the rural/urban balance, aggregate figures conceal some subtle and potentially significant changes. For instance, whereas employment in the secondary sector held steady at around 19 percent, there has been a significant decline of jobs in manufacturing, which occupied 12 percent of the workforce in 1982 as opposed to 15 percent in 1962, accompanied by a substantial rise in construction jobs, a

TABLE VI

**Distribution of the Economically Active Population  
(in percentages)**

	1950	1962	1972	1982
Primary Sector	56.1	54.7	49.6	42.9
Secondary Sector	19.4	18.5	17.8	18.5
Tertiary Sector	24.5	26.8	32.6	38.7

SOURCE: CEPAL, *Anuario Estadístico de América Latina, 1985*, pp. 102-105, for 1950; Corvalan Vazquez, "Recursos Humanos y Empleos," p. 155, for other years.

**TABLE VII**  
**Percentage Share of GDP by Economic Activity**

	Agriculture	Manufacturing & Construction	Services
1941	46.0	16.4	40.3
1950	40.8	17.2	40.8
1960	35.9	17.6	46.5
1970	30.4	20.9	48.7
1980	25.2	24.6	50.2
1984	26.7	23.0	50.0

SOURCES: For 1941 and 1950, James W. Wilkie and Peter Reich, eds., *Statistical Abstracts of Latin America*, Vol. 20 (Los Angeles: University of California Press, 1980), p. 279; for other years, calculated by the author from CEPAL, *Anuario Estadístico de América Latina*, pp. 396-397.

sector that doubled its share from 3.3 to 6.5 percent between 1962 and 1982. Service sector jobs, on the other hand, accounted for almost 39 percent of the total in 1982 as compared to 25 percent two decades earlier.<sup>50</sup>

The size of the middle class has steadily, if slowly, increased. Employees and salesmen represented 9.4% of the workforce in 1962, 10.3 percent in 1972, and 11.7 percent 1982. Together with professionals and managers, their relative share increased from 13.4 to 16.5 percent of the economically active population between 1962 and 1982. The category of employees and salesmen combined with that of artisans and qualified workers, on the other hand, accounted for 26.6 percent of the total economically active population in 1962, 27.7 percent in 1972, 28.2 percent in 1982, and an estimated 29.9 percent in 1985.<sup>51</sup>

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<sup>50</sup> Percentages calculated by the author from data of CEPAL, *Anuario Estadístico de América Latina*, several years.

<sup>51</sup> Oscar Corvalan Vasquez, "Recursos Humanos y Empleo en el Paraguay," in Fletschner et. al. *Economía del Paraguay*, I: 164, 192. The largest single category includes most of the rural population and the bulk of the informal sector and decreased slightly from 69.4 percent in 1962 to 66.9 in 1982. It is of course a mistake to believe that this segment represents an amorphous and

This strengthening of the middle class, although by no means dramatic, is important nonetheless because this group has been a traditional source of opposition to the regime. In fact, the major expressions of discontent in Asunción in recent years, as in the past, have come from middle class groups such as physicians, nurses, and students. The urban working class, another traditional stronghold of opposition until the destruction of the labor movement in 1958, has reawakened as well. For the first time in almost thirty years important labor unions previously controlled by police-appointed "sindicalistas"

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undefined homogeneous mass. As the above discussion of the colonization policy and Table II show, 78 percent of them are small farmers owning less than 10 hectares and a growing rural middle class is emerging.

have been recaptured and a new labor group, the *Movimiento Intersindical de Trabajadores* or MIT, has emerged to challenge the government-controlled CPT (*Confederación Paraguaya de Trabajadores*). May Day celebrations organized by the MIT have drawn large crowds and provoked violent police repression.

Growing labor activism is the result of changing political as well as social circumstances. For example, the percentage of white collar workers has increased over the last decade, especially in banking, services, and commerce. Perhaps more important, though, the labor leadership has consistently downplayed the *obrero/empleado* distinction and this has greatly strengthened the labor movement as a whole. These white collar unions, growing in number as well as in terms of their financial, political, and intellectual resources, worked hard to build bridges with blue collar unions and the effort is paying off. The fact that they have traditionally—if formally—been together under the CPT umbrella made this task easier.

On the other hand, the dramatic increase in the number of construction workers has created a new important blue collar constituency and SINATRAC, the *Sindicato Nacional de Trabajadores de la Construcción*, has become an active member of the MIT. This development has partially offset the fact that the percentage of blue collar workers has not increased because of the slow growth of the manufacturing sector and the early 1970s closing of the meat-packing plants, which resulted from EEC protectionism. In summary, the slow but steady growth of urban groups that have a long history of political opposition to the regime is opening up new opportunities for political mobilization. Combined with the intelligent policy of labor leaders, this development is greatly amplifying the repercussions of labor demands, mobilization, presence, importance, and effectiveness.<sup>52</sup>

### The Dominant Socioeconomic Elites

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<sup>52</sup> A survey of recent events, including the withdrawal of the Christian-Democratic *Coordinadora Nacional de Trabajadores*, CNT, from the MIT, which has social-democratic sympathies, is in Serafín Soto Vega "El Sindicalismo Recobra Su Papel Protagónico," in *Nuestro Tiempo*, II, 23 (Diciembre 1987), pp. 5-7, and in Roberto Villalba, "Marchas y Contramarchas del Movimiento Obrero," *Sendero. Anuario 1987*: pp. 27-31. More general pieces include three brief but extremely useful contributions published by the *Centro de Documentación y Estudio* CDE, namely Andrew Nickson's *Balance Histórico del Movimiento Obrero Paraguayo, 1880-1984*, Roberto Villalba, *Cronología del Movimiento Obrero Paraguayo, 1986*, and José Carlos Rodríguez, *Situación Actual de la Historiografía sobre el Movimiento Obrero Paraguayo*. See also chapter 2 (pp. 33-51) of Arditi and Rodríguez, *La Sociedad A Pesar del Estado*.



As we have noted elsewhere,<sup>53</sup> the economic transformations that began in 1916 with the creation of the Exchange Office and that were accelerated by the Chaco War and the subsequent political and economic upheaval dealt a devastating blow to the mercantile elites and succeeded in subordinating them to the State. Since the 1940s, therefore, the Paraguayan socioeconomic elites remained a junior partner vis-à-vis the state. While unable to exercise any degree of consistent control of the state apparatus or state policy, they were able to defend some basic principles, fundamentally that of the private nature of capital accumulation.

For all practical purposes, there existed no clear dominant socioeconomic elite between the early 1940s and the early 1950s.

Whereas the decline of the *Bolsa de Comercio*, which represented the interests of the import-export houses, began in the late 1930s and early 1940s, a new business organization emerged only in 1952 with the creation of the FEPRINCO (*Federación de la Producción, la Industria, y el Comercio*). Later, the founding of the UIP (*Unión Industrial Paraguaya*) gave a more articulate voice to the industrialists. The only business segment relatively successful in its dealing with the state in this period was the ranching elite. This was the case because World War II came to the rescue of the cattle-raising oligarchy by increasing the demand for meat. As a result, the foreign-owned packing plants almost doubled the purchase of cattle, greatly helping the landowning elite to recapture some of the strength it had consistently been losing since the late nineteenth century. The creation of the state-controlled meat corporation COPACAR in 1943 reflects fairly well both the weakness as well as the new found strength of the cattle-raising oligarchy. On the one hand, the state was able to raise new taxes, impose a monopoly on the sale of cattle for the domestic market, and enforce quotas on sales destined for export. On the other hand, the structure of COPACAR was such that it allowed powerful ranchers to capture it from within, which alleviated the effects of the other measures.<sup>54</sup>

By the early 1950s, therefore, the weakened business elites had only two basic claims. One was political stability. After almost a decade of upheavals and constant uncertainty about the timing, place, leadership, and chances of success of the next revolt, the economic elites were willing to accept any strong handed government that would restore stability. The second claim was "*libertad económica*," which basically meant a system of free foreign exchange operations as

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<sup>53</sup> Diego Abente, "Foreign Capital, Economic Elites, and the State in Paraguay During the Liberal Republic," *Journal of Latin American Studies*, February 1989.

<sup>54</sup> Diego Abente, "The Political Economy of Meat in Paraguay," paper presented to the meeting of the Midwest Association for Latin American Studies, Columbia, Missouri, November 1985.

well as the termination of the COPACAR monopoly of the meat market. That these two were the most important demands clearly shows which segments of the elite had the greatest voice.

The first demand of the business sector was obtained with the IMF-sponsored stabilization program of 1956-57. The possibility of smuggling cattle mainly to Brazil but also to Argentina, on the other hand, attenuated the effect of COPACAR control of the meat market. As the elites were also benefiting from relative stability, they soon began to express support for the Stroessner regime. In spite of that, the demand to free the meat market lingered for a while until the government was able, in 1963, to secure a World Bank loan to set up a program of generous long-term and low-interest loans to the ranching sector. The loan was approved after the government passed legislation calling for the privatization of COPACAR in three years. Although the law was reversed in 1966, the money kept coming and allowed the creation of the *Fondo Ganadero* in 1969.<sup>55</sup> From then on the socioeconomic elites, and especially the ranching sector that had become the most dynamic and powerful of them all thanks to decades of favorable markets for the exportation of meat, were content to simply seek the right to make money in exchange for the right to rule.

Conditions began to change significantly in the 1970s. Between 1972 and 1981 Paraguay experienced high and sustained economic growth. The GDP increased at a rate 10 percent per year during that decade as opposed to a rate of 3 percent for the 1939-1969 period.<sup>56</sup> This growth was triggered by an agribusiness boom first and by an Itaipú/Yacretá-related construction boom later. New sources of capital accumulation emerged and a new domestic financial bourgeoisie was created. The industrial sector also grew somewhat through limited import substitution, especially as the domestic market was strengthened, but its growth lagged far behind that of the more dynamic construction and finance sector.<sup>57</sup>

Perhaps the most striking feature of this whole process has been that, in spite of the fact that agribusiness played such a large role in the economic boom, a new large class of agribusiness capitalists failed to emerge. The traditional landed elite continues to be based on ranching, if more modern and intensive than before. Only a small fraction of the production of

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<sup>55</sup> Abente, "The Political Economy of Meat," p. 13.

<sup>56</sup> Ground, "El Auge y Recesión de la Economía Paraguaya," p. 495.

<sup>57</sup> Nevertheless the modernization of the industrial sector came to a halt with the boom. For example the share of the intermediate goods sector rose from 8 percent in 1950 to 21 in 1981, but it had already reached 20 percent by 1970. Likewise, the participation of the consumer goods sector dropped from 91 percent in 1950 to 76 percent in 1981, but it had stood at 75 percent by 1970. Ricardo Rodríguez Silvero, *La Deformación Estructural. Reflexiones sobre el Desarrollo Socio-Económico en el Paraguay Contemporáneo* (Asunción: Editorial Arte Nuevo, 1985), p. 116.

soybeans and cotton—the main export crops that together accounted for 61.5 percent of total exports in 1983 as opposed to only 17.3 in 1973<sup>58</sup>—is produced by large establishments, including transnational companies. In the case of cotton only 1 percent is produced in farms of more than 1,000 hectares, while 89 percent continues to be cultivated in farms of less than 50 hectares, with 47 percent in farms of less than 10 hectares. As far as soybeans are concerned, only 8.2 percent of the output comes from large farms of more than 1,000 hectares. The largest amount comes from farms of between 50 and 200 hectares which account for 48.6 percent of the total production. Another 25.4 percent is produced in farms of less than 50 hectares and the remainder in those of between 200 and 1,000 hectares.<sup>59</sup>

What the agricultural boom brought about, nevertheless, is a new class of small rural capitalists made up especially of soybean producers. Although wealthy and well organized by the standards of the majority of poor peasants, this class fraction is far from yielding the significant political or economic power that a more concentrated productive structure could have produced.<sup>60</sup> Intermediation networks, on the other hand, in the cases of cotton and especially of soybeans, remain as strong as ever. The buoyant situation of agricultural exports, moreover, has allowed exporters to pocket healthy dividends. Unlike the mercantile elites during the liberal republic, however, they appear to be limited to export activities. Foreign capital is also now playing a greater role in this sector. For example, three subsidiaries of transnational companies control more than 52 percent of the cotton export business and although no figures are available for the soybean sector the situation seems essentially similar, if not worse.<sup>61</sup>

The economic boom of the 1970s also resulted in the creation of a new financial bourgeoisie closely linked to the real estate and construction business. Since the greatest source of income for Paraguay during the construction of Itaipú was related to the so-called “civil works,” or physical infrastructure, it was construction companies that reaped most of the benefits of the fabulous influx of dollars, a flow that grew at a rate of 40 percent per year in the 1977-1980

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<sup>58</sup> CEPAL, *Anuario Estadístico de América Latina*, 1985, I: 533.

<sup>59</sup> CEPAL, *Economic Survey of Latin America*, 1982, p. 511, and Palau, *El Cultivo del Algodón y la Soya*, p. 92.

<sup>60</sup> The influence and organization of soybean producers is discussed in Palau, *El Cultivo del Algodón y la Soya*, p. 115-119.

<sup>61</sup> Reinerio Parquet, *Las Empresas Transnacionales en la Economía del Paraguay*, Estudios e Informes de la CEPAL No. 61 (Santiago de Chile: CEPAL, 1987), pp. 69-71. See also Ricardo Rodríguez Silvero et. al. *Las Transnacionales en el Paraguay* (Asunción: Editorial Histórica and Fundación Friedrich Naumann, 1985), and Ricardo Rodríguez Silvero, *Las Mayores Empresas Brasileñas, Alemanas, y Norteamericanas en el Paraguay* (Asunción: Editorial El Lector, 1986).

period.<sup>62</sup> These profits were invested in banking, finance, and the growing network of savings and loans associations that began operating in 1973 and that in turn contracted with construction companies for the development of housing projects. Construction was the fastest growing sector of the economy for the whole 1971-1981 period, with an average annual growth rate of 20.24 percent, far ahead of other also dynamic sectors such as commerce and agriculture, with a 8.76 and 8.62 percent average annual growth.<sup>63</sup>

The concomitant strengthening of the domestic market also allowed the industrial bourgeoisie to assume a greater voice—the industrial sector grew at 8.83 percent for the 1971-81 period—but the importance of contraband, which is both the “price of peace” as well as an unofficial policy instrument designed to discourage the industrial sector and keep prices in check, severely limited its growth potential. A great deal of this growth, moreover, took place in construction-related activities such as wood products.

As a result of these changes, the situation of the domestic market has become a dominant concern of the socioeconomic elites. The Stroessner regime, it must be recalled, had been able to impose a recessionary recipe for the 1956-1970 period to a great extent because the most powerful fractions of the elites were in the agro-export sector—cattle-raisers dealing with meat-packing plants producing for the European markets and export houses selling to the Argentine and European markets. Inflation was brought under control, the economy came close to stagnation, but the rich kept making money. The financial and construction bourgeoisie, however, is much more heavily dependent on domestic demand and therefore much more concerned with the domestic economic and political arena. This is a shift of focus that is likely to have far-reaching consequences.<sup>64</sup>

It might be too early to tell what final configuration the business sector will take, but it is very clear that the financial bourgeoisie is likely to play a role similar to that of the mercantile elites in the liberal republic. It may be useful to recall here, therefore, that the steady process of deterioration of the mercantile elites began when they lost their ability to influence the financial

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<sup>62</sup> Ground, “El Auge y Recesión de la Economía Paraguaya,” p. 496.

<sup>63</sup> Werner Baer and Melissa H. Birch, “Expansion of the Economic Frontier: Paraguayan Growth in the 1970s,” *World Development*, 12, 8 (1984): 790.

<sup>64</sup> A perusal of the meager business literature shows that the words “economic reactivation” with a clear inward-oriented connotation never occupied a prominent place, for the emphasis was traditionally placed on economic liberty, in connection with the meat and foreign exchange markets. By 1987, however, “economic reactivation” had become the catchword.

markets through banking institutions.<sup>65</sup> As a result, since the late 1930s there have been only two types of banks in Paraguay: the state-owned Development Bank, and foreign institutions. It was only in the mid- to late 1970s that the local elites had accumulated enough capital to reenter the banking business. Yet, as during the late nineteenth century and early twentieth century, they did so in association with foreign capital and even those that appear as locally owned are in reality joint ventures with Spanish and Brazilian financial interests.<sup>66</sup>

This elite is new, however, not only because its main sources of capital accumulation are not in ranching or export-import activities but also because of the dramatic generational change. Business leaders now are by and large members of a totally new cohort, as much as two generations apart from those in positions of power during the installation and consolidation of the Stroessner regime. Because this elite emerged under a closed system and because it does not have fluid channels of institutional access to the policy making process it is pressing for an opening. The past=opening=chaos equation does not hold for them. Instead, what applies is past=present=closedness. Therefore, not only is this new elite asking for new economic policies, but it is also pressing for a greater say in the formulation of these policies. The latter is obviously impossible in a system such as the one prevailing in Paraguay. These developments would have not been as important had these elites not been strengthened by the economic boom of the 1970s. Thus the regime may have unleashed the very forces that are to press for its demise.

In summary, a new dominant economic elite is taking shape. Based primarily in construction and banking and finance, this elite also has important connections in the industrial and import-export business. This elite is becoming increasingly assertive and is seeking a greater role in policy making. It is not yet demanding the right to rule in addition to that of making money, but it is clearly trying to influence how and how much money can be made. Nothing reflects this situation more neatly than the ambivalence of FEPRINCO toward the Paraguayan Episcopal Conference-sponsored *Diálogo Nacional*. Whereas a growing and assertive minority pressed for full participation even in the discussion of "political" themes, the more cautious majority voted for participation only in the discussion of "economic issues."<sup>67</sup>

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<sup>65</sup> Of the two most important banks of the liberal republic, one, the Banco Mercantil, collapsed with the crisis of 1920 even as it managed to stage a short-lived comeback. The second and largest, the Banco de la República, went down with the 1929-31 depression. Other smaller institutions followed the same path. Abente, "Foreign Capital, Economic Elites, and the State."

<sup>66</sup> Bank ownership data is provided by Parquet, *Las Empresas Transnacionales*, pp. 98-99.

<sup>67</sup> Margarita Duran Estrago, *Diálogo Nacional. Urgencia de Nuestro Tiempo* (Asunción: Biblioteca de Estudios Paraguayos de la Universidad Católica, 1987) XX: 116. For a statement

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of the business sector claims see Foro de la FEPRINCO, *Empresariado Nacional. Reactivación Económica*, (Asunción: Editorial El Lector, 1987).

## The International Context

Few would have imagined in the mid-1970s the picture that the River Plate Basin presents in the mid- to late 1980s. After decades of military rule, Brazil and Argentina—the two regional superpowers—are now governed by civilian democracies. Because democracy had been reconquered at such a high price and because of the shocking brutality of previous military regimes, the political elites seem more eager than ever to promote and support democratic regimes in the region. This new foreign policy approach is not the result of a missionary zeal but rather the outcome of rational calculation and self-interest. Democracy abroad strengthens democracy at home and raises the threshold for military intervention. When, as is happening now, the self-interest of both Brazil and Argentina coincides with that of the democratizing forces in Paraguay, the possibilities for change improve noticeably.

Traditionally, Argentina and Brazil have depicted their policies vis-à-vis Paraguay in contradictory terms, as a zero-sum game. This regional super-power rivalry has been to Paraguayan politics what the East-West conflict is to, say, the Central American crisis. What was good for one was automatically bad for the other and vice versa. Neither country was particularly interested in the nature of the political regimes in Paraguay, but both were concerned with their foreign policy outlook. Since the mid-1980s, however, and for the first time in decades, both countries see at least one dimension of their Paraguayan policy in broadly similar terms and as a variable-sum game.

Obviously the Paraguayan policies of both countries still exhibit “permanent” interests that do not always coincide. Yet many sticky issues, such as those surrounding their hydroelectric policies, were already resolved by the military rulers in the late 1970s, and those that remain lie mostly in the areas of commercial and military policy and are of lesser import. As of late 1987, moreover, differences have generally been minimized. Thus, and to the extent that civilian rule and democratic systems remain in place in Argentina and Brazil and to the extent that these countries continue to see the domestic implications and importance of a democratic region, the Stroessner regime is likely to continue being isolated by its neighbors.

Particularly relevant in this regard has been the exclusion of Paraguay from the economic integration agreements signed by Brazil and Argentina and later adhered to by Uruguay. Although Brazil has kept a more friendly attitude toward Paraguay than has Argentina, the Sarney government still went ahead with the principle that only democratic governments can participate

in this new integration strategy.<sup>68</sup> To the extent that this Argentine-Brazilian entente continues and evolves—the comparison is tempting—along lines broadly similar to the French-German post-war rapprochement, the space for the Stroessner regime will continue to shrink and, conversely, the chances for an opening will grow. Likewise, the opposition can expect varying degrees of encouragement or at least benign neutrality.<sup>69</sup>

To be sure, some sectors within both countries are more or less sympathetic to the opposition or to the regime respectively. In Brazil, President Sarney and the PFL have shown greater flexibility toward the Stroessner government while the PMDB has been much more critical and more supportive of the opposition.<sup>70</sup> However, in the context of a discussion of the drug problem, Under Secretary of State Elliot Abrams struck a sensitive point when he declared that Stroessner is a greater problem for Brazil than for the United States and that the Reagan administration would like to see the Brazilians acting more energetically toward their neighbor to the south.<sup>71</sup> Thus, even though it is true that the domestic political line-up allows the Stroessner regime to retain a modicum of maneuvering room, the Paraguayan Deputy Foreign Minister clearly exaggerates when he affirms that

Brasília is exemplary because of its mature, balanced and constant foreign policy, which generates confidence. It shows little fluctuation and does not make [Brazil] dependent upon domestic politics, but on its strategic interests. This facilitates bilateral integration and allows for long-term planning.<sup>72</sup>

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68 “En Montevideo no hubo lugar para Stroessner,” *Nuestro Tiempo*, II, 20 (Mayo 1987), pp. 42-43, and “Fue acordada la integración de Uruguay a los convenios de integración de Argentina y Brasil,” *Clarín Internacional*, February 18, 1988, p. 1.

69 The important international changes of the last few years are surveyed in José Felix Fernandez Estigarribia and José Luís Simón Giménez, *La Sociedad Internacional y el Estado Autoritario del Paraguay* (Asunción: Editorial Aravera, 1987).

70 “Oposición Paraguaya Gana Terreno en el Brasil,” *Nuestro Tiempo*, II, 17 (February 1987), pp. 19-23, discusses some of these changes and comments on newspaper coverage of the Stroessner-Sarney January brief encounter to inaugurate a new stage of the Itaipú hydroelectric dam. *A Folha do São Paulo* was reported as informing: “Sarney Encontrase com Stroessner e Ulysses [Guimarães, the President of the Congress and Constitutional Convention] Recebe a Oposição Paraguaia.”

71 “Entrevista. Elliot Abrams: A Voz do Inspetor” in *Veja* (São Paulo), 20 April 1988, p. 8.

72 “Foreign Campaign Will Not Succeed,” *Latin American Weekly Report*, 4 February 1988, p. 3.



In Argentina, on the other hand, radicals have been helpful to the opposition forces. Old-guard Peronists, such as Herminio Iglesias, have been openly stronistas and others, such as La Rioja governor Carlos S. Menem, have displayed a dangerous ambiguity that borders on complacency. The leadership of the *renovadores*, however, has been critical both of the Stroessner regime as well as of the inconsistency of Peronists such as Menem who recently paid a visit to Stroessner. Stroessner, as is to be expected, treated him lavishly, but Menem's visit drew heavy criticism in his party especially from the Governor of Buenos Aires Antonio Cafiero.<sup>73</sup> Again, the Paraguayan Deputy Foreign Relations Minister overestimates the strength of the Stroessner regime when he asserts:

As long as this support [for Paraguayan opposition groups from some sectors in Argentina] does not translate into concrete actions against the government, we will not take measures against it. The Argentine government must not forget that if it has friends in Paraguay, we have friends of our own in Argentina.<sup>74</sup>

Over the last decade, U.S.-Paraguayan relations changed just as dramatically as the regional situation. The beginning of this shift can be traced back to President Carter's human rights policy, which pressed very energetically for changes. Economic aid came to a virtual halt, military assistance was greatly reduced, and U.S. Ambassador George Landau began to press the government hard on human rights issues. As a result the regime was forced to release almost a thousand political prisoners between late 1977 and mid-1978. Particularly effective and outspoken, Ambassador Robert White, the first Carter appointee, not only secured the release of scores of prisoners but can also be credited with having saved—literally—the life of a handful of politicians. Public perceptions of the role of the U.S. changed accordingly and the U.S. Embassy,

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<sup>73</sup> Since late April 1988, when the last version of this study was finished, and late October two new developments worth discussing at least in a footnote, took place. The triumph of Menem in the Peronist primaries last July can be seen as a setback of sorts for Cafiero was certainly widely regarded as a more trustworthy candidate. Menem, however, will have to make and has already made many concessions to other sectors of his party and the national spectrum—and whether he will be elected in May 1989, in the first place, is still an open question. A good indication of the differences between party and national campaigning that may well prefigure the distinction between campaigning for and serving in the presidency, is that he did not send any representative to Stroessner's eighth re-inauguration ceremony last August. In an ironic twist, Menem's own victory may have rendered meaningless the veiled threat of Mr. Acevedo. Mr. Acevedo, on the other hand, was promoted to Minister of Foreign Relations in August.

<sup>74</sup> "Foreign Campaign," p. 3. Some of those "friends of our own" include former police and military officers involved in the dirty war as well as individuals such as the fascist Oscar Castrogiovanni (Castroge) who after the January 1988 frustrated military revolt of Lt. Col. Aldo Rico sought asylum in the Paraguayan Embassy.

from being looked at with fear, anger, and disdain, became a friendly gathering place for opposition politicians.

The Stroessner regime rejoiced with the election of Ronald Reagan and some of the regime's wealthy associates boasted of having contributed financially to the 1980 Reagan campaign. Reagan's first appointee was Ambassador Arthur Davis, a coloradan real-estate developer and close friend of Joseph Coors. His performance was much more acceptable to the Stroessner government, but some of the changes brought about by the Carter administration proved irreversible and he was therefore forced to maintain some contact with the opposition and express mild criticism of the regime. In any case this happiness proved short-lived. Eventually the imperatives of the Reagan administration's Central American policy led it to the necessity of condemning right-wing dictatorships as well. Furthermore, with the collapse of the Marcos regime in the Philippines and the Duvalier dictatorship in Haiti, the desire to have a "managed" transition in Paraguay became more pressing.

The appointment of Ambassador Clyde Taylor in late 1985 proved to be a fortunate choice. Taylor, an energetic young career diplomat and drug trafficking expert, soon began to press the Stroessner regime to the point that relations between both governments have deteriorated to an unprecedented extent. In early 1986, Taylor was bitterly accused by the Interior Minister as a meddler and a year later the same Minister threatened Taylor with paramilitary hordes and "colorado" bombs. The official radio program of the governing party, *La Voz del Coloradismo*, accused him of being stupid, a drunkard, dumb, perverse, and other like epithets.

Tensions reached an all-time high when in early 1987 the police teargassed a residence while Ambassador Taylor was attending a party organized by the group *Mujeres por la Democracia* and forced him to call marine guards from the Embassy to guarantee his safe exit. This latest incident prompted a trip by then Southern Command Chief Lt. Gen. John Galvin. Stroessner, refusing to see him, made a private trip to his beach retreat in Guaratuba, Brazil, but Galvin delivered his message loud and clear nonetheless. The Ambassador had the full backing not only of the State Department and the White House but also of the Pentagon, and his trip was meant to convey that clearly.<sup>75</sup> Relations stabilized somewhat after the government grudgingly offered an apology, but by the end of the year a new confrontation ensued. This time the Deputy Foreign Relations Minister called the Ambassador to deliver a protest for his alleged interference in domestic affairs, and after what appears to have been a heated exchange the Ambassador

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<sup>75</sup> *Latin American Regional Report, Southern Cone*, 15 October 1987, p. 1, and *Ultima Hora*, 3 February 1987, p. 12.

abruptly ended the conversation and left without shaking hands.<sup>76</sup> As a result of a recent newspaper interview where he argues that U.S.-Paraguayan relations are “good but have potholes,” Taylor was again attacked by an array of officials who accused him of being the only “pothole” in the relations. More recently, the State Department’s annual report on the situation of the country was also sharply criticized, although this time the target was Under Secretary Elliot Abrams whom the Stroessner regime had earlier accused of being a leftist fellow traveler.

Regardless of personalities and administrations it seems clear that future U.S.-Paraguayan relations will never resemble the honeymoon of the 1954-1976 period. This development is not only isolating and weakening the Stroessner regime but, more importantly, it has significantly altered the ideological outlook of the opposition and its influence. It has also introduced an important change in the structure of political conflict since an anti-U.S posture is no longer needed or politically expedient.

In summary, the changes in the international context are having far-reaching implications for the nature of the political conflict in Paraguay. First, and perhaps foremost, the struggle for democracy need no longer be cast as having a connotation for the regional equilibrium of power between Brazil and Argentina. Second, democratization is no longer against the U.S. interest and a dictatorial regime, although stable, is no longer automatically good for the U.S. In short, whereas in the past international factors had consistently been obstacles to overcome in the struggle for democratization, they are now favoring it and opening up new and unheard of possibilities for political reform.

As important as the changes outlined above is the fact that the democratizing opposition has seen these changes and seized the opportunity to use them in their favor. Indeed, this is the area where their greatest success lies. Two fundamental turning points occurred in the late 1970s. First, the opposition message, which had always been clearly and openly anti-Brazilian, totally eliminated that component from its discourse. Until the late 1970s and early 1980s the most important “*reivindicación*” of the opposition was to renegotiate the Itaipú treaty, which was depicted as a simple case of the regime selling out the nation to the Brazilian military. Nobody talks about it anymore. No one seeks its repudiation any longer. These changes, combined with the transition in Brazil, have made possible the establishment of new relations between the democratizing forces in Paraguay and the Brazilian opposition and government. Relations with the PMDB are very good and that helps to keep the Sarney government from becoming too friendly to the Stroessner regime.

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<sup>76</sup> *El Diario de Noticias*, 24 September 1987, p. 9.

A second important change in the opposition strategy has been to maintain friendly relations with the U.S. Embassy, which it did even in the first years of the Reagan administration. During the Malvinas War some sectors of the opposition, angered by the Reagan administration support of Britain, became very critical of the U.S. When it became clear that Argentina was on the path to democracy, those sectors became even more vocal, apparently believing in the need or convenience of trading off the support of a future democratic Argentina for that of an unreliable Reagan administration. Soon thereafter, however, the strategy was changed and relations with the U.S. Embassy improved noticeably.

From the handling (or mishandling) of the Malvinas War situation the opposition drew important lessons that it applied to the issue of Nicaragua. In general the Central American crisis has not entered the political discourse of the opposition, except as a warning that unless Paraguay democratizes another similar crisis may erupt in the Southern Cone. By and large, though, the opposition has avoided antagonizing the Reagan administration on its Nicaraguan policy in exchange for continuing U.S. pressure for democratization in Paraguay.

### III

## **POLITICAL CONFLICT AND THE FUTURE**

### **The Opposition and the Political Game**

Once the possibilities of a military conspiracy disappeared with the purges of the 1960s and the chances of an opposition military victory were thwarted with the crushing of several rural guerrilla movements, the government came to the conclusion that the opposition could be allowed limited participation and handled with a mixture of shrewd politicking and ruthless force. Thus, in addition to coercion, cooptation, and consent, the durability of the Stroessner regime is related to the political conflict that has taken place in the last two decades and the regime's skillful manipulation of it.

Political conflict in Paraguay runs along two different, if interrelated, lines. It simultaneously involves a confrontation between the opposition and the regime and also pits competing sectors of the opposition against themselves. The regime capitalizes on this by opening up certain spaces that are often used by the opposition to resolve their "hegemonic" conflicts rather than to challenge the regime. This outcome, in turn, fulfills two functions. First, it releases political pressure in a manner that does not threaten the maintenance of the system. Second, it benefits the regime by allowing it to present itself as the alternative to the politicking and bickering of the opposition. The opposition is thus weakened and the government strengthened.

Every time the possibility of a broad opposition front has emerged, as in the early 1960s and most notably in 1977, the regime has managed to invent a new “opposition” leadership willing to play by rigged rules, sabotage the real opposition, and reproduce the dual arena, in exchange for some spoils. Given the overwhelming control of the press, the judiciary, and the repressive apparatus, this is hardly a difficult task. The government strategy has been facilitated by the fact that the Liberal Party, the largest opposition party, has a history of divisions and conflicts, and because its social base of support is wide, loose, and has a significant degree of bossism or political machine built into it.

In 1977, for example, there have been as many as five liberal “parties,” four of them bidding for government recognition to participate in the 1978 “elections” and perform the role of official “opposition.” Each of the two that resulted from the government’s first divisionist maneuver in 1962, the liberal and the liberal radical, split in turn in two and yet a fifth one made of semi-retired job-seekers managed to emerge as well. The government selection of the so-called Celauro-liberals and *Geniolitos*-radicals clarified things significantly. Those that had lost in the bid faded into oblivion, and the mainstream opposition became the Authentic Liberal Radical Party or PLRA, which soon evolved into the backbone of the *Acuerdo Nacional* and subsequent opposition fronts.<sup>77</sup> Yet the objective of the 1977 strategy, to deprive Stroessner completely of legitimation in his attempts to run again in 1978, had failed. The regime had succeeded again in reconstituting a dual conflict structure: government vs. opposition, and opposition parties and groups against themselves.

This chronic inability of the so-called traditional parties to change the system fed new cleavages and generated novel confrontations. Generally, younger and more radicalized groups, having failed to broaden existing spaces, fought against those more established to capture the spaces that were not under government control. Significant amounts of political capital were thus spent or misspent in attempts to establish a “hegemony” within the opposition.

Why does the conflict assume this structure? The most important element to bear in mind is that the installation of the authoritarian regime does not cancel existing cleavages but capitalizes on them instead. Contrary to some rather pervasive but naive thinking, the government vs. opposition is not always the more salient political cleavage. On the contrary, sometimes intra-opposition conflicts take precedence, especially when their origins predate the emergence of the authoritarian regime. For instance, the conflict between febreristas and liberals dates back to 1936, when the former organized the coup that marked the breakdown of the

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<sup>77</sup> Hereinafter references to the Liberal Party are to the PLRA.

latters' hegemony. Only when unity presents a reasonable possibility of success are leaders of both parties able to overcome their distrust, as in the case of the defeated revolution of 1947.

The same logic applies to the case of the relations between dissident colorados and the rest of the opposition, especially the liberals, but in this case the cleavage is a hundred years old. Only in a very few instances had the Liberal and Colorado Parties, or sectors of it, joined together in a political front,<sup>78</sup> thus demonstrating that their resistance to authoritarian rule was often a matter of expediency as much as of one of principles. If the political cleavage, as in the case of Paraguay, precedes the installation of the authoritarian regime, and if such a regime resolves the conflict in a manner favorable to one of the main contenders, the opposition to the regime is bound to be weakened. Why would the Colorado Party, which considered itself ostracized by the liberals for four decades, give them the opportunity to run the show again?<sup>79</sup>

In fact, more than twenty years passed before the dissident colorados, exiled by Stroessner in 1959 for proclaiming "*Libertad dentro y fuera del partido*," joined the broad opposition front. That another twenty years also passed before the other opposition parties promoted and implemented such an idea is not a coincidence either. Neither is the fact that the opposition has now recognized that the de-coloradization of the Stroessner regime is the first step in a transition to democracy. This conclusion was neither self-evident nor even hypothetically plausible a decade ago. Indeed, that the "realization" has come at this time is the result of a completely new set of developments significantly helped by the emergence of challenges from within the party and the very political mistakes of the ruling coalition. None of these could have been anticipated five years ago, except as an exercise in wishful thinking. Even now the task is difficult, because the spoils of office are too tempting, the hopes of would-be successors too strong, and the inheritance itself too valuable to prevent the emergence of a core of die-hard loyalists.

In addition to the structure of political cleavages, another factor that explains the shape of the political conflict relates to political perceptions of winners, losers, and possibilities. When a regime succeeds in wiping out all realistic expectation of change in the short run, other goals may motivate opposition groups and lead them along contradictory paths. This result strengthens the

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<sup>78</sup> The last time such a thing happen was in 1909 with the colorado-liberal/cívico pact signed in Buenos Aires by Generals Caballero and Ferreyra to overthrow the radical government.

<sup>79</sup> The logic behind this colorado rationale is simply one of convenience. A perusal of the political correspondence of colorado leaders Natalicio Gonzalez and Victor Morinigo demonstrates that even those who were exiled by Stroessner and would privately condemn certain acts would eventually close ranks with the government and try to recapture it from within rather than allow the party to be thrown out of power. The Natalicio Gonzalez Collection is housed by the Kenneth Spencer Research Library of the University of Kansas, Lawrence.

very regime the opposition is fighting. Politics is not a one-round game but rather is made up of an endless succession of rounds. Thus, an opposition group may well want to dispose of an opponent before facing the government or waiting until it collapses. The analogy of the U.S. primary elections fits the case well.<sup>80</sup> When a candidate is well ahead of the pack, other contenders may attack each other rather than the front-runner in order to secure the second or third slot or the right to challenge the front-runner. This strategy, in turn, may have the unintended effect of strengthening the front-runner everybody is struggling to defeat.

Yet, the significant changes undergone by the opposition front in the last several years are beginning to yield a much more optimistic scenario. Gradually, as the memory of the past fades, the leaders of the past die, and the traumatic experiences of the present raise new challenges, the conflict among opposition groups has significantly lessened. Of key importance has been the Febrerista Party's willingness to accept liberal leadership of the democratizing coalition. More or less explicitly, febrerista leaders have come to recognize that the Liberal Party is better equipped to lead the opposition. In this attitude they appear very much influenced by the events in Spain and believe that, as happened with the PSOE, the "turn" of the febreristas will come after a Paraguayan Suárez. A more or less similar stance has been adopted by other minor opposition parties, including dissident colorado groups.

Other developments of the early and mid-1980s also evidence a healthy shift away from the self-defeating strategies alluded to above, as the recent creation of the *Coordinadora Nacional por Elecciones Libres* as well as the older but still useful *Acuerdo Nacional* demonstrate. Significantly enough, structures such as the *Coordinadora* and the *Acuerdo Nacional* include the center-leftist *Movimiento Democrático Paraguayo* or MDP, a recently created political movement. Less than a decade ago, neither would a group such as the MDP have sought an alliance with traditional parties, nor would the latter have accepted joining efforts with progressive forces.

Are these changes due to the fact that all sectors have become more "reasonable" now, and just now? To believe that they have all suddenly shifted from irrationality to rationality just as somebody changes food or clothing preferences is obviously misguided. The question is not whether actors will or will not act rationally, nor even whether Pareto-optimum outcomes coincide with the dominant strategy. Actors usually behave rationally in the sense of relating means to ends, but still their modes of behavior vary because different logics underpin them. Whereas in the economic realm there may be one and only one "rationality," in the sociopolitical arena there are many distinct rationalities. Different, sometimes even contradictory, "historical projects" drive

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<sup>80</sup> Even though some may find the comparison with "U.S.-style politics" inappropriate and even—alas—"ethnocentric"!

people to action. While some actors may seek to maximize profits, others are after power; some may try to ensure individual freedoms, while others struggle for social justice; but all are rationally pursuing their different ends.<sup>81</sup>

In the case of the Paraguayan opposition, to put it both plainly and bluntly, a lot of water has had to run under the bridge for a single primary rationality to emerge. Many strategies once considered valid options—including military conspiracies, putsches, rural guerrilla fighting, participation in rigged elections, and pure and simple inaction—were falsified or invalidated by reality. A decade of brutal repression forced the always self-reconstituting left<sup>82</sup> to reassess its policies and its relationship with traditional parties. Traditional parties, in turn, were compelled to recognize that it was the independent progressive movements that could mobilize the social sectors of Asunción, without whom no anti-regime struggle can succeed especially when non-violent active popular mobilization is postulated as the chief political strategy to bring about democracy. The leadership and strategies of both groups changed dramatically from the 1970s to the 1980s as a result of the emergence of a new generation of leaders. It is this vast array of transformations, and not a sudden change of mind, that explains the important politico-strategic modifications undergone by the Paraguayan opposition in the last decade.

Crucial as those strategic shifts have been, the pattern of transformation of the social structure surveyed in the previous section has provided the social matrix for political action. On the one hand, the strengthening of urban constituencies—especially the middle and working class—has facilitated the “resurrection of civil society”<sup>83</sup> and enabled the opposition and particularly the left to widen its base of social support. The increasing frequency and severity of

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<sup>81</sup> Also, from the fact that actors act rationally it does not automatically follow that they will achieve their ends. There may be errors of calculus, outright mistakes, or just sheer ignorance of what is realistic to expect. For an excellent treatment of some of the broader issues raised by this discussion see Alessandro Pizzorno “Sobre la racionalidad de la democracia,” in A. Pizzorno, C. Donolo, P. Birnbaum, et. al. *Los límites de la democracia*, (Buenos Aires: CLACSO, 1985) II: 9-25.

<sup>82</sup> Aside from the small Communist Party, whose presence in the political spectrum is minimal but which apparently possesses some degree of continuity at least in terms of leadership, the non-Communist leftist forces follow a more generational pattern. Over the last few decades many progressive movements loosely considered *movimientos independientes* have emerged and succumbed every five to ten years. In spite of their differences, both within and between generations, a degree of theoretical self-identification as an alternative political project seems to have been kept. Beyond that, though, every cohort has had to develop a different leadership, organizational perspective, and political outlook.

<sup>83</sup> The concept comes O'Donnell and Schmitter, *Tentative Conclusions about Uncertain Democracies*, pp. 48-56. For the case of Paraguay, see Rivarola, *Los Movimientos Sociales*.



land problems as a consequence of the exhaustion of the agricultural frontier, on the other hand, gave rise to three active peasants' movements—highly politicized although independent from existing political parties—while the fact that vast areas of the countryside are still untouched by socioeconomic change allowed the Liberal Party to retain a significant political following in spite of more than forty years of ostracism.<sup>84</sup> All these developments combined and mediated by political parties and movements are bringing about an increasing urban challenge and the gradual erosion of the rural base of support of the Colorado Party.

In summary, the opposition is now becoming a viable alternative. Social and political forces are becoming linked, and therefore their struggles are more effective. The business sectors are increasingly open to opposition political parties. Moreover, the fact that center political parties are the leading opposition forces introduces a degree of confidence, both among the wealthy and among foreign circles, that democracy does not spell social revolution. The rental “opposition” is totally discredited. For sure, the opposition is still weak, but not for lack of support. Rather it is the nature and length of this type of regime that have inflicted such a devastating blow to opposition structures. That it has survived and that it is growing, in spite of all the obstacles and all the repression, is a telling indication of its strength, resilience, and political vocation.

In spite of all that, the ability of the opposition to trigger a democratization process in the short term is questionable. The damage done by thirty-five years of highly effective targeted repression, total control of the media, and vast and discretionary police powers has not broken its determination to struggle but has very severely crippled its organizational capability. It has also prevented the emergence of a core coalition strong enough to send the “signal” that regime change is possible, or even imminent—a development so crucial to inducing “swing” actors to defect.<sup>85</sup>

In fact, the longer an authoritarian ruler stays in power the more difficult it becomes to force him out, because even those who favor his replacement may fear the aftermath more than his rule. Many sectors, especially some wealthy and influential ones, are guided by the saying that “*más vale malo conocido que bueno por conocer.*” Thus, in countries with the pattern and history of repression of post-1954 Paraguay, the critical threshold to force a change from without becomes increasingly difficult to reach as time passes.

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<sup>84</sup> For example, more than 40,000 peasants attended a rally organized by the PLRA in the town of Coronel Oviedo, in Caaguazú, in late 1987.

<sup>85</sup> This discussion draws on the insights of Adam Przeworski's “Some Problems in the Study of the Transition to Democracy” in O'Donnell, Schmitter, and Whitehead *Comparative Perspectives* 2: 53-56.

In summary, whereas the opposition to authoritarian rule has been strengthened by timely changes in political strategies and its base of support strengthened by the social and other structural transformations of the last decades, it becomes apparent that in and of itself it will not be able to force a process of democratization under the present circumstances. This leads us to examine the “change from within” scenario.<sup>86</sup>

### **Crisis of Succession or Crisis of the System?**

The difficulty of bringing about a democratic opening from without is by no means an exclusively Paraguayan problem. The literature dealing with the theoretical issues of regime change, in fact, stresses the key role that fractures in the governing coalition play in the initial stages of transition. As Guillermo O'Donnell and Philippe Schmitter point out

[...] There is no transition whose beginning is not the consequence—direct or indirect—of important divisions within the authoritarian regime itself, principally along the fluctuating cleavage between hardliners and softliners. [...] No transition can be forced purely by opponents against a regime which maintains the cohesion, capacity, and disposition to apply repression. Perpetuation in power or armed revolutionary struggle become the only likely outcomes of such cases.<sup>87</sup>

It is therefore a task of crucial importance to analyze in greater detail the bitter colorado infighting of the last few years. The first cracks in the governing coalition at the leadership level surfaced during the 1984 party convention. The newly-elected Junta rejected an attempt to promote Stroessner's Private Secretary Mario Abdo Benitez to one of the three vice-presidencies. Abdo's followers, also known as *militantes*, were forced to retreat and the ruling clique of *traditionalistas* seemed to have been strengthened after weathering the storm. But the victory had obviously been pyrrhic. Abdo's forces regrouped and slowly began to capture key positions in the party apparatus.

Late in 1985 a major financial scandal involving the *militante* president of the Central Bank broke into the open. Tensions ran high but, significantly, the traditionalists split into those

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<sup>86</sup> The distinction between change from within and from without is made for the sake of the clarity of the exposition. Obviously, in real political life the boundaries are not nearly as clear cut and change is generally a consequence of “within” and “without” factors interacting together.

<sup>87</sup> *Tentative Conclusions*, pp. 19 and 21. In the same vein, Przeworski affirms that “the first critical threshold in the transition to democracy is precisely the move by some group within the ruling bloc to obtain support from forces external to it.” “Some Problems in the Study of Transition,” p. 56.

who wanted to pursue the investigation to the end and even to broaden it and the more conciliatory old leaders. Eventually the leaders of the former faction, known as the *éticos* or *contestatarios*, became increasingly vocal in their criticisms and within less than six months were ostracized by Stroessner himself, who called them deserters. Once the *éticos* had been excommunicated by Stroessner, the other traditionalists could hardly risk seeming too close to them and tried to develop a middle-of-the road position between them and the *militantes*. The stage was thus set for the July 1986 elections in the 25 *seccionales* of Asunción and vicinity.

The considerable amount of fraud that characterized the polls, especially in some localities, makes it difficult to ascertain with precision the relative strength of the competing factions. Nevertheless, the militants apparently garnered some 50 percent of the votes against some 45 percent for the traditionalists.<sup>88</sup> In a way this result was seen as a triumph for the traditionalists, who had been expected to do poorly in Asunción but well in the interior. As the elections in the countryside approached, however, the militants resorted to an unprecedented level of coercion and fraud and were able to secure the control of some key *seccionales* formerly under traditionalist control. Increasingly, the conflict became one of government vs. party. In the final stages it pitted most ministers and highly placed bureaucrats, with their enormous patronage power, against political leaders and parliamentarians.<sup>89</sup>

Having apparently secured close to a majority of the *seccionales*, and therefore of the delegates to the 1987 convention, the militants claimed victory and asked the traditionalists to concede. The traditionalists, though, after many significant desertions, regrouped and staged a comeback of sorts by mobilizing their bases and outnumbering the militants in their rallies by two, three, and up to four to one in some cases. The message was that the colorado people supported the traditionalists even though rigged elections may have given a circumstantial majority to the militants. As the convention approached the campaign became bitter and the government used all its power to prevent the traditionalists from staging mass demonstrations of support.

At that point most pundits expected that Stroessner, who had seemingly remained aloof and uninvolved, would intervene and sponsor a unity slate to avoid the division of the party. The traditionalists apparently expected the same. But Stroessner declared himself “neutral” just three days before the convention. The morning of the convention the police surrounded the building

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<sup>88</sup> Calculations made by the author based on electoral results published in *Ultima Hora*, 28 July 1986.

<sup>89</sup> Public employees make up approximately 12 percent of the economically active population. Campos and Canese, *El Sector Público*, pp. 64 and 211-212.

and allowed entrance only to militant delegates and a small allied faction. Deputies, senators, and prominent party leaders of the traditionalist group were prevented from entering the building where they had their offices the day before. The militants “won” all the posts and thoroughly purged the party. Eighteen of the thirty-five members of the Junta de Gobierno were terminated.<sup>90</sup>

The traditionalists, apparently taken by surprise, were left paralyzed and until now have not been able to regroup. The division threat proved to be a bluff. The party apparatus lives off the spoils of the government and those with no access to them or at least part of them can hardly afford to maintain a permanent base of support. The option of becoming a persecuted opposition from outside—for those very ones who had been the persecutors for thirty years and knew so well how powerful the repressive apparatus is—was obviously not an attractive one. While the traditionalists may still enjoy greater name recognition and popularity among colorados, they can no longer control segments of the state or party apparatus. And what counts in the system are government connections, favors, jobs, salaries, contracts, and, if all else fails, control of the police and the army—not name recognition or popularity.

This traditionalist vs. militant division has sometimes been portrayed a hardliner vs. softliner split, generally considered in the literature to be the key development that precedes a transition to democracy.<sup>91</sup> That is only relatively true here because the issue of a political opening did not arise until the very last moment and even then it was only raised by the softliners in a very timid manner.<sup>92</sup> The traditionalists have generally been identified as less aggressive and violent than the militants, but it is very much open to question whether they would have wanted or been able to promote a process of liberalization. They have lived quite well under the Stroessner regime for decades and have done nothing other than to try to protect their control of the party apparatus and wait for the time of the succession.

On the other hand, some militants are clearly hardliners and constantly call for even greater repression of the opposition and intimidation of the population. The leadership of this faction is closely linked to the World Anti-Communist League and to the Taiwanese government,

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<sup>90</sup> Three died while in office and fifteen were purged.

<sup>91</sup> O'Donnell and Schmitter, *Tentative Conclusions*, pp. 15-16. The insights of O'Donnell and Schmitter's treatment of the issue inspire much of the discussion that follows. Also depicted as pragmatists vs. fundamentalists or obstructionists vs. aperturists as in Enrique Baloyra, “Democratic Transition in Comparative Perspective” in *Comparing New Democracies*, p. 14.

<sup>92</sup> Also, the softliners' remarks were made in a context hinting strongly at the danger that the split could serve to strengthen the opposition. Maintaining party control of the government was at least as important to their strategy as the tentative possibility of democratization.

and their most prominent members are graduates of the Political Warfare Academy of Taiwan. Whereas the traditionalists could eventually have been forced to consider liberalization as a viable and even necessary option, hardline militants are ideological fundamentalists engaged in an anticommunist crusade that hears no reason, sees no limits, and recognizes no dangers. It is this group that has organized civilian paramilitary bands to terrorize the population by violently disrupting opposition meetings, even those held in houses and church centers.

Nonetheless, the militant faction now in control of the party is far from a unified group. What we can call the “Taiwanese” or *abdista* faction forms the core of the hardliners but took control of the party only after inducing many defections from the ranks of the generally traditionalist-leaning or at least independent and not-*abdista* groups. They include the new party president, the first vice-president, and some other important leaders. It is still too early to tell how events will evolve. One can venture, however, that those militants who are not *abdistas* will seek to gain the support of the former base of the traditionalists to counter the growing strength of the Taiwanese faction.<sup>93</sup>

Regardless of the outcome and its implications, the bitter Colorado Party infighting of 1987, together with the growing challenge of the opposition since 1986, raise two logical and important questions. First, when does post-stroonismo begin? The answer is relatively simple although it may seem paradoxical. Post-stroonismo has already begun as a political process although not yet as a political problem. The outcome of the succession is the ultimate goal of the players, but many preliminary moves are already being made. Undoubtedly, the party infighting is already part and parcel of the accommodation of political actors as they prepare for the succession. Secondly, and perhaps more important, are we witnessing just the beginning of a crisis of succession or is this a crisis of the system?<sup>94</sup> Or, in other words, can stroonismo be projected beyond Stroessner?

The crisis of succession and the crisis of the system are in reality one and the same, for resolving the former implies to a great extent redefining the latter. In fact, the three possible responses to the succession crisis are a civilian, a military, or a civic-military government. Unless the current government rapidly democratizes, a purely civilian alternative is unlikely, in spite of the power of the party. This is because of the difficulty of suddenly eliminating one of the key components of the current system. Concomitantly, in such a context transferring the obedience

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<sup>93</sup> The recent decision of Party President Sabino Montanaro to protect the president of the *Seccional* 13, the well know traditionalist Cirilo Vergara, is a telling indication. Many other traditionalists were purged already, however, including the presidents of the *seccionales* of Nueva Italia, Carapegua, Caazapá, Nemby, and nine of Asunción.

<sup>94</sup> My ideas in this regard were clarified by a discussion with José Z. Garcia.

and loyalty to the Commander in Chief to the person of a civilian would pose severe problems, even assuming that a strongman succeeds in controlling the party apparatus. Likewise, the chances of long or even medium-term success for a strictly military government are minimal unless it also establishes a clear and prompt agenda of democratization. As has already been argued earlier, political parties in Paraguay are so powerful and have permeated civil society so deeply that they have all but foreclosed the possibilities of purely military governments.<sup>95</sup>

Purely civilian or military solutions, therefore, can only be feasible as “régimes d’exception” designed to effect a rapid transition to democracy. In turn, the former is less likely than the latter. In the immediate post-stroonista situation the Colorado Party will have a powerful incentive to consolidate its alliance with the military in order to retain its dominant position. Conversely, and although little is known about possible tendencies within the Paraguayan military, the scenario of a drastic change involving the massive retirement of the current leadership and its replacement by an institutionalist non-partisan leadership cannot be ruled out. After all, the Paraguayan Army is not Somoza’s National Guard; it has fought two international wars and won one, and it has a deep sense of national identity. Its origins are not traceable to the intervention of a foreign power but on the contrary to the struggle against external adversaries. A cohort of patriotic and professionally-minded officers may well be willing to undertake the task of triggering a major transformation of the institution along national and nationalist lines. Once Stroessner is no longer in power the major barrier to change will disappear and the incentive to action will increase. Be that as it may, if either of these alternatives occurs then the problem of the transition becomes much simpler.

Less promising from the point of view of democratization, but more likely from the perspective of the existing distribution of political resources, would be a civic-military compromise organized around the figure of a relatively prominent leader, probably a high-ranking military officer of the government entourage. However, whether that leader is a military officer or a civilian is less important than the fact that in this scenario the basic lines of politico-military pact are kept, at least in the initial stages of the transition. This solution will thus ensure a quota of power to all the players already participating in the game, although it will also postpone the settlement of outstanding political issues.

Soon thereafter, however—or perhaps even sometime before—the succession issue will trigger the emergence of a new hard/softline division. This new conflict will resemble the traditionalist vs. militant confrontation only loosely because post-stroonismo, not stroonismo, will be

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<sup>95</sup> The only such instances were those of Gen. Morinigo in the 1940s and Albino Jara in 1911, but no sooner had they established the system than they were forced to seek the support of political parties.

the issue. Who the hardliners are is already well known, but who will end up favoring some sort of liberalization is still to be seen and we may discover many closet softliners. To be sure, doves will assume that role only hesitantly, and only either because they have been left out by the hawks or because they are facing a strong opposition by the hawks from within. Either way they will be encouraged to seek allies by reaching out to formerly excluded sectors of the party—the traditionalists, the MIC, the MOPOCOs, etc, all members of the colorado “family” and many enjoying significant prestige and name recognition. Because those sectors have been in opposition and are already struggling for liberalization from without, though, such an alliance would strengthen old and form new softliners and increase the pressure for liberalization. At that time, the 1987 defeat of the traditionalists, although a setback in the short term, may prove to have been a positive development in the long run. Also, in a way, the existence of a hard-core authoritarian, aggressive, and ambitious group of hawks almost guarantees the emergence of softliners, and this in turn increases the possibilities of an opening.

The hardliner-softliner split is likely to be reproduced within the military as well, regardless of the strength of traditionalist supporters within it.<sup>96</sup> In this context, the temptation for both civilian and military hardliners to bypass institutional channels and reproduce some sort of alliance between party and military officers to challenge the formula in power will be great. Whether any such alliance can prevail and endure, however, is questionable. The presence of a politico-military coalition of one sign will almost automatically produce a politico-military of the opposite sign. If consensus is not reached and force cannot be imposed, the worst-case scenario would be a replay of the instability of the 1947-1949 period. Conditions now, however, are very different. The Armed Forces are a much more bureaucratic, professional and disciplined institution than in the aftermath of the 1947 revolution, when many a successful military

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<sup>96</sup> This assertion is admittedly based on the widely circulated rumor that the sympathy of the majority of the officers lay with the traditionalists. However, some bizarre incidents lending a degree of credit to the rumors surrounded the campaign and the convention. For example, the commander of the powerful First Corps was depicted as a traditionalist and apparently has close relations with some of the leaders of this faction. Air Force jet fighters overflowed a traditionalist rally in what was described by its sympathizers as an expression of support. Tanks were reported moving in Asunción during the convention. The Commander of the Navy is the son of a prominent traditionalist leader. And three days before the convention Stroessner took the unusual step of ordering the military to the barracks until the event was over. Finally, more than ever before, in the acts organized by the new Junta party leaders' speeches paid unusual attention to the Armed Forces and were given loud and long applause, as if to reassure about a support no longer taken for granted.

commander felt entitled to hold the reins of power.<sup>97</sup> This will increase the chance of a negotiated political settlement.<sup>98</sup>

Further enhancing the chances of an opening is the fact that in a post-stroessner situation it will be easier to produce consent via consensus and compromise than via coercion. No single individual or group is likely to be able to amass the considerable amount of coercion needed to ensure the reproduction of the Stroessner regime via imposition. The nature of the regime has made it impossible for a single source of power to exist, other than the mediating one of the ruler. Hence, no single hardline coalition is likely to be able to mobilize the degree of coercion needed to reproduce the system under a new leadership and will therefore be forced to compromise. At the same time, almost any softline coalition will be encouraged to compromise, beginning within the party, and this, combined with pressure from without, will be a potent force for further liberalization along national lines.<sup>99</sup>

These observations also apply to the scenario of a voluntary retirement by Stroessner with a successor appointed by him and his behind-the-throne support. The growing strength and public visibility of Stroessner's Private Secretary Mario Abdo Benitez lends some support to the

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<sup>97</sup> An example of this is the intervention of the Defense Minister, Gen. Germán Martínez, at a Junta meeting in February 1987. On that occasion, a rare one indeed, Gen. Martínez saying that he was speaking on behalf of his "comrades" and the army asked party leaders to avoid a division and to maintain the unity of the party at all costs. This was seen as favoring the traditionalists, who were insisting on that issue and had not even announced their intention to compete. Gen. Martínez, however, was appointed by and is said to be close to Gen. Stroessner. For whom was he speaking? In any case, it is important to note that the existing hierarchy was utilized rather than bypassed. *El Diario de Noticias*, 12 February 1987, p. 8. On February 24, 1988, Gen. Martínez paid another such visit, this time to congratulate the party for "winning the election" of February 14. *La Voz del Coloradismo*, February 24, 1988.

<sup>98</sup> Public statements by military officers are rare, although they have increased somewhat as of late. They tend to fall into two categories: some make the partisan link explicit while others emphasize loyalty to the Armed Forces and its Commander in Chief. In most public acts and ceremonies the appearance of military subordination to civilian leadership is clear, an impression reinforced by the discourse of party leaders. In the Christmas message Party President Sabino Montanaro referred to the military as those "who are *also* our coreligionists." On the other hand, third Vice-President and Justice Minister J. Eugenio Jacquet, in an act to celebrate the "victory" in the "votation" of 14 February thanked, among others, "our coreligionists who serve in the Armed Forces." *La Voz del Coloradismo*, 23 December 1987, and *Radio Nacional del Paraguay*, 18 February 1988.

<sup>99</sup> A further incentive to compromise is the constitutional framework. The Constitution establishes that in case of the death or incapacity of the President, the Minister of the Interior or any other Minister shall convene a meeting of the National Assembly, made up of both Houses of Congress and the State Council, to designate a successor. Anybody could be elected to serve the remainder of the term or to call new elections, depending on the case.



thesis that a “Carrero Blanco option” might exist. Significantly enough, Abdo’s power recognizes only one source: it is neither the government, nor the Party, nor the army, but Stroessner himself. On the other hand, Abdo Benitez is too controversial a politician within the Colorado Party and appears to enjoy no support in the army.<sup>100</sup> Furthermore, in his 34 years in office Stroessner has given not one single example that he might be willing to share power or to delegate very much power in an appointee, but has shown exactly the opposite. Hence, Stroessner may support Abdo precisely because his trusted secretary will not attempt to replace him and will also keep other potentially more dangerous politicians at bay.

Even if the reservations outlined above prove wrong and Abdo ends up indeed being Stroessner’s Carrero Blanco, one is still reminded that to inherit from the ruler does not necessarily mean that one will inherit his reign. How would Abdo secure the control *both* of the party and the military? He may inherit the office of the President but not necessarily the power of its previous incumbent. The formal power of Stroessner derives from his office, but his informal influence far exceeds the formal confines of that of Chief Executive. As the recent death of Georgi Malenkov reminds us, to succeed the ruler and to reconstitute the ruler’s system of domination are two quite different things.

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<sup>100</sup> Abdo Benitez’s career has always assumed the appearance of “pressure from below,” even though it is obvious that it was his patronage and gatekeeper role that allowed him to manipulate convention delegates into asking for his promotion. He built his own base, however, and did not rely only on deals with the existing party leadership. More importantly, the origins of his career should not be traced back to the 1984 party convention, as all writings on the topic suggest, for in reality it began in 1966, and coincided—alas—with the dismissal of Stroessner’s most powerful potential rival, the Interior Minister Edgar L. Ynsfrán. Abdo was so trusted already—one is tempted to recall—that he, a civilian, headed Stroessner’s Military Household upon the death of Col. José María Argana for a rather long time until a suitable successor was found. Also, he installed the new Chief of the Military Household Col. Alejandro Fretes Davalos, and spoke of Stroessner’s confidence in him. In that same year of 1966 a group of delegates mostly from Misiones, including the current leader of the MIC Atilio R. Fernandez, asked that Abdo be elected to the Junta, which he was as third substitute. By 1969 he was promoted to full member and a group of delegates pressured hard for him to be appointed to one of the political secretariats. The pressure had apparently been so intense that the first meeting of the Junta, at which such appointments are usually made, decided to postpone the decision and instead charged Party President Chaves with the selection task. It was only a month later that Chaves announced the appointments, which did not include Abdo. By 1972, however, Abdo made it right through to the post, although without any public display of support. By 1981 the possibility of his promotion to one of the vice-presidencies had already been floated forcing Political Secretary Pedro H. Pena to “remind” delegates that they elect the Junta, not its *mesa directiva*. *La Tribuna*, 17 September 1966, p. 4; 17 December 1966, p. 5; 24 September 1969, p. 5; 20 October 1969, p. 5; 21 September 1972, p. 3; and 15 September 1981, p. 3.

Regardless of the specific path followed to resolve it, the succession crisis will surely generate a typical endgame,<sup>101</sup> a particular critical juncture whose resolution will have far-reaching consequences for the political future of the nation. The outcome of this endgame will be primarily a function of cleavages internal to the governing coalition. The evolution of this process, however, will also be influenced by the democratizing opposition. Although questions can be raised about its ability to transform the system from without, there is no doubt that the role of the political opposition can be crucial at this juncture. The Catholic Church, for example, has consistently been calling for dialogue and conciliation. In the absence of a strong authoritarian center of power, its appeals will certainly become more influential. The ability of the opposition to force an opening is likely to increase because the costs of social action will tend to decline while its benefits will tend to rise in the years immediately following the succession crisis.<sup>102</sup> Social movements, urban as well as rural, and business interests are also becoming increasingly strong and challenging and will press for a right to decide the type of system that is going to replace this regime.<sup>103</sup>

Finally, public opinion may play a large role as well. The basic appeal of authoritarian regimes, and certainly that of Stroessner, is that they constitute the alternative to chaos. To an extent that was true in Paraguay in the 1950s, not because the regime constituted *the* alternative but rather because it had effectively ended the chaos of the 1947-1954 period. But more than 70 percent of the population now is made up of what the regime supporters call *la generación de la paz* and has known no other system but the Stroessner regime. Less than 9 percent of the population was 20 years old or older when the 1947 failed revolution tore the country apart and less than 12 was 15 years of age or older. A recent poll shows that 58 percent of the population favor drastic or major changes in the country.<sup>104</sup> In a relatively open society, such a clear expression of public preference can shape the behavior of key actors and is also likely to release

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<sup>101</sup> Baloyra, "Democratic Transition," p. 12.

<sup>102</sup> O'Donnell and Schmitter, "Tentative Conclusions," pp. 54-55.

<sup>103</sup> As James Malloy rightly points out in his "Politics of Transition," the establishment of democratic legitimacy depends more on the behavior of key political elites than on that of the broad population (p. 238). Paraguay is no exception and thus the course of action adopted by key in and out groups during the succession crisis will assume transcendental importance. The political strategies of these groups, moreover, are not plotted in a vacuum but rather respond to a specific structure of cost and opportunities. Herein the relevance of a structural approach.

<sup>104</sup> Morinigo and Silvero, *Opiniones y Actitudes Políticas*, pp. 199-200. The poll covers urban areas, although the sample includes conglomerates of more than 2,000 inhabitants with a distinctive rural profile.

a potentially decisive pool of politically active people who may make a powerful impact and whose participation may prove decisive in a transition to democracy.

In short in all the scenarios discussed, the resources necessary to enforce the continuity of stronismo are more difficult to secure than are those necessary to liberalize, and the cost of reproducing stronismo significantly exceeds that of almost any sort of compromise solution based on consensus and hence on a degree of liberalization.

#### IV

### CONCLUDING REFLECTIONS<sup>105</sup>

Far from a relic of the past or the product of a peculiar "political culture," the Stroessner regime is instead a powerful authoritarian machine made possible by the interplay of a specific set of structural and conjunctural socioeconomic and political factors. The circumstances that made the emergence and maintenance of authoritarian rule in Paraguay possible for the last three decades, however, are fast changing. The rural character of the country, which facilitated the domination of a rural-based conservative party, is undergoing drastic changes. Some of these transformations, such as the kulakization of the countryside and especially the east, are reinforcing the system. Others, such as the increasing peasant demand for land, are eroding it. The lack of change in other areas, finally, is preventing the breakdown of pre-stronista political allegiances, especially those to the Liberal Party, thus strengthening a leading force of the democratizing coalition.<sup>106</sup>

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<sup>105</sup> Since late April 1988, when this study was completed, and late October 1988, some important new developments took place. However briefly, they need to be discussed here. On August 31, Gen. Stroessner underwent prostate surgery and for a relatively long period he was out of the public view. There seems to be little doubt that his general health is at least delicate. As a result of these developments, the succession issue acquired a sense of greater urgency. Serious doubts about the extent to which key decisions were adopted by Stroessner himself also surfaced.

Stroessner's health will be an important variable in the future. A drawn-out period of retraction similar to that of September and October may allow hardliners to consolidate their power and make a future democratic transition more difficult. Yet as the case of Franco in Spain demonstrates, this course does not necessarily preclude a democratic outcome.

<sup>106</sup> Little is known about partisan affiliations and how they are transmitted. The apparent erosion of the Liberal Party's base of support may appear to some to have released social actors for alternative patterns of political socialization, in turn a sine qua non for democracy. Just as well, however, one can argue that the Liberal Party's retention of its base of support is not only real in the countryside but also positive because it will ultimately prove decisive to ensuring democracy by guaranteeing the existence of a countervailing power to the well-greased colorado machine.

The slow but steady growth of social constituencies traditionally opposed to the regime, chiefly the middle and working class, is further weakening the system. Even the dominant socioeconomic elite, a traditional bastion of support, is increasingly critical of the system. As a result of the economic transformation of the country, the elites are becoming concerned about the domestic market and are thus seeking to speak louder than ever before. The international context is also becoming unfavorable to the Stroessner regime for the first time since it came to power. As a result of the emergence of a new regional game, the preferences of both Argentina and Brazil coincide with those of the democratizing forces. The same applies to the U.S., whose economic assistance played such a vital role in the maintenance of the Stroessner regime.

Just as promising structural changes are taking place, so is a significant transformation in the nature and dynamics of the opposition to the regime. For the first time, a broad-based opposition movement, which encompasses the whole political spectrum except the small Communist Party, is taking shape. New strategies are becoming available as the structure of the political process changes.

However positive, all these developments are not powerful enough to generate an overwhelming pressure for change in the very near future. Important as they are, their scope by no means guarantees any radical reformulation of the governing pact. The system has still enough room for maneuver, a lot of resources to accommodate, and certainly plenty of force to repress. The costs of triggering a transition in the short term are very high, not only because of the power of the governing coalition but also because the alternative of waiting for the natural course of events may still be cheaper for some key, swing actors. Yet, even though imminent change is nowhere in sight, the challenge to authoritarianism is growing. The overall context is changing, and the changes are so profound and their scope so wide as to make the post-stroessner perpetuation of authoritarian rule unlikely.

Due to the difficulty of provoking change from without, the examination of the divisions within the governing coalition becomes crucial. In turn, because of the age of the ruler such analysis cannot really be divorced from that of the problem of succession. Thus, the question truly becomes one of whether the succession crisis will spell the crisis of the system or whether it will be possible for the system to reproduce itself. The analysis of this paper suggests that there is an inversely proportional relation between the ability to produce an outright defeat of stroessnerism and the ability to reproduce it. Hence, from the point of view of the ruling coalition, once the succession crisis is triggered the cost of reproducing the system via imposition will significantly exceed that of reproducing consensus via compromise. Thus, the very same succession issue that makes the possibility of immediate change dimmer also makes the prospects for liberalization and democratization in a post-stroessner scenario brighter.

The structure of the transition game is really predetermined by the nature of the Stroessner regime. The regime has been, on the one hand, heavily dependent on a person able to impose his will and hence has enjoyed low levels of institutionalization, but has also been or has become, on the other hand, rather impersonal because the role of the ruler was to mediate between two institutions, the Armed Forces and the party, and not between competing personalist followings.<sup>107</sup> In reality, the Stroessner regime is the embodiment of compromise between institutions with himself as a personal arbiter. When the mediator is no longer present, compromise becomes even more important but also more difficult. In the absence of the powerful mediator, the need to reach out to potential new power bases will increase. The reproduction of consent, hence, will imply a necessary opening, first within the party and the military but then extending into other arenas, which will encourage the political opposition, the social movements, the business elite, and the Church to seize the opportunity to press their demands harder and to do it more effectively. This challenge will tend to make rule by consensus even more necessary for softliners and more dangerous for hardliners, for what the former win by compromising the latter lose.

As a result, a whole new game will begin. The post-stroessner situation will increasingly resemble the transition scenarios analyzed by Przeworski and O'Donnell and Schmitter, where a democratic outcome is not only possible but also probable.<sup>108</sup> Previously excluded sectors will be incorporated to broaden the system's base of support. This will strengthen existing and create new softliners who will gradually be induced to expand the system's base of support even further by reaching out to the moderate opposition. And thus, a series of small steps adopted to ensure the political future of some regime fractions will gradually generate a situation with a high democratizing potential. That will mark the beginning of the endgame whose outcome will determine the future of democracy in Paraguay. At that time, as I hope I have demonstrated, wishful thinking and thoughtful wishing can coincide.

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<sup>107</sup> Although personalist following played a crucial role in the early years of the system and may do so in the future as well. When asked about the succession issue, Colorado Party First Vice-President and Health Minister Adan Godoy Jimenez ruled out the possibility of a "monarchical" solution. i.e. having Stroessner's son, Air Force Lt. Col. Gustavo Stroessner, succeed his father. Equally, though, his advocacy of the continuation of the stroessner model after Stroessner, although vague, raises the all-important point of the reproduction of consent in the absence of what has been the very source of it for three decades. *Análisis del Mes*, II, 25 (Diciembre 1987): 5.

<sup>108</sup> In his "Introduction to the Latin American Cases," O'Donnell limits the applicability of this framework to "countries that have a more than minimally activated popular sector and a reasonably complex capitalist economy." In *Latin America 2*: 5. As this study suggests, in spite of several peculiarities the Paraguayan case fits into that category.

## Endnotes

<sup>1</sup>A concept similar to J. Samuel Valenzuela's "situación *democratizante*," *Demo-cratización Vía Reforma: La Expansión del Sufragio en Chile* (Buenos Aires: IDES, 1985).

<sup>2</sup> The theoretical approach that I have adopted is an eclectic synthesis, largely inspired by the works of Dankwart A. Rustow, Guillermo O'Donnell and Philippe Schmitter, and Adam Przeworski. See Rustow's "Transitions to Democracy: Towards a Dynamic Model," *Comparative Politics*, 2 (1977): 337-363, and the recent four-volume study edited by Guillermo O'Donnell, Philippe Schmitter, and Laurence Whitehead *Transitions from Authoritarian Rule: Prospects for Democracy* (Baltimore: Johns Hopkins University Press, 1986)—especially Adam Przeworski's "Some Problems in the Study of the Transition to Democracy" (pp. 47-63 in volume 2, *Comparative Perspectives*) and O'Donnell and Schmitter's *Tentative Conclusions About Uncertain Democracies* (Vol. 4). Future references to this work will indicate only the title of the volume. A recent and thought-provoking essay that examines some of the main theoretical issues in the study of Latin American redemocratization is James M. Malloy's "The Politics of Transition in Latin America" in *Authoritarians and Democrats: Regime Transition in Latin America*, edited by James M. Malloy and Mitchell A. Seligson, (Pittsburgh: University of Pittsburgh Press, 1987), pp. 235-258. Other studies of the topic include *Elections and Democratization in Latin America*, edited by Paul Drake and Eduardo Silva (San Diego: Center of U.S.-Mexican Studies, 1986), *Comparing New Democracies: Transition and Consolidation in Mediterranean Europe and the Southern Cone*, edited by Enrique Baloyra (Boulder, Co.: Westview Press, 1987), and the multi-volume collection edited by Larry Diamond, Juan Linz, and Seymour Lipset, *Democracy in Developing Nations* (Boulder, Co: Lynne Rienner, forthcoming 1989). Two very recent and different critical appraisals of the O'Donnell, Schmitter, and Whitehead project are Daniel H. Levine "Paradigm Lost: Dependence to Democracy," *World Politics*, XL, 3 (April 1988), pp. 377-394, and Jorge Nef "The Trend Toward Democratization and Redemocratization in Latin America: Shadow and Substance," *Latin American Research Review*, XXIII, 3 (fall 1988), p. 131-153.

<sup>3</sup> The ridiculous claim that a transition to democracy in Paraguay is unlikely because of the country's lack of democratic tradition is not only logically and theoretically flawed but also historically false. Time and space limitations preclude me from addressing this issue at greater length, but I do so in my "The Liberal Republic and the Failure of Democracy," *The Americas*, (forthcoming April 1989).

<sup>4</sup> The process was initiated by a decision of the party *Junta de Gobierno* to conduct a census of party members. The Comando en Jefe de las Fuerzas Armadas, by Circulars No. 24 and No. 26 of 22 and 23 July 1955, respectively, took the census to the barracks, Partido Liberal, *Manifiesto a la Opinión Pública*, 16 de Octubre de 1955. U.S. diplomatic documents dealing with this issue are transcribed in Alfredo Seiferheld and José Luís de Tone, eds., *El Asilo a Perón y la Caída de Epifanio Mendez* (Asunción: Editorial Histórica, 1988), pp. 91-93.

<sup>5</sup> Approximately twelve percent of the economically active population is employed by the government. Luis A. Campos and Ricardo Canese, *El Sector Público en el Paraguay* (Asunción: Ediciones de la Universidad Católica, 1987), p. 64. Affiliation to the party is compulsory for public employees, as is the payment of party dues, which are automatically withheld from their payroll.

<sup>6</sup> This double role is illustrated by Stroessner's official dressing code. According to the circumstances he dresses in full military garb or in civilian clothes, even though he is still in active service. Only Stroessner has this double dress code. Other high-ranking military men only wear civilian clothes on private occasions.

<sup>7</sup> "Informe de la Junta de Gobierno del Partido Colorado a los Correligionarios Sobre los Ultimos Acontecimientos y la Situación Política Presente," *El País* (Asunción) 19 May 1954, p. 1. Paul H. Lewis in *Paraguay Under Stroessner* (Chapel Hill: University of North Carolina Press, 1980), pp. 63-84, describes the coup and the circumstances surrounding Stroessner's rise to power.

<sup>8</sup> For a more thorough discussion of the importance of timing and sequence of political development, especially the early introduction of universal adult male suffrage before the emergence of the parties, see my "The Liberal Republic and the Failure of Democracy."

<sup>9</sup> In turn, the specific kind of machine that evolved was conditioned by the predominant property relations in rural Paraguay, characterized by the coexistence of a few large cattle-raising *latifundios* with many small agricultural *minifundios*. The hacienda-like structure, which thrived in the Andes and Central America and Mexico, did not develop in Paraguay, and therefore the use of hired rural manpower was largely limited to the few *peones* needed in the *estancias*. Agricultural production was undertaken by independent *campesinos*, occasionally small property-owners, sometimes sharecroppers, but more often simple squatters.

The type of political machine that can prosper in this environment is almost inevitably tied to the commercialization process. Since the political apparatus of the state is not a large enough source of patronage, bosses are bound to be those with easy access to premium resources: commercialization, financing, and transportation. Patrons would then be those who can provide links to the urban markets and/or those who can grant credit for the purchase of essential staples.

<sup>10</sup> For example, in his *Capítulos de la Historia Política Paraguaya 1935-1940* (Asunción: Criterio Ediciones, 1986), p. 96, the distinguished liberal intellectual Carlos Pastore argues that the "civilianist" tradition of the Liberal Party was subsumed ("*superada*") by the identification of civilians and military men in the war front.

<sup>11</sup> The Liberal Party had hoped to reestablish control of the military through the "adoption" of the Chaco War's greatest hero, General José F. Estigarribia, as its presidential candidate. Soon after elected Estigarribia died in a plane crash, however, and the whole plan collapsed. The relative ease with which the liberals were thrown out of power after Estigarribia's untimely death attests to the fragility of their control over the military. The "adoption" strategy had been most enthusiastically supported by the liberal youth under the leadership of a group later known as *cuarentista* (after the year), and the older generation of traditional liberals made it something of a scapegoat. In their defense, the *cuarentistas* responded that "hicimos un acuerdo con los hombres, pero no hicimos un pacto con la muerte." Pedro R. Espinola, "Introducción," p. 26, in Pastore, *Capítulos de la Historia Política Paraguaya*.

<sup>12</sup> I discuss this in more detail in "Notes on the Emergence of the Stroessner Regime," unpublished manuscript, Miami University 1988, and "Constraints and Opportunities: External Factors, Authoritarianism, and the Prospects for Democratization in Paraguay," *Journal of InterAmerican Studies and World Affairs*, 30, 1 (Spring 1988), pp. 73-104.

<sup>13</sup> Ricardo Rodríguez Silvero, *La Integración Económica del Paraguay en el Brasil* (Asunción: Editorial Arte Nuevo, 1983), pp. 108, 143, 146, and 172-73.

14 Abente, "Constraints and Opportunities," pp. 15-17.

15 Philip Agee, *Inside the Company: A CIA Diary* (New York: Stonehill Publishers, 1975), pp. 338-343, describes an operation mounted in Montevideo to infiltrate the Paraguayan opposition engaged in a rural guerrilla movement against the government of General Stroessner.

16 Until the early to mid-1970s the North American Ambassador and the Papal Nuncio were the two diplomats most often seen with Stroessner in prominent pictures printed by newspapers and shown on television. This was the case not only on official occasions but on others, such as his birthday, as well.

17 As, for example, Alan Riding is led to believe in "Tensions Usher in a Ritual Election in Paraguay," *The New York Times*, February 14, 1988, p. 12.

18 One such fear-instilling measure constitutes, for example, periodic and surprising police round-ups of the population in highly visible public places and at peak traffic hours, conducted to "verify" if all carry proper police identification, the *cedula de identidad*. Those who do not are jailed until positively identified as a non-suspect. Political opponents when jailed are often deprived of their *cedulas*, which are not returned to them upon release. As a result, many of them are forced to live as non-documented individuals, unable to get credit, open a checking account, or even get a job.

19 Alexis de Tocqueville put it this way "... un despote pardonne aisément aux gouvernés de ne point l'aimer, pourvu qu'ils ne se aiment pas entre eux. Il ne leur demande de l'aider à conduire l'État, c'est assez qu'ils ne prétendent point à le diriger eux mêmes." *La Démocratie en Amérique* (Paris, 1963), p. 272. This passage was brought to my attention by a footnote of Francisco Delich "Estructura Agraria y Hegemonia en el Despotismo Republicano Paraguayo," *Estudios Rurales Latinoamericanos*, IV, 3 (September-December 1981), pp. 239-256.

20 I am partially drawing here on the insights of Adam Przeworski's analysis in his "Material Bases of Consent: Economics and Politics in a Hegemonic System" in Maurice Zeitlin, *Political Power and Social Theory*, Vol. 1 (Greenwich: JAI Press, 1980), pp. 21-66.

21 I cannot deal with the issue of corruption here. Suffice it to say that, although it is widespread, the regime does not rest on it to the extent that other dictatorships have done. Corruption helps, no doubt, to grease the machinery of government and keep high-level discontent at bay, but often it acts more as a golden parachute for one who has no option but to open it or fall without it than as the pillar without which the regime would collapse. Corruption mollifies more than it buys; it sweetens alternative options and enhances the attractiveness of not challenging the system. Although not referring to corruption per se, Victor Morinigo in a letter to his friend and mentor Natalicio Gonzalez eloquently captured the reality that lies behind it when he complained that he faced two choices, exile or paid exile, meaning the ambassadorship in Peru. Like corruption, the paid exile alternative makes the system easier to accept and the price of an unsuccessful challenge much more expensive. (From Victor Morinigo to Natalicio Gonzalez, Lima, March 16, 1959. Natalicio Gonzalez Collection, MS E 192 Vol. 2, Kenneth Spencer Research Library, The University of Kansas, Lawrence.)

22 Yet its importance has too often been ignored. The origins of this cleavage can be traced back to the very foundational years of the nation when Dictator Francia with the support of the rural oligarchy of old settlers destroyed the Asunción-based mercantile elite, mostly made up of



Spanish newcomers. For an insightful analysis of an aspect of this conflict see Jerry Cooney "The Rival of Dr. Francia: Fernando de la Mora and the Paraguayan Revolution," in *Revista de Historia de América*, 100 (July-December 1985), pp. 201-229.

23 Conferencia Episcopal Paraguaya, Equipo de Pastoral Social, *Tierra y Sociedad. Problemática de la Tierra Urbana, Rural, e Indígena en el Paraguay* (Asunción: CEP, 1984), p. 62.

24 Inter American Development Bank, *Economic and Social Progress in Latin America. 1987 Report* (Washington: IDB), p. 422.

25 To be sure, a change in the definition of urban districts might be inflating this growth somewhat but the trend holds nevertheless because of the growing economic integration and subordination of the whole area to Asunción.

26 CEPAL, *Anuario Estadístico 1985* (New York: United Nations, 1985), p. 80, and Dirección General de Estadísticas y Censos, *Censo de Población y Viviendas de 1982. Resultados Preliminares* (Asunción: Ministerio de Hacienda, 1982), pp. 21 and 26.

27 I am excluding the northeastern Department of Amambay from this comparison and including that of Caaguazú, because the former has an older and different settlement pattern. The latter's, on the other hand, is socioeconomically more similar to that of Alto Paraná and Canendiyú.

28 Includes the Departments of Cordilleras, Caazapá, Guairá, Ñeembucú, Misiones, and Paraguari.

29 The Department of Canendiyú is not included in 1962 and 1950 because its creation dates from late 1973. The department, however, was formed by allocating an area originally belonging to Alto Paraná and Caaguazú and therefore the total population of the *area*, including what is now Canendiyú, is represented by the older departments.

30 Calculations of the author based on 1982 Census data.

31 The rural-rural migration process is also discussed by Francis Gillespie in his "Comprehending the Slow Pace of Urbanization in Paraguay Between 1950 and 1972," *Economic Development and Cultural Change* (January 1983), pp. 355-375.

32 For example, R. Andrew Nickson, "Brazilian Colonization of the Eastern Border Region of Paraguay," *Journal of Latin American Studies* 13,1 (May 1981), pp. 111-131.

33 It is useful to note here that the architect of the regime's agrarian policy was Juan Manuel Frutos, a leader of the Paraguayan section of the World Anti-Communist League. Although not a traditionalist, he ended up joining them in confronting the militants and is expected to lose his position in the near future. The last section of this essay deals with the intra-party rivalry between traditionalists and militants in more detail.

34 Slightly different figures are given by Carlos Romero Pereira, *Una Propuesta Ética* (Asunción: Editorial Histórica, 1987), p. 126.

35 Conferencia Episcopal Paraguaya, Equipo Nacional de Pastoral Social, *Tierra y Sociedad*, pp. 319-321.

36 Carlos Fletschner et. al., *Economía del Paraguay Contemporáneo*, 2 vols. (Asunción: Centro Paraguayo de Estudios Sociológicos, 1984) I: 55.

37 Comité de Iglesias, *Formas de Organización Productiva Campesina* (Asunción: np, 1981), p. 213, n. 65, includes excerpts of an interview with a well-informed observer, which discusses these deals. Another interviewee, p. 215, n. 74, describes the uneasiness of a lt. colonel in carrying out some arrests. See also, Tomás Palau Viladesau and María Victoria Heikel, *Los Campesinos, El Estado, y Las Empresas en la Frontera Agrícola* (Asunción: Base/Pispal, 1987), pp. 32 and 40.

38 IBR populist rhetoric notwithstanding. Consider, for example, this jewel: “En 1940 la estructura de la tenencia de la tierra estaba conformada de la manera siguiente: a. propietarios 5%, b. arrendatarios o aparceros 4%, c. ocupantes precarios 91%. Única alternativa: Guerra al latifundio, adoptando medidas políticas en sus dos aspectos: como ciencia y como arte. Para enfrentar a sectores poderosos como la oligarquía latifundista, hay que contar con aliados también poderosos. En Paraguay los ejecutivos de la Reforma Agraria nos aliamos con el pueblo, las Fuerzas Armadas, y la juventud.” Juan Manuel Frutos, *De la Reforma Agraria al Bienestar Rural* (Asunción: IBR, 1977).

39 The rural population of Alto Paraná, Caaguazú, and Canendiyú accounts for 23.4 percent of the total rural population of the country. However, if one adds the departments of San Pedro and Itapúa—large areas of which exhibit a pattern similar to that of the eastern departments—the percentage rises to 44.4.

40 Samuel Huntington, *Political Order in Changing Societies*, 1968.

41 As many as 41 percent of the farmers owning between 20 and 50 hectares in Alto Paraná are Brazilians. In the case of Canendiyú the figure is 31 percent. According to the 1982 census, 82,953 Brazilians live in rural Paraguay. This represents 78 percent of the total population of foreigners in rural areas but less than 20 percent of the number of *campesinos* affected by the colonization process. Ministerio de Agricultura y Ganadería, *Censo Agropecuario de 1981* (Asunción, MAG, 1985), pp. 42-43, and Dirección General de Estadísticas y Censos, *Censo de Población y Viviendas de 1982* (Asunción: Ministerio de Hacienda, 1986), p. 416.

42 No survey of political opinions is available for this area. However, a study of a German colony in the neighboring Department of Itapúa shows a strong support for the regime and a great suspicion of the opposition. José N. Morinigo and Ilde Silvero, *Opiniones y Actitudes Políticas en el Paraguay* (Asunción: Editorial Histórica, Fundación Friedrich Naumann, and Universidad Católica, 1986), pp. 143-148. Again, fear may play a role in shaping the respondent's answer, but it seems clear that even controlling for that the government would come up well. A difference, potentially important in the future, is that whereas the experience indicates that German and Japanese migrants as well tend to retain their foreign identities for several generations, Brazilians may become integrated more rapidly and easily into mainstream Paraguayan society.

43 Tomás Palau, *El Cultivo del Algodón y la Soya en el Paraguay y Sus Derivaciones Sociales*, Estudios e Informes de la CEPAL No 58 (Santiago de Chile: CEPAL, 1986), pp. 30-31, and Luis A. Galeano, “La Diferenciación Socioeconómica en el Campo y las Migraciones. Paraguay 1950-

1975," pp. 208-209, in Domingo M. Rivarola, ed., *Estado, Campesinos, y Modernización Agrícola* (Asunción: Centro Paraguayo de Estudios Sociológicos, 1982). Compare also in Table V the area occupied by small units in areas of old and new settlement.

44 According to the 1981 Agricultural Census there were 7,278 "explotaciones sin tierra." Assuming an average family size of six, the number of landless peasants would then be around 44,000. Some experts disagree with that figure, however, and suggest that the number of landless peasant increased from approximately 68,000 in 1956 to approximately 91,000 in 1981. Ministerio de Agricultura y Ganadería, *Censo Agropecuario 1981* (Asunción: MAG), p. 15, and Tomas Palau Viladesau, personal communication to the author, 26 February 1988.

45 Whether this is the case because of the process of pauperization alluded to above, or because of the general loosening of rigid standards and control mechanisms that generally accompanies massive population shifts, or both, can only be ascertained in an impressionistic way because of the lack of systematic studies of this phenomena. Data on recent conflicts is available in Romero Pereira, *Una Propuesta Ética*, p. 134, and Ramón Fogel, "Las Invasiones de Tierras: Una Respuesta Campesina a la Crisis," pp. 45-88, in Domingo Rivarola, ed., *Los Movimientos Sociales en el Paraguay* (Asunción: Centro Paraguayo de Estudios Sociológico, 1986).

46 Marcelino Corazón Medina as a colorado and Bernardo Torales as a liberal radical authentic, "Amenazan a Dirigentes Campesinos," *Notas Trimestrales del Comité de Iglesias*, No. 4, 1987, p. 29.

47 There are three major peasant organizations in Paraguay, the MCP (*Movimiento Campesino Paraguayo*), the *Unión Nacional de Campesinos Onodivepa*, and the CONAPA (Coordinación Nacional de Productores Agrícolas), and one umbrella institution, the *Asamblea Permanente por el Derecho a la Tierra*. For a brief review of recent development see Celso Velazquez "Algunos Logros y Muchos Problemas en las Organizaciones Rurales," in *Sendero. Anuario 1987*, pp. 50-52. For a more historical and general overview see José Carlos Rodríguez, *Onodivepa: Análisis de Algunas Formas de Organización Campesina en el Paraguay* (Asunción: Comité de Iglesias, 1982), Carlos Alberto Gonzalez, Gladys Casaccia, Mirna Vazquez, et. al. *Organizaciones Campesinas en el Paraguay* (Asunción: CIDSEP, 1987), pp. 25-65, and Benjamin Ardití and José Carlos Rodríguez, *La Sociedad A Pesar del Estado. Movimientos Sociales y Recuperación Democrática en el Paraguay* (Asunción: El Lector, 1987), pp. 53-70.

48 As will be seen below, it is in these areas where the *militante* faction of the Colorado Party has made the greatest strides, while it is in areas of old settlements where *traditionalist* strongholds are located.

49 Francisco Delich in his "Estructura Agraria y Hegemonía" takes a different position and sees this development as quasi-irreversibly strengthening the Stroessner regime by way of reinforcing the agrarian bloc. Many important political and historical mediations, however, significantly complicate the picture.

50 Percentages calculated by the author from data of CEPAL, *Anuario Estadístico de América Latina*, several years.

51 Oscar Corvalan Vasquez, "Recursos Humanos y Empleo en el Paraguay," in Fletschner et. al. *Economía del Paraguay*, I: 164, 192. The largest single category includes most of the rural population and the bulk of the informal sector and decreased slightly from 69.4 percent in 1962 to

66.9 in 1982. It is of course a mistake to believe that this segment represents an amorphous and undefined homogeneous mass. As the above discussion of the colonization policy and Table II show, 78 percent of them are small farmers owning less than 10 hectares and a growing rural middle class is emerging.

52 A survey of recent events, including the withdrawal of the Christian-Democratic *Coordinadora Nacional de Trabajadores*, CNT, from the MIT, which has social-democratic sympathies, is in Serafín Soto Vega "El Sindicalismo Recobra Su Papel Protagonico," in *Nuestro Tiempo*, II, 23 (Diciembre 1987), pp. 5-7, and in Roberto Villalba, "Marchas y Contramarchas del Movimiento Obrero," *Sendero. Anuario 1987*, pp. 27-31. More general pieces include three brief but extremely useful contributions published by the *Centro de Documentación y Estudio CDE*, namely Andrew Nickson's *Balance Histórico del Movimiento Obrero Paraguayo, 1880-1984*, Roberto Villalba, *Cronología del Movimiento Obrero Paraguayo, 1986*, and José Carlos Rodríguez, *Situación Actual de la Historiografía sobre el Movimiento Obrero Paraguayo*. See also chapter 2 (pp. 33-51) of Arditi and Rodríguez, *La Sociedad A Pesar del Estado*.

53 Diego Abente, "Foreign Capital, Economic Elites, and the State in Paraguay During the Liberal Republic," *Journal of Latin American Studies*, February 1989.

54 Diego Abente, "The Political Economy of Meat in Paraguay," paper presented to the meeting of the Midwest Association for Latin American Studies, Columbia, Missouri, November 1985.

55 Abente, "The Political Economy of Meat," p. 13.

56 Ground, "El Auge y Recesión de la Economía Paraguaya," p. 495.

57 Nevertheless the modernization of the industrial sector came to a halt with the boom. For example the share of the intermediate goods sector rose from 8 percent in 1950 to 21 in 1981, but it had already reached 20 percent by 1970. Likewise, the participation of the consumer goods sector dropped from 91 percent in 1950 to 76 percent in 1981, but it had stood at 75 percent by 1970. Ricardo Rodríguez Silvero, *La Deformación Estructural. Reflexiones sobre el Desarrollo Socio-Económico en el Paraguay Contemporáneo* (Asunción: Editorial Arte Nuevo, 1985), p. 116.

58 CEPAL, *Anuario Estadístico de América Latina*, 1985, I: 533.

59 CEPAL, *Economic Survey of Latin America, 1982*, p. 511, and Palau, *El Cultivo del Algodón y la Soya*, p. 92.

60 The influence and organization of soybean producers is discussed in Palau, *El Cultivo del Algodón y la Soya*, p. 115-119.

61 Reinerio Parquet, *Las Empresas Transnacionales en la Economía del Paraguay*, Estudios e Informes de la CEPAL No. 61 (Santiago de Chile: CEPAL, 1987), pp. 69-71. See also Ricardo Rodríguez Silvero et. al. *Las Transnacionales en el Paraguay* (Asunción: Editorial Histórica and Fundación Friedrich Naumann, 1985), and Ricardo Rodríguez Silvero, *Las Mayores Empresas Brasileñas, Alemanas, y Norteamericanas en el Paraguay* (Asunción: Editorial El Lector, 1986).

62 Ground, "El Auge y Recesión de la Economía Paraguaya," p. 496.

63 Werner Baer and Melissa H. Birch, "Expansion of the Economic Frontier: Paraguayan Growth in the 1970s," *World Development*, 12, 8 (1984): 790.

64 A perusal of the meager business literature shows that the words "economic reactivation" with a clear inward-oriented connotation never occupied a prominent place, for the emphasis was traditionally placed on economic liberty, in connection with the meat and foreign exchange markets. By 1987, however, "economic reactivation" had become the catchword.

65 Of the two most important banks of the liberal republic, one, the Banco Mercantil, collapsed with the crisis of 1920 even as it managed to stage a short-lived comeback. The second and largest, the Banco de la República, went down with the 1929-31 depression. Other smaller institutions followed the same path. Abente, "Foreign Capital, Economic Elites, and the State."

66 Bank ownership data is provided by Parquet, *Las Empresas Transnacionales*, pp. 98-99.

67 Margarita Duran Estrago, *Diálogo Nacional. Urgencia de Nuestro Tiempo* (Asunción: Biblioteca de Estudios Paraguayos de la Universidad Católica, 1987) XX: 116. For a statement of the business sector claims see Foro de la FEPRINCO, *Empresariado Nacional. Reactivación Económica*, (Asunción: Editorial El Lector, 1987).

68 "En Montevideo no hubo lugar para Stroessner," *Nuestro Tiempo*, II, 20 (Mayo 1987), pp. 42-43, and "Fue acordada la integración de Uruguay a los convenios de integración de Argentina y Brasil," *Clarín Internacional*, February 18, 1988, p. 1.

69 The important international changes of the last few years are surveyed in José Felix Fernandez Estigarribia and José Luís Simón Giménez, *La Sociedad Internacional y el Estado Autoritario del Paraguay* (Asunción: Editorial Aravera, 1987).

70 "Oposición Paraguaya Gana Terreno en el Brasil," *Nuestro Tiempo*, II, 17 (February 1987), pp. 19-23, discusses some of these changes and comments on newspaper coverage of the Stroessner-Sarney January brief encounter to inaugurate a new stage of the Itaipú hydroelectric dam. *A Folha do São Paulo* was reported as informing: "Sarney Encontrase com Stroessner e Ulysses [Guimarães, the President of the Congress and Constitutional Convention] Recebe a Oposição Paraguaia."

71 "Entrevista. Elliot Abrams: A Voz do Inspetor" in *Veja* (São Paulo), 20 April 1988, p. 8.

72 "Foreign Campaign Will Not Succeed," *Latin American Weekly Report*, 4 February 1988, p. 3.

73 Since late April 1988, when the last version of this study was finished, and late October two new developments, worth discussing at least in a footnote, took place. The triumph of Menem in the Peronist primaries last July can be seen as a setback of sorts for Cafiero was certainly widely regarded as a more trustworthy candidate. Menem, however, will have to make and has already made many concessions to other sectors of his party and the national spectrum—and whether he will be elected in May 1989, in the first place, is still an open question. A good indication of the differences between party and national campaigning, which may well prefigure the distinction between campaigning for and serving in the presidency, is that he did not send any representative to Stroessner's eighth re-inauguration ceremony last August. In an ironic twist, Menem's own victory may have rendered meaningless the veiled threat of Mr. Acevedo. Mr. Acevedo, on the other hand, was promoted to Minister of Foreign Relations in August.

74 "Foreign Campaign," p. 3. Some of those "friends of our own" include former police and military officers involved in the dirty war as well as individuals such as the fascist Oscar Castrogiovanni (Castroge) who after the January 1988 frustrated military revolt of Lt. Col. Aldo Rico sought asylum in the Paraguayan Embassy.

75 *Latin American Regional Report, Southern Cone*, 15 October 1987, p. 1, and *Ultima Hora*, 3 February 1987, p. 12.

76 *El Diario de Noticias*, 24 September 1987, p. 9.

77 Hereinafter references to the Liberal Party are to the PLRA.

78 The last time such a thing happen was in 1909 with the colorado-liberal/cívico pact signed in Buenos Aires by Generals Caballero and Ferreyra to overthrow the radical government.

79 The logic behind this colorado rationale is simply one of convenience. A perusal of the political correspondence of colorado leaders Natalicio Gonzalez and Victor Morinigo demonstrates that even those who were exiled by Stroessner and would privately condemn certain acts would eventually close ranks with the government and try to recapture it from within rather than allow the party to be thrown out of power. The Natalicio Gonzalez Collection is housed by the Kenneth Spencer Research Library of the University of Kansas, Lawrence.

80 Even though some may find the comparison with "U.S.-style politics" inappropriate and even—alas—"ethnocentric"!

81 Also, from the fact that actors act rationally it does not automatically follow that they will achieve their ends. There may be errors of calculus, outright mistakes, or just sheer ignorance of what is realistic to expect. For an excellent treatment of some the broader issues raised by this discussion see Alessandro Pizzorno "Sobre la racionalidad de la opción democrática," in A. Pizzorno, C. Donolo, P. Birnbaum, et. al. *Los límites de la democracia*, (Buenos Aires: CLACSO, 1985) II: 9-25.

82 Aside from the small Communist Party, whose presence in the political spectrum is minimal but which apparently possesses some degree of continuity at least in terms of leadership, the non-Communist leftist forces follow a more generational pattern. Over the last few decades many progressive movements loosely considered *movimientos independientes* have emerged and succumbed every five to ten years. In spite of their differences, both within and between generations, a degree of theoretical self-identification as an alternative political project seems to have been kept. Beyond that, though, every cohort has had to develop a different leadership, organizational perspective, and political outlook.

83 The concept comes O'Donnell and Schmitter, *Tentative Conclusions about Uncertain Democracies*, pp. 48-56. For the case of Paraguay, see Rivarola, *Los Movimientos Sociales*.

84 For example, more than 40,000 peasants attended a rally organized by the PLRA in the town of Coronel Oviedo, in Caaguazú, in late 1987.

85 This discussion draws on the insights of Adam Przeworski's "Some Problems in the Study of the Transition to Democracy" in O'Donnell, Schmitter, and Whitehead *Comparative Perspectives* 2: 53-56.

86 The distinction between change from within and from without is made for the sake of the clarity of the exposition. Obviously, in real political life the boundaries are not nearly as clear cut and change is generally a consequence of "within" and "without" factors interacting together.

87 *Tentative Conclusions*, pp. 19 and 21. In the same vein, Przeworski affirms that "the first critical threshold in the transition to democracy is precisely the move by some group within the ruling bloc to obtain support from forces external to it." "Some Problems in the Study of Transition," p. 56.

88 Calculations made by the author based on electoral results published in *Ultima Hora*, 28 July 1986.

89 Public employees make up approximately 12 percent of the economically active population. Campos and Canese, *El Sector Público*, pp. 64 and 211-212.

90 Three died while in office and fifteen were purged.

91 O'Donnell and Schmitter, *Tentative Conclusions*, pp. 15-16. The insights of O'Donnell and Schmitter's treatment of the issue inspire much of the discussion that follows. Also depicted as pragmatists vs. fundamentalists or obstructionists vs. aperturists as in Enrique Baloyra, "Democratic Transition in Comparative Perspective" in *Comparing New Democracies*, p. 14.

92 Also, the softliners' remarks were made in a context hinting strongly at the danger that the split could serve to strengthen the opposition. Maintaining party control of the government was at least as important to their strategy as the tentative possibility of democratization.

93 The recent decision of Party President Sabino Montanaro to protect the president of the *Seccional* 13, the well know traditionalist Cirilo Vergara, is a telling indication. Many other traditionalists were purged already, however, including the presidents of the *seccionales* of Nueva Italia, Carapegua, Caazapá, Nemby, and nine of Asunción.

94 My ideas in this regard were clarified by a discussion with José Z. Garcia.

95 The only such instances were those of Gen. Morinigo in the 1940s and Albino Jara in 1911, but no sooner had they established the system than they were forced to seek the support of political parties.

96 This assertion is admittedly based on the widely circulated rumor that the sympathy of the majority of the officers lay with the traditionalists. However, some bizarre incidents lending a degree of credit to the rumors surrounded the campaign and the convention. For example, the commander of the powerful First Corps was depicted as a traditionalist and apparently has close relations with some of the leaders of this faction. Air Force jet fighters overflew a traditionalist rally in what was described by its sympathizers as an expression of support. Tanks were reported moving in Asunción during the convention. The Commander of the Navy is the son of a prominent traditionalist leader. And three days before the convention Stroessner took the

unusual step of ordering the military to the barracks until the event was over. Finally, more than ever before, in the acts organized by the new Junta party leaders' speeches paid unusual attention to the Armed Forces and were given loud and long applause, as if to reassure about a support no longer taken for granted.

97 An example of this is the intervention of the Defense Minister, Gen. Germán Martínez, at a Junta meeting in February 1987. On that occasion, a rare one indeed, Gen. Martínez saying that he was speaking on behalf of his "comrades" and the army asked party leaders to avoid a division and to maintain the unity of the party at all costs. This was seen as favoring the traditionalists, who were insisting on that issue and had not even announced their intention to compete. Gen. Martínez, however, was appointed by and is said to be close to Gen. Stroessner. For whom was he speaking? In any case, it is important to note that the existing hierarchy was utilized rather than bypassed. *El Diario de Noticias*, 12 February 1987, p. 8. On February 24, 1988, Gen. Martínez paid another such visit, this time to congratulate the party for "winning the election" of February 14. *La Voz del Coloradismo*, February 24, 1988.

98 Public statements by military officers are rare, although they have increased somewhat as of late. They tend to fall into two categories: some make the partisan link explicit while others emphasize loyalty to the Armed Forces and its Commander in Chief. In most public acts and ceremonies the appearance of military subordination to civilian leadership is clear, an impression reinforced by the discourse of party leaders. In the Christmas message Party President Sabino Montanaro referred to the military as those "who are *also* our coreligionists." On the other hand, third Vice-President and Justice Minister J. Eugenio Jacquet, in an act to celebrate the "victory" in the "votation" of 14 February thanked, among others, "our coreligionists who serve in the Armed Forces." *La Voz del Coloradismo*, 23 December 1987, and *Radio Nacional del Paraguay*, 18 February 1988.

99 A further incentive to compromise is the constitutional framework. The Constitution establishes that in case of the death or incapacity of the President, the Minister of the Interior or any other Minister shall convene a meeting of the National Assembly, made up of both Houses of Congress and the State Council, to designate a successor. Anybody could be elected to serve the remainder of the term or to call new elections, depending on the case.

100 Abdo Benitez's career has always assumed the appearance of "pressure from below," even though it is obvious that it was his patronage and gatekeeper role that allowed him to manipulate convention delegates into asking for his promotion. He built his own base, however, and did not rely only on deals with the existing party leadership. More importantly, the origins of his career should not be traced back to the 1984 party convention, as all writings on the topic suggest, for in reality it began in 1966, and coincided—alas—with the dismissal of Stroessner's most powerful potential rival, the Interior Minister Edgar L. Ynsfrán. Abdo was so trusted already—one is tempted to recall—that he, a civilian, headed Stroessner's Military Household upon the death of Col. José María Argana for a rather long time until a suitable successor was found. Also, he installed the new Chief of the Military Household Col. Alejandro Fretes Davalos, and spoke of Stroessner's confidence in him. In that same year of 1966 a group of delegates mostly from Misiones, including the current leader of the MIC Atilio R. Fernandez, asked that Abdo be elected to the Junta, which he was as third substitute. By 1969 he was promoted to full member and a group of delegates pressured hard for him to be appointed to one of the political secretariats. The pressure had apparently been so intense that the first meeting of the Junta, at which such appointments are usually made, decided to postpone the decision and instead charged Party President Chaves with the selection task. It was only a month later that Chaves announced the appointments, which did not include Abdo. By 1972, however, Abdo made it right through to the post, although without any public display of support. By 1981 the possibility of his promotion to



one of the vice-presidencies had already been floated forcing Political Secretary Pedro H. Pena to "remind" delegates that they elect the Junta, not its *mesa directiva*. *La Tribuna*, 17 September 1966, p. 4; 17 December 1966, p. 5; 24 September 1969, p. 5; 20 October 1969, p. 5; 21 September 1972, p. 3; and 15 September 1981, p. 3.

101 Baloyra, "Democratic Transition," p. 12.

102 O'Donnell and Schmitter, *Tentative Conclusions*, pp. 54-55.

103 As James Malloy rightly points out in his "Politics of Transition," the establishment of democratic legitimacy depends more on the behavior of key political elites than on that of the broad population (p. 238). Paraguay is no exception and thus the course of action adopted by key in and out groups during the succession crisis will assume transcendental importance. The political strategies of these groups, moreover, are not plotted in a vacuum but rather respond to a specific structure of cost and opportunities. Herein the relevance of a structural approach.

104 Morinigo and Silvero, *Opiniones y Actitudes Políticas*, pp. 199-200. The poll covers urban areas, although the sample includes conglomerates of more than 2,000 inhabitants with a distinctive rural profile.

105 Since late April 1988, when this study was completed, and late October 1988, some important new developments took place. However briefly, they need to be discussed here. On August 31, Gen. Stroessner underwent prostate surgery and for a relatively long period he was out of the public view. There seems to be little doubt that his general health is at least delicate. As a result of these developments, the succession issue acquired a sense of greater urgency. Serious doubts about the extent to which key decisions were adopted by Stroessner himself also surfaced.

Stroessner's health will be an important variable in the future. A drawn-out period of retraction similar to that of September and October may allow hardliners to consolidate their power and make a future democratic transition more difficult. Yet as the case of Franco in Spain demonstrates, this course does not necessarily preclude a democratic outcome.

106 Little is known about partisan affiliations and how they are transmitted. The apparent erosion of the Liberal Party's base of support may appear to some to have released social actors for alternative patterns of political socialization, in turn a sine qua non for democracy. Just as well, however, one can argue that the Liberal Party's retention of its base of support is not only real in the countryside but also positive because it will ultimately prove decisive to ensuring democracy by guaranteeing the existence of a countervailing power to the well-greased Colorado machine.

107 Although personalist following played a crucial role in the early years of the system and may do so in the future as well. When asked about the succession issue, Colorado Party First Vice-President and Health Minister Adan Godoy Jimenez ruled out the possibility of a "monarchical" solution. i.e. having Stroessner's son, Air Force Lt. Col. Gustavo Stroessner, succeed his father. Equally, though, his advocacy of the continuation of the stronista model after Stroessner, although vague, raises the all-important point of the reproduction of consent in the absence of what has been the very source of it for three decades. *Análisis del Mes*, II, 25 (Diciembre 1987): 5.

108 In his "Introduction to the Latin American Cases," O'Donnell limits the applicability of this framework to "countries that have a more than minimally activated popular sector and a

reasonably complex capitalist economy.” In *Latin America*, 2: 5. As this study suggests, in spite of several peculiarities the Paraguayan case fits into that category.

## ADDENDUM

### A PRELIMINARY APPRAISAL OF THE FEBRUARY COUP

At this stage it is not possible to offer more than preliminary and tentative remarks, with a partial analysis of only some of the most important aspects of the situation. The full facts are by no means in—and a thorough discussion of the implications of the recent dramatic conjuncture would, in any case, require another paper. In the brief space available I give an outline of the events leading up to the coup, comment on a few particularly significant factors in the new government's initial strategy, and raise some speculative questions about the future.

As discussed before, by the mid-1980s the Stroessner regime came under increased pressure from without—domestic opposition and the international community—while also experiencing growing internal problems, exacerbated by the August 1987 partisan split. Two factors intensified the crisis: the deteriorating economic situation and the failing health of the Dictator, particularly after his 31 August 1988 prostate operation unveiled a cancerous condition.<sup>109</sup>

Within that broad context, the three key and interrelated developments that combined to bring about the overthrow of Stroessner were: a) the spillover effects of the traditionalist/militant party division of August 1987; b) the growing radicalization, repressiveness, and violent tactics of the dominant militant faction; and c) the attempt by the militants and Stroessner to purge the Armed Forces and its effect of exacerbating existing institutional tensions.

Having captured total control of the party in 1987, the militant stronista faction engaged in a two-pronged strategy. On the one hand, it subjected the political opposition to rising levels of violence and harassment. Repressiveness increased and widened over the last few months and the Catholic Church as a whole, and some bishops in particular (Mons. Aníbal Maricevich of

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109 Although this was widely *believed* to be the case, no independent confirmation was available. In light

of so many earlier wishful rumors, most analysts preferred to consider this one just a more well-founded

rumor, as indicated by the unusual circumstances that surrounded it. The high military command, however,

would have known Stroessner's true health condition better.

Concepción and the Archbishop of Asunción, Mons. Ismael Rolón), became targets of a growing series of vicious attacks. Insofar as this was a deliberate strategy, it was presumably meant to clear the field of any potential source of disturbance that might interfere with the militants' succession plans. Although the direction of these plans—stronismo after Stroessner—was rather clear, the specific personality formula may have rested on shakier foundations. Some, no doubt, were pushing to see recently promoted and now retired Air Force Colonel Gustavo Stroessner succeeding his father.<sup>110</sup> Other militants, however, while sharing the same tactical interests in the consolidation of the militant faction were less clearly committed to such a formula.

The second element of the strategy involved control of the Armed Forces via a purge of the leadership, which had been generally suspected of harboring sympathies for the displaced traditionalist faction of the party. Military command changes began at a relatively unusual time, mid-January (they were normally announced in December), but the specific meaning of some reassignments were not immediately clear. The major change that was not to be, however, came later and implied the attempt to retire the Commander of the First Army Corps, Gen. Andrés Rodríguez, or give him the ceremonial post of Defense Minister. Rodríguez resisted the move and utilized his power base in the First Cavalry Division of Campo Grande to attack Stroessner's Presidential Escort Regiment while the Navy bombarded the Police headquarters.

The coup began around 21:45 on February 2nd. After some six to eight hours of heavy fighting that cost 300 to 500 lives (U.S. Embassy estimates) Stroessner was ousted. Not a single Army Corps head or regiment commander joined Stroessner as he desperately sought to stave

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110 Tape recorded versions of military communications during the coup reveal that Gustavo played a key though

role in defending the regime. He would even order some generals around as they were his ably

subordinates. This evidence suggests that he had amassed consider more power than many people this

thought, and may explain the reaction of the majority of the high military leadership.

off Rodríguez's attacks—not even his own Artillery Regiment stationed in Paraguari, a short 45 miles south-east of Asunción.<sup>111</sup>

The plans of the militants, thus, encountered two major roadblocks—one military and the other political. As far as the former is concerned, it seems clear that a considerable segment of the leadership of the military largely shared Rodríguez's concern about an impending purge and was not willing to suffer the fate of the traditionalists at the 1987 party convention. Had Stroessner and the militants not attempted to expand and consolidate their power so quickly, perhaps the need for a preemptive coup might not have arisen. Even those who were very close to Stroessner, or who did not join the coup, such as (now retired) Maj. Gen. Gustavo Prieto Busto, expressed publicly that they had been increasingly disconcerted and demoralized by the events of the past few months.<sup>112</sup>

Moreover, the widespread dissatisfaction of young officers whose promotions were being indefinitely postponed also created great pressure. Together with that, many young generals surely disliked the rise of Gustavo Stroessner, which would have eventually forced their early

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111 The rumor that the Artillery Regiment was marching toward Asunción to help Stroessner did circulate

around 03.30, apparently as Stroessner infiltrated the communications of the rebels and broadcast the

“  
following message: Here Carlos 1 speaking, here Carlos 1, this is an order: Back down, back down! The  
” Key rebel

Artillery has arrived at the Cavalry headquarters! Back down, back down! officers were code-

named Carlos, Carlos 1, Carlos 2, through Carlos 7. Carlos was Gen. Rodríguez.

112 *El Diario de Noticias*, 14 February 1989, p. 10.

retirement. (This would have been necessary to prevent having officers more senior than Gustavo at the helm.)

The traditionalists and other dissident colorados seized the opportunity to build political support for a major political comeback—or even a coup. Their strategy began with a political offensive launched in late 1988 designed to question the legitimacy of the militant *Junta*. The visible head was former Supreme Court President Luís María Argaña, who organized meetings in militant strongholds and sharply attacked them.<sup>113</sup> A string of statements by an array of distinguished dissident colorados was publicized in newspapers<sup>114</sup> in December and especially

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113 The question was, of course, who is behind Argaña? How can he challenge the system in its very

strongholds of Puerto Stroessner, Coronel Oviedo, and Encarnación without swift retaliation? The answer

was also logical in most people's minds: Rodríguez and the military.  
discuss

114 As I in the paper, the government always tolerated some expressions of discontent, especially

from within the Colorado Party. This served as a means both of releasing some pressure and of finding out

what opponents were thinking. Self-censorship on the part of the newspapers' publishers and the critics

January, all of them pointing to the illegitimacy of the militant *Junta*. According to Edgar L. Ynsfrán, perhaps the most important civilian leader of the coup, the military decision to strike had been made in late December 1988. The coup was delayed for a week, says Ynsfrán, because Stroessner discovered it and planned to travel to Germany, taking with him a key officer, Col. Lino César Oviedo.<sup>115</sup> Col. Oviedo led the attack against the Escort Regiment, accepted Stroessner's surrender, and drove him to his military prison.

In summary, although the coup may have involved some personal animosity between Stroessner and Gen. Rodríguez, its true meaning can only be comprehended by looking at it as the result of the broader crisis of succession. It is that context that explains Rodríguez's actions and success, as well as indicating the prospects for the future.

### **CHANGE AND CONTINUITY**

What has changed and what remains? Most importantly, the essential structure of the politico-military pact that led Stroessner to power in 1954 has apparently survived. The Colorado Party, although now under the control of the traditionalists in alliance with former anti-stronista *contestatarios*, remains in power, and the military continues as a partner.

#### **The Cabinet**

Of the ten ministries seven went to civilians and three to military men, the same distribution as under Stroessner.<sup>116</sup> Yet, the crucial Interior Ministry was given to a military officer, Maj. Gen. Orlando Machuca Vargas, who had only two weeks ago been removed from his

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themselves was supposed to regulate the degree to which the government's "benevolence" could be

"abused."

115 *El Diario de Noticias*, 14 February 1989, p. 9.

116 Two seats, Defense and Health and Welfare, remained vacant for a few days. The rest of the cabinet

was announced in the afternoon of February 3.

post as Commander of the Second Army Corps. The party, thus, has been weakened.<sup>117</sup> The other military portfolio is that of Public Works and Communications, a post that remained a military preserve under Stroessner as well. The Minister, however, is a retired Major General, Porfirio Pereira Ruíz Díaz, until now Mayor of Asunción—a well-liked officer generally regarded as competent and honest. Stroessner's Minister of Agriculture was the only one retained from the previous cabinet. A technocrat, Minister Hernando Bertoni is also considered able and honest and has tended to stay away from partisan politics.

The new Minister of Defense is (Retired) Major General Adolfo Samaniego (no relation to M.G. Marcial Samaniego, who had occupied the same position under Stroessner). Samaniego is a cavalry officer who had been Rodríguez's second in command until appointed Ambassador to Brazil and then retired. The delay in filling this post can be interpreted as a demonstration of lack of agreement within the Armed Forces as well as an indication that the coup—or at least its timing—was dictated by events rather than the plotters' wishes. The other position that was announced late was that of the Minister of Public Health and Social Welfare, previously occupied by a prominent militant and Second Vice-President of the Party. Rumors had it that the post had been offered to Martín Chiola, perhaps the most prominent softliner within the ousted militant faction of the party. Outrage over such a possibility was expressed by young traditionalist leaders and the post went eventually to long-time traditionalist Juan Manuel Cano Melgarejo.

Another important change is the appointment of a civilian to the Hacienda Ministry, which under Stroessner was always occupied by a military man. The appointee is Enzo Debernardi, a technocrat who headed Paraguay's electric utility company ANDE. Debernardi, an energy expert, has been the main Paraguayan negotiator with Brazil and Argentina for the construction of Itaipu and Yacyretá. The appointment of wealthy businessman Antonio (Tuco) Zuccolillo to the Ministry of Industry and Commerce is also significant. Zuccolillo had been Paraguay's Ambassador to Great Britain but is not a member of the Colorado party and had remained largely uninvolved in domestic politics<sup>118</sup>—though his brother Aldo (Acero), an outspoken critic of Stroessner, was the editor of Paraguay's most important newspaper *ABC*, shot down by Stroessner in 1984. The final configuration of the cabinet, then, will be three military and seven civilian portfolios, the same

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117 Throughout Stroessner's thirty-four years in power, the Ministry of the Interior had always been given to

colorado civilians, who used the police to repress opposition parties.

118 One of his sons, though, married an illegitimate daughter of Stroessner's and this is believed to be the

reason for his diplomatic posting.



distribution as under Stroessner. But the military will give up the economy portfolio (Hacienda)—in this time of crisis—and retain the political portfolio (Interior).

In terms of socioeconomic realignment, the new cabinet has clearly benefited the economic elites, whose political power has been greatly enhanced. The three ministers in charge of economic matters (Debernardi, Zuccolillo, and Bertoni) have multiple links with the new bourgeoisie, and their appointments were very well received in business circles. This team has already begun to push for the adoption of the austerity economic policies, particularly in the exchange policy area, that Stroessner was afraid of implementing because of their potentially destabilizing sociopolitical effects.

### **The Polity**

The brief speech of Gen. Rodríguez as he was sworn in as Provisional President was encouraging. In a nutshell, he said: a) human rights will be respected [applause]; b) real democracy (not a façade) will be installed [applause]; c) all parties (except the Communist Party) will be treated equally and will not be discriminated against [no applause]; d) the Roman Catholic Apostolic Church and religion will be respected; e) the legal framework will be modified as appropriate to ensure the process of democratization.

A healthy dose of interparty cooperation followed in the wake of the coup. PLRA President Domingo Laino visited the Colorado Party headquarters and was given a standing ovation as he addressed the crowd. Because of the Stroessner experience, it is likely that important sectors of the Colorado Party will prefer to make an accommodation with the opposition rather than give up control to another military leader. This bodes well for the initial stages of the process.

The announcement of elections within three months, made as Stroessner departed for exile in Itimbuara, Brazil, however, was not well received. Although they can prevent the consolidation of a de facto government—fear of which is obviously present—elections in such a short period of time are unlikely to give the long and severely repressed opposition a fair chance to get organized. The Constitution does call for elections within ninety days in the event of the resignation of the President, but it also calls for the National Assembly (made up of the stronista Congress and Council of State) to designate a Provisional President, a provision that was obviously ignored—consistently with the new military leadership's policy of delegitimizing everything belonging to the period from August 1987 up to the time of the coup.

At the time of this writing, and in spite of the complaints of the opposition, plans to delay the elections for four months were rejected. In a verticalist manner, the government also proceeded to modify the electoral law, allowing the registration of hitherto "irregular" parties, i.e. those that under Stroessner were not available for rental. In contrast, and in an unprecedented move, the new government has made the state radio station available to all parties, thus breaking the media monopoly enjoyed by the Colorado Party under Stroessner.

Freedom of the press and assembly were also restored. As a result the opposition, chiefly the PLRA, was able to mount a string of massive demonstrations: 50,000 people in Asunción within a week of the coup, 20,000 in the Colorado stronghold of Ciudad del Este (until February Puerto Stroessner), 16,000 in Coronel Oviedo, another bastion of the militants, and many other smaller but very significant rallies. In general, the PLRA has clearly emerged as the most powerful force in the opposition. Furthermore, it has demonstrated great *poder de convocatoria*, a power some international observers argued the Paraguayan opposition in general and the PLRA in particular lacked.

## The Military

The new government inherits a potentially dangerous military situation. Long-standing problems are likely to come to the forefront of the agenda, including inter-service relations and the acute generational problems accumulated over the last decades. The initial decisions of the new military leadership are already giving some clues, but their implications are still far from clear. For example, within a week of the coup the Provisional Government moved to re-structure the upper echelons of the military by retiring all of Stroessner's major generals (excepting Rodríguez, Interior Minister Orlando Machuca Vargas, and Navy Commander Vice-Admiral Eduardo González Petit) and a large number of brigadier generals closely associated with Stroessner.

All in all, as many as thirty-eight out of fifty Generals are being retired. Most of the twelve who survived in command are those who actively participated in the coup, mainly the junior echelon of the major generals and the penultimate echelon of the brigadier generals, both under the command of the most senior commander, Gen. Rodríguez. (Gen. Brítez had no military post since appointed Chief of Police in the late 1960s). So far, the most important positions are being filled by the relatively young brigadier generals of the "class of 1981,"<sup>119</sup> namely Brig. Gen.

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119 As the reader can see, a characteristic of the promotion policies of the Stroessner regime was to

weaken horizontal class ties by manipulating the promotions of upper level officers. This was done

sometimes as early as when they came up for promotion to lieutenant colonel or colonel, but most certainly

when promoted to brigadier generals. I discuss this in more detail in my *The Military Policies of the*

Ramón H. Garcete, new Acting Commander of the First Army Corps, Brig. Gen. Ricardo Bogado Silva, Acting Commander of the Second Army Corps, Brig. Gen. Juan de Dios Garbett, Acting Commander of the Third Army Corps, Brig. Gen. Eumelio Bernal, new Acting Chief of Staff, and Brig. Gen. Francisco Sánchez González, Jefe de Plaza of Asunción and Acting Chief of Police. Furthermore, these generals are expected to be promoted to major generals in May, or perhaps in December.

At the same time, and as part of this surprisingly vast horizontal and vertical overhauling of the officer corps, almost forty colonels (or equivalents, i.e. navy captains) were promoted to key positions. Furthermore, about one hundred colonels, many of whom had remained in that rank for decades, are said to be on a list for quick retirement. Promotions—and no-promotions—are expected for May 14, when a clearer picture will emerge. The following table depicts the preliminary outcome of the coup for the upper echelon of the military. Because data is very difficult to come by and retirements are often not published, the table might include three or four old major generals who already retired and whose post-coup status is therefore listed as unclear. The same status problem applies to two brigadier generals.

In general, while these sweeping changes are likely to buy the existing government considerable time, they also raise other questions. First, will this veritable “coronelato” strengthen the chances of democracy or open a Pandora’s box with largely unpredictable consequences? And secondly, will an institutional answer to the permanent problems associated with any hierarchical organization such as the military be found and adopted? How? And finally, if an attempt to reprise the Stroessner formula is tried, what will be its implications?

### **Conclusion**

It is too early to assess all the developments. In general, though, one could summarize by saying that while the continuities are too important to allow one to speak of a totally new situation, the changes are also too important for one to remain pessimistic. A process of liberalization has begun, and it is likely to continue. Whether it will lead to democratization remains to be seen and, perhaps more importantly, *done*.

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Stroessner Regime and the Prospects for Democratization in Paraguay, paper presented to the American

Political Science Association, Washington, D.C., August 31, 1988.

**CHANGES IN THE OFFICER CORPS**

**In order of seniority**

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<b>Name</b>	<b>Col.(a)</b>	<b>B.G.(b)</b>	<b>M.G.(c)</b>	<b>Post-Coup</b>
Francisco Brítez	- - - -	- - - -		
			1956	Retired
Andrés Rodríguez	1964 - - - -	1967	1970	Promoted
Alejandro Fretes Dávalos G. Germán Martí		1967	1970	Retired
nez	1964	1967	1970	Retired
Gerardo Johansen	1964	1967	1970	Retired

Gustavo Prieto Busto Cé	1964	1969	1972	Retired
sar Machuca Vargas	1964 -----	1969	1975	Retired -----
Eligio Torres	-----	1963	1980	-----
Rolando González M.		1965	1980	-----
Eliodoro González A.	1964	1970 -----	1980	-----
Pedro Florentín	1964		1982	
Eduardo Sánchez Insfrán	1964	1971	1982	Retired
Guillermo Clebsch	1970	1974	1982	Retired
Luis González Ravetti (AF)	1968	1977	1982	Retired

Enrique Duarte Alder	1970	1974	1984	Retired
Orlando Machuca Vargas	1964	1971	1984	Promoted
Eduardo González Petit (N)	1972	1981	1987	Promoted
Raul Calvet Torres (AF)	1972	1981	1988	Retired
Otello Carpinelli Y.	1969	1973		Promoted
Abraham Abed	1969	1973		Promoted
Roberto Knopfelmacher	1970	1973		Retired
Luís R. Tomassone	1970	1973		Retired
Alejandro Schreiber	1970	1977		Retired

Bernardino Peralta B.	1970	1977	Retired
R. Benito Guanes S.	1970	1978	Retired
Luís Olmedo Ortíz	1970	1978	Retired -----
Bernardino V. Arza	1968	1979	
Victor M. Florentín	1970	1981	Retired
Juan V. Rabito	1970	1981	Retired
Angel J. Souto H. (AF) José	1970	1981	Retired
Roa Benítez	1970	1981	Retired
Ricardo Bogado Silva	1972	1981	Promoted

Rogelio B. Argaña	1972	1981	Retired
Eumelio Bernal	1974	1981	Promoted
Ramón Humberto Garcete	1975	1981	Promoted
Miguel Angel Berino	1975	1981	Retired
Juan de Dios Garbett	1976	1981	Promoted
Juan M. Campos Guillén	1976 -----	1981	Promoted
Francisco Sánchez G.		1981 -----	Promoted
Francisco Ruíz Díaz (d)	1976		Retired
Isidro Gauto Caballero	1974	1984	Retired



Eladio Iriarte D.	1976	1984	Retired -----
Trifón G. López Prado	1978	1984	
Ismael Otazú I.	1978 -----	1984	Retired
Victor Aguilera Torres		1986	Promoted
Alfredo D. Zelaya	1978	1987	Retired
Alcibíades Soto V. (AF)	1980	1987	Retired
Elvio Alonso Martino	1970 -----	1987	Retired
Ignacio Moreno C. (N)	-----	1987	Retired -----
Pánfilo Mora E.		1988	

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Notes: The list includes Air Force and Navy officers, identified with a (AF) and (N) and listed with the Army equivalent of their ranks. a) Year of promotion to colonel; b) year of promotion to brigadier general; c) year of promotion to major general; d) seniority status unclear due to incomplete information. A dotted line (- - -) signifies no data available. In the case of post-coup status, that is probably of little significance, especially for the very old major generals who might have already retired.

Sources: Author's data bank on military promotions, 1956-1988.

**FIGURE 1**

**Patterns of Regime Change in Paraguay (1870-1980s)**

	<u>1904</u>	<u>1940s</u>	<u>1954</u>	<u>1980-1990s</u>
DEMOGRAPHIC BALANCE	Rural decline and urban ascent linked to elite redistribution of power.	Unchanged	Unchanged	Rural-rural migration, urban ascent, metropolitan Asunción growing in importance and generating alternative locus of politics.
SOCIAL STRUCTURE	Unchanged.1 Not an important factor in the political discourse.	Unchanged, but peasants, and to a lesser extent workers, become an important element in the rhetoric.	Unchanged, but traditional peasantry incorporated into political discourse as <i>pynandi</i> .	Increasing land-related conflicts in the countryside, growing middle class, increasing labor activism.
DOMINANT SOCIOECONOMIC	Shift from the hegemony of the	Decline of the merc	antile class. Continued weakening of	Domestic elites (construction,

Partial

ELITE	landed elite of ranchers to that of an urban mercantile class.	Beginning of state intervention.	domestic elites. r...very of the ranching elite.	foreign commerce, finance, industry) gaining power.
DOMINANT INTERNATIONAL	Shift away from the politico-military	From Argentine hegemony to a	From a hegemony crisis to n-U.	Brazilian-Argentine entente and
POWER AND CONTEXT	hegemony of Brazil to the politico-economic hegemony of Argentina.	hegemony vacuum. German- Anglo-U.S. rivalry, World War II. Peronism and Varguism.	Brazilia S. hegemony. Cold War.	U.S. pro-liberal democracy posture —redefinition of foreign policy agenda gives human rights and

democracy a prominent place.

MILITARY

Growing professionalization leads

Growing militarism.

Politico-military pact.

Growing "pillarization" of govern-  
in

young officers to challenge the

ment's support slow change

status quo.

officer corps, apparent re-nationali

zation and professionalization.

DOMINANT IDEOLOGICAL

Liberal individualism unchanged.

Nationalism/Lopizmo, corpora-

Nationalism, Lopizmo, anti-

Liberal democracy, Latin American

DISCOURSE

tism, fascism, socialism, anti-

liberalism.

integration via democratization.

liberalism.

STRATEGIC POSTURE OF

Defection of the elites, breakdown

Fragmentation and efforts at  
ing,

Neutrality of the elites, divisions

Increasing peasant, labor, and  
e

KEY ACTORS

of the dominant political coalition,

coalition build partial

among the governing

midl class, and youth (social

collapse of the Army.

collapse of the Army.

coalition and the Army.

movements) unrest, reappropria-

tion of the political arena by

center and center-right parties,

vacillating elites.

TRANSITION FORMULA

Military rebellion that ended in a

Breakdown, putsch.

Putsch.

No transition formula established.

pacted rupture.

POLITICAL REGIME

Shift from colorado to liberal rule.

Unstable military and civilian regimes ensue.

Stroessner regime.

Reformulation of governing pact?

1 Excepting the shift in the composition and distribution of power of the dominant classes.

**TABLE III**

**Land Tenure Pattern by Area of Settlement**

**Number of farms in each category as a percentage of total number of units for the Department**

			Areas of Old Settlement					Areas of New Settlement		
Hectares			CAAZAPA	CENTRAL	CORDILLERA	GUAIRA	PARAGUARI	ALTO PARANA	CAAGUAZU	CANENDIYU
&	>	than 1	5.55	37.87	11.56	9.82	9.62	4.04	3.57	1.54
Landless										
1	>		34.57	43.59	45.13	35.42	44.90	12.39	23.55	10.89
		5								
5	>		18.65	11.28	23.50	20.63	21.21	16.89	27.28	18.91
		10								
10	>	20	21.89	4.55	12.36	20.79	13.99	24.65	31.30	33.50
20	>	50	14.87	1.86	5.48	10.38	6.67	31.59	11.14	24.73
50	>	200	3.38	0.62	1.47	2.35	2.46	8.55	2.39	7.57



200 > 1000	0.69	0.15	0.35	0.46	0.76	1.58	0.55	1.91
> than 1000	0.41	0.08	0.15	0.14	0.39	0.31	0.21	0.94.
Ratio of middle size (20>50) to small (>5) units	0.37	0.02	0.09	0.23	0.12	1.92	0.41	1.99

SOURCE: Calculated by the author from data of the 1981 Agricultural Census. Ministerio de Agricultura y Ganadería, *Censo Agropecuario 1981* (Asunción, 1985). This table yields some significant differences from the one that results from Conferencia Episcopal Paraguaya, Equipo Nacional de Pastoral Social, *Tierra y Sociedad. Problemática de la tierra urbana, rural, e indígena en el Paraguay* (Asunción: CEP, 1984). The picture here shows less concentration at the bottom than results from calculating with *Tierra y Sociedad's* data, which were based on preliminary census figures. Whether and how much the final figures were altered remains unclear. For illustrative purposes, Table IV is based on data from *Tierra y Sociedad*.