Paraguay (from Wikipedia)

Paraguay (IPA: /ˈpærəɡwəɪ/; Spanish pronunciation: [paraˈwaj]; Guaraní: Paraguái, [paraˈu(JFrameer)])

Paraguay, officially the Republic of Paraguay (Spanish: República del Paraguay; Guaraní: Tetã Paraguái), is a landlocked country in central South America, bordered by Argentina to the south and southwest, Brazil to the east and northeast, and Bolivia to the northwest. Paraguay lies on both banks of the Paraguay River, which runs through the center of the country from north to south. Due to its central location in South America, it is sometimes referred to as Corazón de Sudamérica ("Heart of South America"). Paraguay is one of the two landlocked countries (the other is Bolivia) outside Afro-Eurasia, and is the smallest landlocked country in the Americas.

The indigenous Guarani had been living in eastern Paraguay for at least a millennium before the Spanish arrived in the 16th century. Western Paraguay, the Gran Chaco, was inhabited by nomads of whom the Guaycuru peoples were the most prominent. In the 17th century, Jesuit missions introduced Christianity and Spanish culture to the region. Paraguay was a peripheral colony of the Spanish Empire, with few urban centers and settlers. Following independence from Spain in 1811, Paraguay was ruled by a series of dictators who generally implemented isolationist and protectionist policies.

Following the disastrous Paraguayan War (1864–1870), the country lost 60 to 70 percent of its population through war and disease, and about 140,000 square kilometers (54,000 sq mi), one quarter of its territory, to Argentina and Brazil.

Through the 20th century, Paraguay continued to endure a succession of authoritarian governments, culminating in the regime of Alfredo Stroessner, who led South America's longest-lived military dictatorship from 1954 to 1989. He was toppled in an internal military coup, and free multi-party elections (and the legalization of communist parties) were organized and held for the first time in 1993. A year later, Paraguay joined Argentina, Brazil and Uruguay to found Mercosur, a regional economic collaborative.

As of 2016, Paraguay's population was estimated to be at around 6.7 million, most of whom are concentrated in the southeast region of the country. The capital and largest city is Asunción, whose metropolitan area is home to nearly a third of Paraguay's population. In contrast to most Latin American nations, Paraguay's indigenous language and culture, Guaraní, remains highly influential. In each census, residents predominantly identify as mestizo, reflecting years of intermarriage among the different ethnic groups. Guaraní is recognized as an official language alongside Spanish, and both languages are widely spoken in the country.

Colonization

The first Europeans in the area were Spanish explorers in 1516. The Spanish explorer Juan de Salazar de Espinosa founded the settlement of Asunción on 15 August 1537. The city eventually became the center of a Spanish colonial province of Paraguay.

An attempt to create an autonomous Christian Indian nation was undertaken by Jesuit missions and settlements in this part of South America in the eighteenth century, which included
portions of Uruguay, Argentina, and Brazil. They developed Jesuit reductions to bring Guarani populations together at Spanish missions and protect them from virtual slavery by Spanish settlers and Portuguese slave raiders, the Bandeirantes. In addition to seeking their conversion to Christianity. Catholicism in Paraguay was influenced by the indigenous peoples; the syncretic religion has absorbed native elements. The reducciones flourished in eastern Paraguay for about 150 years, until the expulsion of the Jesuits by the Spanish Crown in 1767. The ruins of two 18th-century Jesuit Missions of La Santísima Trinidad de Paraná and Jesús de Tavarangue have been designated as World Heritage Sites by UNESCO.\[13\]

In western Paraguay Spanish settlement and Christianity were strongly resisted by the nomadic Guaycuru and other nomads from the 16th century onward. Most of these peoples were absorbed into the mestizo population in the 18th and 19th centuries.

Independence and rule of Francia
Main article: Independence of Paraguay

Paraguay overthrew the local Spanish administration on 14 May 1811. Paraguay's first dictator was José Gaspar Rodríguez de Francia who ruled Paraguay from 1814 until his death in 1840, with very little outside contact or influence. He intended to create a utopian society based on the French theorist Jean-Jacques Rousseau's Social Contract.\[14\]

Rodríguez de Francia established new laws that greatly reduced the powers of the Catholic church (Catholicism was then an established state religion) and the cabinet, forbade colonial citizens from marrying one another and allowed them to marry only blacks, mulattoes or natives, in order to break the power of colonial-era elites and to create a mixed-race or mestizo society.\[15\] He cut off relations between Paraguay and the rest of South America. Because of Francia's restrictions of freedom, Fulgencio Yegros and several other Independence-era leaders
in 1820 planned a *coup d'état* against Francia, who discovered the plot and had its leaders either executed or imprisoned for life.

**Rule of the López**

After Francia's death in 1840, Paraguay was ruled by various military officers under a new *junta*, until Carlos Antonio López (allegedly Rodríguez de Francia's nephew) came to power in 1841. López modernized Paraguay and opened it to foreign commerce. He signed a *non-aggression pact* with Argentina and officially declared independence of Paraguay in 1842. After López's death in 1862, power was transferred to his eldest son, Francisco Solano López.

The regime of the López family was characterized by pervasive and rigid centralism in production and distribution. There was no distinction between the public and the private spheres, and the López family ruled the country as it would a large estate.[16]

The government exerted control on all exports. The export of *yerba mate* and valuable wood products maintained the balance of trade between Paraguay and the outside world.[17] The Paraguayan government was extremely protectionist, never accepted loans from abroad and levied high *tariffs* against imported foreign products. This *protectionism* made the society self-sufficient, and it also avoided the debt suffered by Argentina and Brazil. Slavery existed in Paraguay, although not in great numbers, until 1844, when it was legally abolished in the new Constitution.[18]

Francisco Solano López, the son of Carlos Antonio López, replaced his father as the President-Dictator in 1862, and generally continued the political policies of his father. Both wanted to give an international image of Paraguay as "democratic and republican", but in fact, the ruling family had almost total control of all public life in the country, including Church and colleges.[19]

Militarily, Carlos Antonio López modernized and expanded industry and the *Paraguayan Army* and greatly strengthened the strategic defences of Paraguay by developing the *Fortress of Humaitá*. The government hired more than 200 foreign technicians, who installed telegraph lines and *railroads* to aid the expanding steel, textile, paper and ink, naval construction, weapons and gunpowder industries. The *Ybycui* foundry, completed in 1850, manufactured *cannons*, *mortars* and bullets of all calibers. River *warships* were built in the shipyards of Asunción. *Fortifications* were built, especially along the *Apa River* and in *Gran Chaco*.[21][22] The work was continued by his son Francisco Solano.

According to George Thompson, C.E., Lieutenant Colonel of Engineers in the Paraguayan Army prior to and during the war, López's government was comparatively a good one for Paraguay:

Probably in no other country in the world has life and property been so secure as all over Paraguay during his (Antonio López's) reign. Crime was almost unknown, and when committed, immediately detected and punished. The mass of the people was, perhaps, the happiest in existence. They had hardly to do any work to gain a livelihood. Each family had its house or hut
in its own ground. They planted, in a few days, enough tobacco, maize and mandioca for their own consumption [...]. Having at every hut a grove of oranges [...] and also a few cows, they were almost throughout the year under little necessity [...]. The higher classes, of course, lived more in the European way...

— George Thompson, C.E. [22]

Paraguayan War (1864–1870)
Main article: Paraguayan War
Main article: Paraguayan War casualties

In 12 October 1864, despite Paraguayan ultimatums, the Brazilian Empire (sided with Argentina and the rebellious Gen. Venancio Flores) invaded the Republic of Uruguay (which then was an ally of the Lopez's Government [citation needed], thus starting the Paraguayan War. [23] The Paraguayans, led by the Marshal of the Republic Francisco Solano López, held a fierce resistance, but were ultimately defeated in 1870 after the Death of Solano López, who was killed in action. [24] The real causes of this war, which remains the bloodiest international conflict in Latin American history, are still highly debated. [25]

About the disaster suffered by the Paraguayans at the outcome of the war, William D. Rubinstein wrote: "The normal estimate is that of a Paraguayan population of somewhere between 450,000 and 900,000, only 220,000 survived the war, of whom only 28,000 were adult males." [26] Paraguay also suffered extensive territorial losses to Brazil and Argentina.
The Battle of Tuyutí, May 1866

During the pillaging of Asunción in 1869, the Imperial Brazilian Army packed up and transported the Paraguayan National Archives to Rio de Janeiro. Brazil's records from the war have remained classified. This has made Paraguayan history in the Colonial and early National periods difficult to research and study.

20th century

Gran Chaco was the site of the Chaco War (1932–35), in which Bolivia lost most of the disputed territory to Paraguay.

Paraguayan recruits during the Chaco war

In 1904 the Liberal revolution against the rule of Colorados broke out. The Liberal rule started a period of great political instability. Between 1904 and 1954 Paraguay had thirty-one presidents.
most of whom were removed from office by force.[30] Conflicts between the factions of the ruling Liberal party led to the Paraguayan Civil War of 1922.

The unresolved border conflict with Bolivia over Chaco region finally erupted in early 1930s in the Chaco War. After great losses Paraguay defeated Bolivia and established its sovereignty over most of the disputed Chaco region. After the war, military officers used popular dissatisfaction with the Liberal politicians to seize the power for themselves. On 17 February 1936, the February Revolution brought colonel Rafael Franco to power. Between 1940 and 1948, the country was ruled by general Higinio Morínigo. Dissatisfaction with his rule resulted in the Paraguayan civil war of 1947.[31] In its aftermath Alfredo Stroessner began involvement in a string of plots, which resulted in his military coup d'état of 4 May 1954.

Stroessner
See also: El Stronato

A series of unstable governments ensued until the establishment in 1954 of the regime of dictator Alfredo Stroessner, who remained in office for more than three decades until 1989. Paraguay was modernized to some extent under Stroessner's regime, although his rule was marked by extensive human rights abuses.[32]

Stroessner and the Colorado party ruled the country from 1954 to 1989. The dictator oversaw an era of economic expansion, but also had a poor human rights and environmental record (see "Political History"). Torture and death for political opponents was routine. After his overthrow, the Colorado continued to dominate national politics until 2008.

The splits in the Colorado Party in the 1980s, and the prevailing conditions: Stroessner's advanced age, the character of the regime, the economic downturn, and international isolation, were catalysts for anti-regime demonstrations and statements by the opposition prior to the 1988 general elections.[citation needed]

PLRA leader Domingo Laino served as the focal point of the opposition in the second half of the 1980s. The government's effort to isolate Laino by exiling him in 1982 had backfired. On his sixth attempt to re-enter the country in 1986, Laino returned with three television crews from the U.S., a former United States ambassador to Paraguay, and a group of Uruguayan and Argentine congressmen. Despite the international contingent, the police violently barred Laino's return.[citation needed]

The Stroessner regime relented in April 1987, and permitted Laino to return to Asunción. Laino took the lead in organizing demonstrations and reducing infighting among the opposition party. The opposition was unable to reach agreement on a common strategy regarding the elections, with some parties advocating abstention, and others calling for blank voting. The parties held numerous 'lightning demonstrations' (mitines relámpagos), especially in rural areas. Such demonstrations were gathered and quickly disbanded before the arrival of the police.

In response to the upsurge in opposition activities, Stroessner condemned the Accord for advocating "sabotage of the general elections and disrespect of the law." He used national police
and civilian vigilantes of the Colorado Party to break up demonstrations. A number of opposition leaders were imprisoned or otherwise harassed. Hermes Rafael Saguier, another key leader of the PLRA, was imprisoned for four months in 1987 on charges of sedition. In early February 1988, police arrested 200 people attending a National Coordinating Committee meeting in Coronel Oviedo. Laino and several other opposition figures were arrested before dawn on the day of the election, 14 February, and held for twelve hours. The government declared Stroessner's re-election with 89% of the vote.[33]

The opposition attributed the results in part to the virtual Colorado monopoly on the mass media. They noted that 53% of those polled indicated that there was an "uneasiness" in Paraguayan society. 74% believed that the political situation needed changes, including 45% who wanted a substantial or total change. Finally, 31% stated that they planned to abstain from voting in the February elections. [citation needed]

On 3 February 1989, Stroessner was overthrown in a military coup headed by General Andrés Rodríguez. As president, Rodríguez instituted political, legal, and economic reforms and initiated a rapprochement with the international community. Reflecting the deep hunger of the rural poor for land, hundreds immediately occupied thousands of acres of unused territories belonging to Stroessner and his associates; by mid-1990, 19,000 families occupied 340,000 acres (138,000 ha). At the time, 2.06 million people lived in rural areas, more than half of the 4.1 million total population, and most were landless.[34]

Post-1989

The June 1992 constitution established a democratic system of government and dramatically improved protection of fundamental human rights. In May 1993, Colorado Party candidate Juan Carlos Wasmosy was elected as Paraguay's first civilian president in almost 40 years, in what international observers deemed fair and free elections.

With support from the United States, the Organization of American States, and other countries in the region, the Paraguayan people rejected an April 1996 attempt by then Army Chief General Lino Oviedo to oust President Wasmosy.

Oviedo was nominated as the Colorado candidate for president in the 1998 election, however, when the Supreme Court upheld in April his conviction on charges related to the 1996 coup attempt, he was not allowed to run and was detained in jail. His former running mate, Raúl Cubas, became the Colorado Party's candidate, and was elected in May in elections deemed by international observers to be free and fair. One of Cubas' first acts after taking office in August was to commute Oviedo's sentence and release him. In December 1998, Paraguay's Supreme Court declared these actions unconstitutional. In this tense atmosphere, the murder of Vice President and long-time Oviedo rival Luis María Argaña on 23 March 1999, led the Chamber of Deputies to impeach Cubas the next day. [citation needed] On 26 March, eight student anti-government demonstrators were murdered, widely believed to have been carried out by Oviedo supporters. This increased opposition to Cubas, who resigned on 28 March. Senate President Luis González Macchi, a Cubas opponent, was peacefully sworn in as president the same day.
In 2003, Nicanor Duarte Frutos was elected as president.

For the 2008 general elections, the Colorado Party was favored in polls. Their candidate was Minister of Education Blanca Ovelar, the first woman to be nominated as a candidate for a major party in Paraguayan history. After sixty years of Colorado rule, voters chose Fernando Lugo, a former Roman Catholic Bishop and not a professional politician in civil government. He had long followed liberation theology, which was controversial in South American societies, but he was backed by the center-right Liberal Party, the Colorado Party's traditional opponents.

From Lugo's 2008 election to his 2012 impeachment

Lugo achieved a historic victory in Paraguay's presidential election, defeating the ruling party candidate, and ending 61 years of conservative rule. Lugo won with nearly 41% of the vote, compared to almost 31% for Blanca Ovelar of the Colorado party. [55] Outgoing President Nicanor Duarte Frutos hailed the moment as the first time in the history of the nation that a government had transferred power to opposition forces in a constitutional and peaceful fashion.

Lugo was sworn in on 15 August 2008. The Paraguayan Congress continued to be dominated by right-wing elected officials. The Lugo administration set its two major priorities as the reduction of corruption and economic inequality.[36]

Inauguration of new President Horacio Cartes, 15 August 2013

Political instability following Lugo's election and disputes within his cabinet encouraged some renewal of popular support for the Colorado Party. Reports suggested that the businessman Horacio Cartes became the new political figure amid disputes. Despite the US Drug Enforcement Administration's strong accusations against Cartes related to drug trafficking, he continued to amass followers in the political arena.

On 14 January 2011, the Colorado Party convention nominated Horacio Cartes as the presidential candidate for the party. However, the party's constitution didn't allow it [clarification needed] On 21 June 2012, impeachment proceedings against President Lugo began in the country's lower house, which was controlled by his opponents. Lugo was given less than twenty-four hours to prepare for the proceedings and only two hours in which to mount a defense. [37] Impeachment was quickly approved and the resulting trial in Paraguay's Senate, also controlled by the opposition, ended with the removal of Lugo from office and Vice President Federico Franco assuming the duties of president.[38] Lugo's rivals blamed him for the deaths of 17 people – eight police officers and nine farmers – in armed clashes after police were ambushed by armed peasants when enforcing an eviction order against rural trespassers.[39]
Lugo's supporters gathered outside Congress to protest the decision as a "politically motivated coup d'état".[38] Lugo's removal from office on 22 June 2012 is considered by UNASUR and other neighboring countries, especially those currently governed by leftist leaders, as a coup d'état.[40] The Organization of American States, which sent a mission to Paraguay to gather information, concluded that the impeachment process had been carried out in accordance with the Constitution of Paraguay.

**Economy**

Main article: Economy of Paraguay

The macro-economy in Paraguay has some unique characteristics. It is characterized by a historical low inflation rate – 5% average (in 2013, the inflation rate was 3.7%), international reserves 20% of GDP and twice the amount of the external national debt. On top of that, the country enjoys clean and renewable energy production of 8,700 MW (current domestic demand 2,300 MW).[44]

Between 1970 and 2013, the country had the highest economic growth of South America,[citation needed] with an average rate of 7.2% per year.[citation needed]

In 2010 and 2013, Paraguay experienced the greatest economic expansion of South America, with a GDP growth rate of 14.5% and 13.6% respectively.[45]

![Graphical depiction of Paraguay's product exports in 28 color-coded categories, 2012](image)

Paraguay is the sixth-largest soybean producer in the world,[46] second-largest producer of stevia, second-largest producer of tung oil, sixth-largest exporter of corn, tenth-largest exporter of wheat and 8th largest exporter of beef.[citation needed]

The market economy is distinguished by a large informal sector, featuring re-export of imported consumer goods to neighboring countries, as well as the activities of thousands of microenterprises and urban street vendors. Nonetheless, over the last 10 years the Paraguayan economy diversified dramatically, with the energy, auto parts and clothing industries leading the way.[47]
The country also boasts the third most important free commercial zone in the world: Ciudad del Este, trailing behind Miami and Hong Kong. A large percentage of the population, especially in rural areas, derives its living from agricultural activity, often on a subsistence basis. Because of the importance of the informal sector, accurate economic measures are difficult to obtain. The economy grew rapidly between 2003 and 2013 as growing world demand for commodities combined with high prices and favorable weather to support Paraguay's commodity-based export expansion.

In 2012, Paraguay's government introduced the MERCOSUR(FOCEM) system in order to stimulate the economy and job growth through a partnership with both Brazil and Argentina.

**Industry and manufacturing**

The mineral industry of Paraguay produces about 25% of the country's gross domestic product (GDP) and employs about 31% of the labor force. Production of cement, iron ore, and steel occurs commonly throughout Paraguay's industrial sector. The growth of the industry was further fueled by the maquila industry, with large industrial complexes located in the eastern part of the country. Paraguay put in place many incentives aimed to attract industries to the country. One of them is the so-called "Maquila law" by which companies can relocate to Paraguay, enjoying minimal tax rates.

In the pharmaceutical industry, Paraguayan companies now meet 70% of domestic consumption and have begun to export drugs. Paraguay is quickly supplanting foreign suppliers in meeting the country's drug needs. Strong growth also is evident in the production of edible oils, garments, organic sugar, meat processing, and steel.
In 2003 manufacturing made up 13.6% of the GDP, and the sector employed about 11% of the working population in 2000. Paraguay's primary manufacturing focus is on food and beverages. Wood products, paper products, hides and furs, and non-metallic mineral products also contribute to manufacturing totals. Steady growth in the manufacturing GDP during the 1990s (1.2% annually) laid the foundation for 2002 and 2003, when the annual growth rate rose to 2.5%. [51]

Social issues

This section needs to be updated. Please update this article to reflect recent events or newly available information. (April 2014)

Various poverty estimates suggest that 30–50% of the population is poor. [52] In rural areas, 41.20% of the people lack a monthly income to cover basic necessities, whereas in urban centers this figure is 27.6%. The top 10% of the population holds 43.8% of the national income, while the lowest 10% has 0.5%. The economic recession has worsened income inequality, notably in the rural areas, where the Gini coefficient has risen from 0.56 in 1995 to 0.66 in 1999.

More recent data (2009) [53] show that 35% of the Paraguayan population is poor, 19% of which live in extreme poverty. Moreover, 71% of the latter live in rural areas of the country.

Similarly, land concentration in the Paraguayan countryside is one of the highest in the globe: 10% of the population controls 66% of the land, while 30% of the rural people are landless. [54] In the immediate aftermath of the 1989 overthrow of Stroessner, some 19,000 rural families occupied hundreds of thousands of acres of unused lands formerly held by the dictator and his associates by mid-1990, but many rural poor remained landless. This inequality has caused a great deal of tensions between the landless and land owners. [34]

Social issues of the indigenous

Literacy rates are extremely low among Paraguay's indigenous population, who have an illiteracy rate of 51% compared to the 7.1% rate of the general population. [55]

Only 2.5% of Paraguay's indigenous population has access to clean drinking water and only 9.5% have electricity. [55]

Demographics

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Paraguay's population is distributed unevenly through the country, with the vast majority of people living in the eastern region near the capital and largest city, Asunción, which accounts for 10% of the country's population. The Gran Chaco region, which includes the Alto Paraguay, Boquerón and Presidente Hayes Department, and accounts for about 60% of the territory, is home to less than 2% of the population. About 56% of Paraguayans live in urban areas, making Paraguay one of the least urbanized nations in South America.

For most of its history, Paraguay has been a recipient of immigrants, owing to its low population density, especially after the demographic collapse that resulted from the Paraguayan War. Small groups of ethnic Italians, Germans, Russians, Japanese, Koreans, Chinese, Arabs, Ukrainians, Poles, Jews, Brazilians, and Argentines have also settled in Paraguay. Paraguay has also been a haven for communities persecuted for the religious faith, like the Bruderhof who were forced to leave England in 1941 because of their pacifist beliefs. Many of these communities have retained their languages and culture, particularly the Brazilians, who represent the largest and most prominent immigrant group, at around 400,000. Many Brazilian Paraguayans are of German, Italian and Polish descent. There are an estimated 63,000 Afro-Paraguayans, comprising 1% of the population.

There is no official data on the ethnic composition of the Paraguayan population, as the Department of Statistics, Surveys and Censuses of Paraguay does not ask about race and
Traditionally, the majority of the Paraguayan population is considered mixed (mestizo in Spanish). HLA-DRB1 polymorphism studies have shown the genetic distances between Paraguayans and Spanish populations were closer than between Paraguayans and Guaranis. Altogether these results suggest the predominance of the Spanish genetic in the Paraguayan population. According to the 2017 revision of the World Population Prospects, Paraguay has a population of 6,725,308, 95% of which are mestizo (mixed European and Amerindian) and 5% are labelled as "other", which includes members of indigenous tribal groups. They are divided into 17 distinct ethnolinguistic groupings, many of which are poorly documented.

Paraguay has one of the most prominent German communities in South America, with some 25,000 German-speaking Mennonites living in the Paraguayan Chaco. German settlers founded several towns as Hohenau, Filadelfia, Neuland, Obligado and Nueva Germania. Several websites that promote German immigration to Paraguay claim that 5–7% of the population is of German ancestry, including 150,000 people of German-Brazilian descent.

Religion
Main article: Religion in Paraguay

Christianity, particularly Roman Catholicism, is the dominant religion in Paraguay. According to the 2002 census, 89.9% of the population is Catholic, 6.2% is Evangelical Protestant, and 0.6% practice indigenous religions. A U.S. State Department report on Religious Freedom names Roman Catholicism, evangelical Protestantism, mainline Protestantism, Judaism (Orthodox, Conservative, and Reform), Mormonism, and the Baha'i Faith as prominent religious groups. It also mentions a large Muslim community in Alto Paranal (as a result of Middle-Eastern immigration, especially from Lebanon) and a prominent Mennonite community in Boquerón.
Languages
Main article: Languages of Paraguay

Paraguay is a bilingual nation. Both Spanish and Guaraní are official languages. The Guarani language is a remarkable trace of the indigenous Guaraní culture that has endured in Paraguay, which is generally understood by 95% of the population. Guaraní claims its place as one of the last surviving and thriving of South American indigenous national languages. In 2015, Spanish was spoken by about 87% of the population, while Guaraní is spoken by more than 90%, or slightly more than 5.8 million speakers. 52% of rural Paraguayans are bilingual in Guaraní. While Guarani is still widely spoken, Spanish is generally given a preferential treatment in government, business, media and education as one of South America's lingua francas. [2][73][74][75]