

Steps Towards Uruguay's Next Political and Economic Insertion Into The World

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Abstract: This paper examines the democratic stability, political role of the current president, economic growth and social programs that are a part and puzzle of the country, Uruguay. This paper presents an overview of how Uruguay today is ready to take the next step in economic and social development, and to insert itself as a stable democratic country in both the Latin American region and the world.

Uruguay has been the envy of many other Latin American countries due to its democratic successes, and more specifically, due to its strong protection of human rights in matters such as equality rights for both men and women. Uruguay has also succeeded in achieving stable economic growth since president Tabaré Ramón Vázquez Rosas was in power (2005-2010) to the current president José Alberto Mujica Cordano (2010-). This stable economic growth has provided Uruguay with the necessary means to reduce its poverty levels, but more importantly it has allowed for the creation of education programs such as “plan CEIBAL” which will be further explained and analyzed in this paper. Poverty reduction, education, and a strong and stable democracy will provide for the new political and economic insertion of Uruguay in the world. In sum, the aforementioned development changes will benefit its current citizens and future generations as well. This paper will first analyze democracy in Uruguay. Second, it will examine economic growth and the policies that have stabilized the economy. Next, it will assess how economic growth has helped to establish “plan CEIBAL”. Finally, it will observe the role of the Uruguayan

Armed Forces in supporting community development in this country.

Uruguay is a presidential democratic republic with 19 departments, but more importantly, as academic and journalist Gavin O’Toole argues, “Uruguay is often considered exceptional in Latin America because of its democratic experiences and success in fashioning viable institutions based on meaningful pluralism.”¹ The crucial point in O’Toole’s quote is the “meaningful pluralism” because amongst the many political improvements that Uruguay has achieved throughout the years, pluralism is the most significant one because it provides the framework for equality among all citizens. The Ley N° 10.783, which was approved September 18th, 1946, deals specifically with women’s civil rights.² For example,

¹ Gavin O’Toole, *Politics: Latin America* (Hockley, ESS: Pearson Longman, 2007), 94.

² República Oriental del Uruguay. Poder Legislativo. *Capacidad civil de la mujer 1946*.

<http://www.parlamento.gub.uy/leyes/ Acceso TextoLey.asp?Ley=10783&Anchor=> (accessed November 12, 2010) This and all the other translations found in this paper are the author’s.

Article 1 of this law gives the same civil rights to men and women equally. This law contains 23 articles, which include an array of female rights, from maternity leave for pregnant women who are full-time workers to the rights that a married woman has to manage her own properties. Among other laws that demonstrate the pluralism that Uruguay enjoys is Ley N° 5.350, passed November 17th, 1915, in which Article 1 establishes that the working hours should not exceed 8 hours a day.³ At the time, this was a success of the presidency of José Batlle y Ordóñez. Furthermore, this president passed the first divorce law in 1907 and the separation of the Church and the State in 1917.⁴ These examples highlight the pluralism and equal opportunities that this democracy had provided for both the men and women of Uruguay. In sum, human rights had long established sentiments of pluralism by allowing society to peacefully accept diversity.

On the other hand, another very important feature of the Uruguayan democracy, according to O'Toole, is the

“success [of Uruguay] in fashioning viable institutions”⁵, which include the electoral institutions and their processes. Uruguay’s Ley N° 17.063 protects its citizens from the internal elections of the political parties, ensuring that elections take place in a democratic and orderly fashion.⁶ Furthermore, elections also include many bureaucratic stages so as to ensure that the political parties present their candidates for presidency and vice-presidency transparently, in order to avoid corruption. Added on to this, another important element is voting in Uruguay, because it is obligatory, universal, and secret under Article 77 of the “Constitución de la República.”⁷ The importance of this electoral process is that everybody is entitled to vote, but if voters do not attend the elections they can receive administrative sanctions, such as retirement pension delays or in the case of students, cancellation of university exams. The sanctions for not voting are not only suggestions on paper, but are greatly enforced under the Ley N° 16.017, which includes 6 chapters with 52 articles on the

³ Uruguay educa, portal educativo de Uruguay. Administración Nacional de Educación Pública. *17 de noviembre de 1915: se aprueba Ley de las 8 horas*. <http://www.uruguayeduca.edu.uy/Portal.Base/Web/VerContenido.aspx?ID=139104> (accessed November 10, 2010).

⁴ José P. Barrán, and Benjamín Nahum, *El Batllismo Uruguayo y La Reforma Moral*. *Desarrollo Económico* 23, 1983 no. 89: 121-135. [http://www.jstor.org/sici?origin=sfx%3Asfx&sici=0046-001X\(1983\)23%3A89%3C121%3AEBUYLR%3E2.0.CO%3B2-K](http://www.jstor.org/sici?origin=sfx%3Asfx&sici=0046-001X(1983)23%3A89%3C121%3AEBUYLR%3E2.0.CO%3B2-K) (accessed October 23, 2010).

⁵ Gavin O'Toole, *Politics: Latin America* (Hockley, ESS: Pearson Longman, 2007), 94.

⁶ República Oriental del Uruguay. Poder Legislativo. *Dictanse normas relativas a las elecciones internas de los partidos políticos 1998*.

<http://www.parlamento.gub.uy/leyes/ Acceso TextoLey.asp?Ley=17063&Anchor=> (accessed November 9, 2010).

⁷ República Oriental del Uruguay. Poder Legislativo. *Constitución de la República 2004*.

<http://www.parlamento.gub.uy/constituciones/const004.htm> (accessed November 11, 2010).

democratic electoral process.⁸ The only way to escape being sanctioned is by getting a stamp from the electoral officer at the citizens' voting booth. Uruguay has demonstrated strong democratic features, such as pluralism for its citizens and strong electoral institutions that reinforce the citizen's vote, which further prepares Uruguay for its next insertion politically and economically in the world.

Although Uruguay has demonstrated very strong democratic institutions, another very important feature that has to be analyzed in order to prove the democracy level in the country is its political parties. As shown above, Uruguay has demonstrated strong democratic features throughout its history, but these have not been perfect. Democracy was lost during the Tupamaro Revolution years from 1962 to 1973 and during the dictatorship from 1973 to 1985. Democracy returned under Julio María Sanguinetti, as professor David Close affirms;⁹ the current democratic regime was officially installed in 1985.¹⁰ Since 1985, there

⁸ República Oriental del Uruguay. Poder Legislativo. *Ley de elecciones, sustituyen artículos de la ley N° 7.812, de 16 de enero de 1925 y sus modificativas 1989*. <http://www.parlamento.gub.uy/leyes/TextoLey.asp?Ley=16017&Anchor=> (accessed November 12, 2010).

⁹ Memorial University Political Science professor David Close is an expert in Latin American politics, also with extensive experience in Central American issues such as Nicaragua, therefore his recollection of this fact is very valuable and is being therefore considered for the purpose of analysis.

¹⁰ David Close, *Latin American Politics: An*

have been two dominant parties: the Colorados on the liberal side and the Blancos on the conservative side.¹¹ There is also another party that has been present since February 5th, 1971, which is the Frente Amplio (FA or Broad Front).¹² FA is a coalition of pre-existing political parties such as the socialist, communist, Christian Democrats, and progressive sectors, including the movements of senators and ex-ministers such as Michelini and Roballo.¹³ Furthermore, the actual government of FA appeared on the Uruguayan political democratic scene under Tabaré Vázquez winning the Montevideo municipal election in 1989.¹⁴ That was the first time that the FA was seen governing in Uruguay after democracy was reinstalled, at least at a municipal level. The importance of this election is that more than half of the country's population lives in Montevideo, which indicates the popularity that this party had at the time of its arrival to the political scene.¹⁵ Later on, from 2000 to

Introduction. (Toronto, ON: University of Toronto Press, 2009), 163.

¹¹ *Ibid.*, 175.

¹² Partido político Frente Amplio. *Historia*. <http://www.frenteamplio.org.uy/frenteamplio/historia> (accessed November 14, 2010).

¹³ *Ibid.*

¹⁴ República Oriental del Uruguay. Presidencia de la República Oriental del Uruguay. *Presidencia-secretaría de comunicación institucional 2005-2009*, http://www.presidencia.gub.uy/_web/pages/vazquez01.htm (accessed October 5, 2010).

¹⁵ This government of the FA took the fear away from the people of a party that was built as a coalition of communists, socialists and even ex-tupamaros. This was a move away from the fear that people lived under the military dictatorship years.

2005, Tabaré Vázquez won the presidential elections and became the first FA president to rule Uruguay after democracy was reinstalled. After his term, another FA candidate, José Mujica, won the presidency on November 29th, 2009 to become the current governing president of Uruguay.¹⁶

The current Uruguayan government under president Mujica wants to create “policies of state.”¹⁷ Creating these policies of state in the economic and education sectors will not only benefit the current government, but it will also secure an economical and educational future for Uruguayan citizens. This change is necessary in Uruguay, due to the fact that political parties’ agendas have historically changed with every new election. This new initiative creates a continuous set of policies, benefitting the future of the Uruguayan citizens, by providing a stable educational experience regardless of which political party is in power. However, in order to prove that the economic growth that Uruguay has enjoyed will allow for these policies of state to survive in the future, an analysis of the economy is necessary.

¹⁶ República Oriental del Uruguay. Presidencia de la República Oriental del Uruguay. *Presidencia-secretaría de comunicación institucional 2010-2015*. <http://www.presidencia.gub.uy/sci/pages/mujica01.htm> (accessed October 10, 2010).

¹⁷ Pablo Da Silveira, “Educación: ¿Política de Estado o prepotencia legislativa?”, *Diario El País*, November 30th, 2009, <http://www.elpais.com.uy/091130/pnacio-457324/nacional/educacion-¿politica-de-estado-o-prepotencia-legislativa-> (accessed October 15th 2010).

From a general economic perspective, statistics from the UNDP national GDP per capita of 2005 show that Uruguay is ranked as an upper-middle income country.¹⁸ This data can be compared for validity with Uruguay’s government official figures that assure us that “between 2004 and 2008 the National GDP growth was 31%...[which means] that it was an annual growth of 6.9% over the average of Latin America.”¹⁹ Although the GDP indicates the economic growth and the economic position of Uruguay in the world, the programs and strategic plans that Uruguay has signed during the last years are the most crucial for this economic development.

The World Bank signed a new Strategic Partnership with Uruguay for the 2010-2015 period, allocating 700 million US dollars for its implementation.²⁰ In support of the program, Fernando Lorenzo, the

¹⁸ David Close, *Latin American Politics: An Introduction*. (Toronto, ON: University of Toronto Press, 2009), 186.

¹⁹ República Oriental del Uruguay. Ministerio de Economía y Finanzas. *Exposición de Motivos. El poder ejecutivo presentó al poder legislativo el proyecto de presupuesto nacional 2000-2014*. http://www.mef.gub.uy/documentos/presupuesto/20100901_Exposicion_Motivos.pdf (accessed October 26, 2010).

²⁰ El Banco Mundial anunció la Alianza Estratégica con Uruguay hasta 2015, y asignó US\$700 millones para su ejecución. República Oriental del Uruguay, *Ministerio de Economía y Finanzas*, October 14th, 2010. (Montevideo, UY: 2005), http://www.mef.gub.uy/noticias/noticia_20101014.php (accessed October 26, 2010).

Minister of Economics and Finances, has said that Uruguay “needs this strategy for the development of the country which is to finish institutional developments to make a more solid and stronger capacity of action of the public policies.”²¹ The partnership will promote the government’s development vision in four key economic areas. The development will further strengthen Uruguay’s key economic and political spheres to prepare the country for the insertion in the world economy.

The first area of priority is the “reduction of macroeconomic vulnerability and strengthening public sector administration.”²² One of the biggest challenges in Uruguay has been with the reduction of public debt and public spending efficiency that sometimes gets affected such as during the world recession period of 2009. Although during that year the economy in Uruguay grew 2.9% while the world economy shrank 0.6%,²³ it was not

enough to keep the programs already implemented running and to protect the Uruguayan economy from the macroeconomic vulnerability of the world market economy.

The second area is the “improvement of competitiveness and infrastructure.”²⁴ This area will be significant because it will provide Uruguay with the economic means that it was once deprived of, to be able to compete in a world market.

The third area of the agreement is the “environmental protection, mitigation of climate change effects and strengthening family agriculture.”²⁵ The most important part of this area is to mitigate the negative effects that climate change has in the agriculture sector. This area is of extreme importance as climate change negatively affects agricultural production, which will directly affect Uruguay’s main exports of beef, accounting for 17.73%, and

²¹ Patricia Islas, “Uruguay y Suiza firman Convenio contra Doble Tributación”, *Radio Suiza Internacional*, October 18th, 2010, http://www.swissinfo.ch/spa/economia/Uruguay_y_Suiza_firman_Convenio_contra_Doble_Tributacion.html?cid=28566606 (accessed November 5, 2010).

²² The World Bank Group. *Uruguay: US\$700 Million Strategic Partnership, initial US\$100 million loan provided for results-based public management, competitiveness and social inclusion 2010*. http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/URUGUAY_EXTN/0,,contentMDK:22734483~pagePK:1497618~piPK:217854~theSitePK:331609,00.html?cid=3001_5 (accessed October 15, 2010).

²³ República Oriental del Uruguay.

Ministerio de Economía y Finanzas. *Exposición de Motivos. El poder ejecutivo presentó al poder legislativo el proyecto de presupuesto nacional 2000-2014*. http://www.mef.gub.uy/documentos/presupuesto/20100901_Exposicion_Motivos.pdf (accessed October 26, 2010).

²⁴ The World Bank Group. *Uruguay: US\$700 Million Strategic Partnership, initial US\$100 million loan provided for results-based public management, competitiveness and social inclusion*. 2010. http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/URUGUAY_EXTN/0,,contentMDK:22734483~pagePK:1497618~piPK:217854~theSitePK:331609,00.html?cid=3001_5 (accessed October 15, 2010).

²⁵ Ibid.

soybeans, accounting for 12.82% of total sales.²⁶ Revealingly, when the president took power, he drove a 100% electrical car built in China and adapted to run on electricity in Uruguay.²⁷ This shows the environmentally friendly presidency of José Mujica, by reducing the consumption of gasoline, and focusing in fuel alternatives instead.

The last area of the partnership is “greater social inclusion and equity.”²⁸ This area is crucial because it takes into account the improvement of social security systems, primary education, and even the implementation of public health reforms. As Henry Veltmeyer argues, in order for Uruguay to develop,

²⁶ Merco Press South Atlantic News Agency. “Uruguayan exports expand 20% in value during first ten months of 2010”, November 2nd, 2010, <http://en.mercopress.com/2010/11/02/uruguyan-exports-expand-20-in-value-during-first-ten-months-of-2010> (accessed November 3rd, 2010).

²⁷ Portal de America. “José Mujica se trasladará en un coche eléctrico el lunes. ¿Se pondrá corbata?”. *February 27th*, 2010, http://www.portaldeamerica.com/index.php?option=com_k2&view=item&id=66:josé-mujica-se-trasladará-en-un-coche-eléctrico-el-lunes-¿se-pondrá-corbata?&Itemid=13 (accessed November 2, 2010).

²⁸ The World Bank Group. *Uruguay: US\$700 Million Strategic Partnership, initial US\$100 million loan provided for results-based public management, competitiveness and social inclusion*. 2010. http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/URUGUAYEXTN/0,,contentMDK:22734483~pagePK:1497618~piPK:217854~theSitePK:331609,00.html?cid=3001_5 (accessed October 15, 2010).

“development [has to be] participatory in form, human in scale, and people-centered.”²⁹ Latin American political expert David Close’s findings on the influences of SAP’s on poverty, revealed that in “the 1990’s, the International Monetary Fund (IMF) and the World Bank (WB)[...] that administered Structural Adjustment Programs (SAP’s), began demanding that poverty-reduction programs be included as part of the conditions...”³⁰. Contrary to this, the World Bank has clearly not stipulated poverty reduction as a condition of the partnership in 2010. Furthermore, poverty reduction is not even stated in the strategic partnership’s main areas. Despite this, the previous government under Tabaré Vázquez took the initiative to reduce poverty from 31.9% (2004) to 20.3% (2008), and the levels of indigence dropped from 3.9% to 1.5% during the same period.³¹ This shows the commitment and initiative that the previous government of FA had in areas such as poverty reduction and development of the country. As argued

²⁹ Henry Veltmeyer, *Transcending Neoliberalism Community-Based Development in Latin America*, ed. Anthony O’Malley (USA: Kumarian Press, 2001), 6.

³⁰ David Close, *Latin American Politics: An Introduction*. (Toronto, ON: University of Toronto Press, 2009), 190.

³¹ República Oriental del Uruguay. Presidencia de la República Oriental del Uruguay. Presidencia-secretaría de comunicación institucional 2005-2009. *Uruguay Social: Construcción de políticas sociales para mejorar la vida de los ciudadanos*. http://www.presidencia.gub.uy/_Web/noticias/2010/02/2010022807.htm (accessed October 25, 2010).

by the Economic Commission on Latin America and the Caribbean “[p]overty is the greatest challenge for the economies of Latin America and the Caribbean.”³² These initiatives to drop indigence levels and to reduce poverty have been kept under the current government of José Mujica in Uruguay. At the same time that the Strategic Partnership with Uruguay was signed, the Programmatic Development Policy Loan (DPL) was agreed on as well.³³ This strategy provided the country with 100 million US dollars to support the introduction of reforms in three main areas.

The first policy area is the “public sector management, including the progress in the e-government agenda and the implementation of results-based budgeting.”³⁴ This progress is extremely important to modernize and implement newer ways of communication amongst the different branches of government, to allow for a faster and more efficient dialogue amongst the different branches throughout the country. It will also help

³² Atilio A. Borón, *Fault Lines of Democracy in Post-Transition Latin America*, ed. Felipe Agüero and Jeffrey Stark (Miami: University of Miami North-South Center Press, 1998), 50.

³³ The World Bank Group. *Uruguay: US\$700 Million Strategic Partnership, initial US\$100 million loan provided for results-based public management, competitiveness and social inclusion*. 2010. http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/URUGUAY_EXTN/0,,contentMDK:22734483~pagePK:1497618~piPK:217854~theSitePK:331609,00.html?cid=3001_5 (accessed October 18, 2010).

³⁴ Ibid.

the government communicate with the citizens online, therefore reaching rural areas that now have access to Internet. The implementation of results-based budgeting is also crucial. In Uruguay the public expenditure is set with a final objective and an assigned budget based on the priority of programs. This results-based budgeting strategy will provide the money to make these budgetary priorities more effective and the overall public expenditures more efficient. The relevance of development in these areas will be to ameliorate the communication between different government branches to have a faster and more effective response within the different government agencies, helping overall to the political development of the country.

The second area of this policy loan is to “[increase] competitiveness, [introduce] trade facilitation measures, [and] improve the business climate and financial market support.”³⁵ This area is of extreme importance to set the base for competition, trade and financial markets that will allow the expansion and improvement of the Uruguayan businesses in comparison to other countries in the world economy. This policy will allow the economic growth that Uruguay has enjoyed of 6.9%³⁶ to be supported in the upcoming years.

³⁵ Ibid.

³⁶ República Oriental del Uruguay. Ministerio de Economía y Finanzas. *Exposición de Motivos. El poder ejecutivo presentó al poder legislativo el proyecto de presupuesto nacional 2000-2014*. http://www.mef.gub.uy/documentos/presupuesto/20100901_Exposicion_Motivos.pdf (accessed October 28, 2010).

The third policy area, which is very similar to the Strategic Partnership's fourth area, is "[i]mproving social inclusion through social policies that promote equity."³⁷ This last area of the development policy loan was purposely created to set the preamble of a more developed, more stable country in the aforementioned areas. This preamble is necessary to implement the Strategic Partnership in a stable, more efficient country so that the results from this Partnership are favorable for the World Bank, as well as for the Uruguayan government. The insertion of Uruguay in the world with this strong base will allow for the pillars to be created on a safe and secure base.

One of the most important public policies undertaken under the previous government of Tabaré Vázquez and expanded under the current government is the education policy. The previous government implemented "plan CEIBAL,"³⁸ which is a plan originally created by Nicholas Negroponte and

called "One Laptop per Child."³⁹ "The mission of One Laptop per Child (OLPC) is to empower the children of developing countries to learn by providing one connected laptop to every school-age child."⁴⁰ In Uruguay, plan CEIBAL was implemented by the minister of education with the same idea of OLPC by Nicholas Negroponte. The ex-president Tabaré Vázquez, "fulfilled his promise to give laptop computers to the 360 000 elementary school students and 18 000 elementary school teachers in his nation [Uruguay]." This has not only served to provide the laptops needed to modernize and connect the society with the technological world of the twenty-first century, but at the same time, statistics taken by the "plan CEIBAL" in December 2009 show that 80% of children coming from extremely poor backgrounds were more motivated to do school homework on the computer. Added on to this, 80.4% of the children argued that the computer works perfectly, while only 7.1% say that the computers have some technical problems.⁴¹ The major achievement that

³⁷ The World Bank Group. *Uruguay: US\$700 Million Strategic Partnership, initial US\$100 million loan provided for results-based public management, competitiveness and social inclusion*. 2010. http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/URUGUAYEXTN/0,,contentMDK:22734483~pagePK:1497618~piPK:217854~theSitePK:331609,00.html?cid=3001_5 (accessed October 18, 2010).

³⁸ República Oriental del Uruguay. Ministerio de Educación y Cultura. *Plan Ceibal*. <http://ceibal.edu.uy/Portal.Base/Web/VerContenido.aspx?GUID=1f9d1baf-90bd-48c8-a287-62d863fa2bab&ID=41> (accessed October 17, 2010).

³⁹ One Laptop Per Child. *America* 201, 2009, no. 14: 4-4. <http://web.ebscohost.com/ehost/pdfviewer/pdfviewer?vid=5&hid=104&sid=0d8fb82f-c79f-4997-a05a-52f72485a306%40sessionmgr113> (accessed October 13, 2010).

⁴⁰ One laptop per Child Organization. *Vision and Mission*. <http://laptop.org/en/vision/mission/index.shtml> (accessed November 7, 2010).

⁴¹ Ignacio Salamano and others, *monitoreo y evaluación educativa del Plan Ceibal: Primeros resultados a nivel nacional. Resumen, diciembre de 2009*. (Montevideo: CEIBAL, 2009), 11, 14. http://www.ceibal.org.uy/docs/evaluacion_e

the Uruguayan government made, is that after having provided the first project of “plan CEIBAL” it is now moving to provide another 100 000 computers to students in junior-high schools.⁴² The OLPC organization is selling 90 000 computers at a price of 200 US dollars and the firm Lusa is selling the other 10 000 at a price of 210 US dollars each.⁴³ The computers not only allow the access to online data such as encyclopedias, dictionaries, online books and many other features, but they also allow the students to communicate with their teachers and to learn in a technological environment, while reducing the time spent doing homework and research at home. The commitments of the current government to improve the educational level in Uruguay were clearly mentioned in Mujica’s first presidential speech when he said, “My government and I are going to concentrate in the public policies of education, education, education and once again education.”⁴⁴ Mujica also

ducativa_plan_ceibal_resumen.pdf (accessed November 14, 2010).

⁴² Panamá América. “Ampliarán con 100.000 equipos el plan uruguayo de una computadora por niño”, June 8th, 2010, http://www.pa-digital.com.pa/periodico/buscador/resultado.php?story_id=928291 (accessed November 12, 2010).

⁴³ Ibid.

⁴⁴ República Oriental del Uruguay. *Ceremonia de transmisión de mando presidencial*, online video, presented by José Mujica Uruguayan president (2010; Montevideo, Uruguay: Presidencia de la República Oriental del Uruguay, 2010). <http://www.presidencia.gub.uy/sci/pages/mujica01.htm> - video can be found under “video de la asunción” (accessed November

mentioned the concentration on economic policies. As part of the economic policies, the larger funding of the Uruguayan Armed Forces to support community development is also among the major goals in Mujica’s presidency.

Another crucial topic in Uruguay has been the role of the Uruguayan Armed Forces in supporting community development. In the Ministry of National Defense there was an article that discussed the funds donated by the United States (US) Government to build a juvenile center in Santa Catalina, Uruguay.⁴⁵ Projects such as this one have been supported by the Uruguayan Armed Forces together with the donations of 450 000 US dollars from the US Government, that will allow for this project to be finished.⁴⁶ The importance of the construction of the Santa Catalina juvenile center is not necessarily the construction itself but the role that the Uruguay Armed Forces are taking. The crucial point is that the Uruguayan Armed Forces, which once fought against its own citizens in the period between 1962 and 1973 during the Tupamaro socialist urban guerilla and during the military dictatorship between 1973 and 1985, has now reversed its role to participate in social work by helping its country with

13, 2010)

⁴⁵ República Oriental del Uruguay. Ministerio de Defensa Nacional. *Lazos de cooperación y amistad. EEUU reconoce a Uruguay como líder mundial por excepcional desempeño military en misiones de paz de ONU*. <http://www.mdn.gub.uy/?q=node/207&parm1=599&parm2=articulo> (accessed November 12, 2010).

⁴⁶ Ibid.

community assistance. Additionally, the US Government opened a cooperation policy with Uruguay, in which they initiated a Global Peace Operations plan. This plan is sponsored by the US in cooperation with the Uruguayan defense office. The objective is to give financial support of 5 720 000 US dollars to the Uruguayan Armed Forces in order to maintain their operations actively in the UN peace maintenance program.⁴⁷

All things considered, Uruguay has proved to be a country with a strong democracy and stable economic growth, which has allowed for the implementation of public policies in education and poverty reduction and created a more egalitarian inclusion of its population. Uruguay has been recognized as being egalitarian and providing universal equal rights. In economic terms, it shows that the disparity between the country's richest and poorest citizens is small. The idea of maintaining democracy has been enforced by two strong comments that José Mujica made during his inaugural speech. The first one is very moving as he said, "The battles for everything or nothing are the best way to make no change and for everything to remain stagnant."⁴⁸ In this speech he was

clearly referring to the Tupamaro guerillas, showing to the citizens that the best way of acquiring change is through the electoral process, in which the citizens choose which president they wish to take office. The second comment that reassures his commitment to democracy is when he argued, "That he is president only by electoral means and by having been elected by the people not by any other means."⁴⁹ This reassures that the democratic growth experienced throughout Uruguay's history will be maintained during his presidency. When the president took office, the first line that he said in his inaugural speech marked the commitment of his government to democracy, economic policies, and educational policies. He added, "I would like to remind myself everyday and never forget that I am only the president thanks to the willingness of the people and the electoral votes that elected me."⁵⁰ He even argued that he is the president of "the people" from the richest to the poorest, and that he is going to govern for everybody.

Ultimately, this paper has argued that democracy, economic growth, changes in education policies, and poverty reduction are likely to promote prosperity in Uruguay. Which will, in turn, facilitate the political and economic

⁴⁷ Ibid.

⁴⁸ República Oriental del Uruguay. *Ceremonia de transmisión de mando presidencial*, online video, presented by José Mujica Uruguayan president (2010; Montevideo, Uruguay: Presidencia de la República Oriental del Uruguay, 2010). <http://www.presidencia.gub.uy/sci/pages/mujica01.htm> - video can be found under "video de la asunción" (accessed October 23, 2010).

⁴⁹ Ibid.

⁵⁰ Ibid.

insertion of Uruguay in the world as a stronger and better developed country. Although there have been many insertions in the past, this one points in the right direction, promising to last for many years to come. This insertion will prove to Uruguayans and the world that

the previous experiences of a population of almost three and a half million citizens are changing. A new euphoric and motivating insertion will be seen, together with a new reality that many Uruguayans have been waiting for, for decades.

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