
I. THE COUNTRY

General

Uruguay, which occupies an area of 186 926 km², is one of the smallest nations in South America. Bounded by Brazil on the north, Argentina on the west and the Atlantic Ocean on the southwest, the country enjoys a temperate climate. Most of its 3 million or so inhabitants are descendants of European immigrants who arrived in the nineteenth and twentieth centuries. The capital, Montevideo, has a population of 1.5 million. Salto, Paysandu and Punta del Este, a holiday resort, are the region's main centres. To a certain extent, Uruguay's distinctiveness on the Latin American continent stems from its economic prosperity during the first half of this century, which enabled it to establish modern social structures as early as 1914. This prosperity also encouraged the immigration of Europeans with new social ideas and socialist concerns that shaped today's Uruguay.

History

The inhabitants of what is today Uruguay were the Charrua Indians. They were generally hostile to the first explorers of the region, and their numbers were quickly diminished through skirmishes with the European settlers.

In Uruguay's early history, Spain, Portugal and later Brazil and Argentina struggled for control of the area. In 1825, Uruguay claimed independence, and its first constitution was adopted on July 18, 1830. Civil war and foreign intervention plagued Uruguay throughout the remainder of the nineteenth century. During this period Uruguay's two traditional political parties, the Colorados and the Blancos, were formed. The Colorado party subsequently controlled the government from 1865 to 1958. Today, Uruguay embodies one of the most stable democratic traditions in Latin America, with the exception of the 10 years of military rule between 1974 and 1984.

Stability brought economic growth which, in turn, attracted immigrants, mostly from Spain and Italy. The Colorado government of the early 1900s implemented broad political and social reforms, which made Uruguay the first Latin American country with a social welfare system. Economic prosperity continued until the 1950s, when the country entered a period