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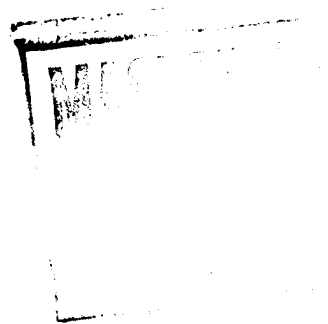
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# **Uruguay: Rough Road Toward Civilian Rule**



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**An Intelligence Assessment**



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*ALA 83-10135  
August 1983*

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# Uruguay: Rough Road Toward Civilian Rule



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An Intelligence Assessment

This paper was prepared by  Office  
of African and Latin American Analysis. It was  
coordinated with the Directorate of Operations. 

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Comments and queries are welcome and may be  
directed to the Chief, South America Division, ALA,



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**Uruguay:  
Rough Road Toward  
Civilian Rule** [Redacted]

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**Key Judgments**

*Information available  
as of 28 July 1983  
was used in this report.*

Return to civilian rule—the issue that captures by far the greatest national interest in Uruguay—is proving more difficult than any of the principals expected. The Uruguayan military is committed to restoring the structure of a civilian government, but only if the armed forces are able to protect their institutional interests. The military government has scheduled national elections for late next year, permitted internal party elections, and initiated preliminary negotiations with the major political parties for a new constitution. As civilian politicians have resisted attempts to give the military greater constitutional political license, however, the armed forces have begun to show increasing doubt about the wisdom of allowing the transition to proceed. Increasingly, both sides have come to recognize they are poised between resuming traditional civilian dominance or permanently institutionalizing a political role for the military. [Redacted]

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Critical public statements and a hardline negotiating stand in the constitutional talks—which the government has twice suspended—are evidence of the military's present state of mind. In our view, the armed forces may make minor concessions but will not abandon their demand for an irrevocable role in politics, at least on the important national security issues, where they seek not only a permanent political advisory role but greater latitude to pursue terrorists. [Redacted]

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The political parties remain on the defensive. Although they can count on general popular sentiment for a return to civilian rule, they have been unable effectively to mobilize political support—from labor, students, or the church—which could be used to press the military. [Redacted]

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Continued military pressure on civilian party leaders, who need to appear responsive to antimilitary constituencies, could easily result in further interruptions in the constitutional talks. In July, the military announced that should the parties not cooperate, it would write its own constitution and proceed with elections in 1984. Both sides, however, have been careful to leave the door open to continued dialogue. [Redacted]

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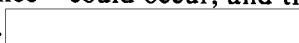
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We believe the military's tough stance will lead at least some political party factions to plead that they must—however reluctantly—compromise or risk losing their role in reestablishing a functioning party government. Major internal divisions within the parties—of which there is already some evidence—could occur, and this may be one of the military's unstated goals. 

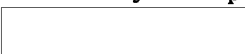
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Even if the military miscalculates and, with its hard line, drives the parties together rather than apart, we doubt the civilians would be able to summon sufficient political muscle to force the military to back down, at least during the remainder of the year. Political and labor networks have so atrophied under military rule that we believe they could not be rejuvenated any time soon. 

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President Alvarez, responsible for initiating the transition process as Army commander in 1977, personifies the military's growing institutional misgivings and toughening stance. If civilian politicians refuse to cooperate in the constitutional negotiations altogether, he may try to exploit the military's doubts to perpetuate himself in office. 

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Should Uruguay, for whatever reason, fail to complete the transition to civilian rule according to schedule, the United States would face a substantially more difficult bilateral relationship. There would be increased criticism of the United States from civilian sectors that would attempt to spotlight the failures of quiet diplomacy on the presumption that Washington could force its will on the military. Touchier relations with the armed forces would center on human rights issues, which the politicians would almost surely attempt to highlight in seeking wider international support. 

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**Uruguay:  
Rough Road Toward  
Civilian Rule** [Redacted]

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**Introduction**

Of all the problems facing Uruguay, the return to civilian rule is most important. Most politicians, according to a variety of reporting, recognize that the country is at a historical crossroads between reverting to traditional 20th-century civilian dominance or perhaps permanently institutionalizing a political role for the military. [Redacted]

Other issues are not paramount. There is relatively little conflict between civilians and the military over financial policies, perhaps partly because of the numbing effect of Uruguay's long-term economic deterioration. Indeed, key economic issues already are largely determined by a civilian technocracy, and a transfer of governing power to a body of civilians the military finds acceptable probably would not greatly alter economic policy. Similarly, the broad outlines of Uruguayan foreign policy are largely determined by the balancing act the country must maintain between two giant neighbors—Brazil and Argentina. Unlike neighboring Argentina, human rights concerns are not nearly so unsettling or spotlighted an issue. [Redacted]

After nearly 10 years of military rule, the Uruguayan armed forces are engaged in a process of restoring civilian government, with elections scheduled for 1984. Difficult negotiations that began in May between civilian politicians and the military over a new constitution are critical: the military is seeking formal, legal mechanisms that will give it license to protect its interests following the transition. [Redacted]

Because the talks have broken down on a number of occasions, and for a variety of other reasons, Uruguay's transition process may be the most problematic of several now under way in South America. With the Uruguayan process at midpoint, this paper evaluates the relative strengths and strategies of the key players—the armed forces, President Alvarez, and the civilian politicians. It also gauges the prospects for the successful completion of the transition and draws some implications for the United States. [Redacted]

**The Road to Military Control**

Uruguay was a rich, confident, and politically advanced country during the early decades of this century and took great pride in being known as the Switzerland of Latin America. It was especially known for its progressive social welfare system and commitment to democratic politics. [Redacted]

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Long-term deterioration began to settle in after World War II, however. Export markets for such primary products as wool gradually weakened, and the pastoral sector began to decline. The economic growth rate from 1945 to 1960 was, on average, a negative 0.2 percent. Declining confidence levels resulted in Uruguay's emigration rate climbing to the highest in the world; the population was nearly stagnant. [Redacted]

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The country's political institutions became increasingly unwilling or unable to cope with changing circumstances, in particular a crippling rise in the cost of living of over 4,000 percent in the decade of the 1960s. In effect, the country would no longer pay for its crushing welfare system. Strikes and labor agitation grew. By the early 1970s an urban guerrilla organization called the Tupamaros had emerged, whose early emphasis was on a major public relations campaign that targeted the entrenched bureaucracy and used stolen documents and informants to attempt to show that the politicians had grown corrupt, ineffective, and unrepresentative. Its activities gradually progressed from bank robberies, statedly for the benefit of the poor, to kidnaping and murder designed to overthrow the existing political system. To many, the system seemed incapable of responding well on either the public order or political fronts. At the same time, a leftist political coalition began to challenge the country's traditional two-party system. [Redacted]

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With conditions approaching chaos—police forces were outmatched and many attorneys and judges were subject to intimidation—the military stepped in. The armed forces were convinced that prominent politicians were guilty of corruption and hindering effective prosecution of the war against the Tupamaros and so assumed power in a nearly bloodless coup in 1973. Led by senior Army officers, the armed forces dissolved Congress, suspended elections, and banned all leftist organizations—including political parties, front groups, and labor confederations. Although the major parties—the traditionally rival Colorado and Blanco Parties—and the small, conservative Catholic Civic Union were not banned, their activities were severely restricted and their principal leaders proscribed.

In the immediate aftermath of the coup, when the armed forces were actively engaged in fighting the guerrillas, their rationale for governing was relatively strong and therefore grudgingly tolerated by most of the population. The coup stood out, however, as a historical anomaly—an act that violated a nearly unbroken succession of democratic governments. By the mid-1970s, after the terrorists' defeat, low-key but pervasive civilian sentiment for restoring democratic institutions began to build.

Even though the Army's hold on political power remained virtually unchallenged, disagreement began to emerge within the ranks over whether the military should remain in power, according to US Embassy reporting. Army Commander in Chief, Gen. Gregorio Alvarez—now President—led those favoring a return to democratic rule.

**The Decision To Liberalize**

In mid-1978 ultrarightwing elements of the Army initiated a campaign against Alvarez that included personal attacks, black propaganda, and, in its final stages, the organization of hit squads to assassinate Alvarez. Although units loyal to Alvarez ultimately put down that immediate threat, the Army remained polarized into rightwing and moderate camps well into 1980. Partly to resolve its internal conflict over the issue, and

partly to test popular support for its continued rule, the government submitted a promilitary draft constitution to a national plebiscite in November 1980.

The stinging rejection of the armed forces' proposals at the polls by a 57-percent vote seriously weakened the position of military hardliners and gave renewed impetus to advocates of liberalization. Alvarez, as the principal leader of the Army's moderate faction, became Chief of State in September 1981 after retiring from the armed forces. Officers who had outspokenly opposed the transition were gradually retired. Upon assuming the presidency, Alvarez gave his personal commitment to adhere to a fixed timetable for return to civilian rule.

Since then, the government has lifted proscriptions against some prominent politicians, decreed laws liberalizing political activity, encouraged the reactivation of traditional parties, conducted internal party elections nationwide, and begun preliminary negotiations with the parties over a new national constitution.

**The Military's Growing Ambivalence**

While the willingness of the armed forces to move as far as they already have indicates a general desire to go forward with the transition, institutional misgivings appear to have grown. Alvarez and the military apparently initiated the transition expecting their withdrawal to leave behind a significantly altered political landscape with new and presumably more cooperative politicians coming to the fore and with little possibility of a return to the turmoil of the early 1970s.

These expectations have been largely unrealized, however, as:

- Antimilitary candidates gained well over 60 percent of the vote in both parties in last November's elections of party leaders.

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**The Uruguayan Democratic Convergence**

The Uruguayan Democratic Convergence (CDU) was formally organized abroad in 1980 by Blanco Party exile Juan Raul Ferreira from disparate elements of the radical left, although it claims to be broadly representative of the opposition.

[Redacted]

According to the US Embassy, Juan Ferreira remarked privately that the organization had received financial support from Nicaragua and Cuba, and the organization has reportedly issued a variety of declarations supporting Nicaragua, Cuba, Grenada, and the Salvadoran guerrillas.

Since its creation, the CDU has maintained an implacable hostility toward Uruguay's military government and vigorously sought to undermine the regime by attacking its human rights record. In addition, the CDU appears to favor radical economic and social

reforms. Juan Ferreira has stated publicly that his organization supports economic centralization, nationalization of the banking and foreign trade sectors, and agrarian reform.

The CDU's potential for influence in the Blanco Party—and therefore in national politics—is magnified because Juan Raul Ferreira is the son of Blanco leader Wilson Ferreira Aldunate, and the younger Ferreira is thought to have considerable sway with his father on political questions.

some CDU members hold leadership positions in both the CDU and a principal Blanco Party faction headed by the elder Ferreira.

[Redacted]

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- Old-line, proscribed politicians retain considerable influence in both major parties.
- Conservative efforts to promote a promilitary presidential candidate have suffered a series of reverses.

[Redacted]

The military's growing doubts about the wisdom of liberalization have been reflected in a variety of public and private statements by Uruguayan Government officials. For example, in April the Minister of the Interior, an Army general, publicly warned that antimilitary declarations by prominent politicians could result in an interruption of the transition. This was the first time a major figure had failed to soften such a warning by also reiterating a continued overall commitment to the transition.

**General Factors in the Military Apprehension**

In this climate of growing antimilitary sentiment, the armed forces feel threatened by a possible resurgence

of the radical left. they are particularly concerned about the potential influence of the Uruguayan Democratic Convergence (CDU)—a radical leftist antimilitary group currently associated with the Blanco majority faction. The group, founded by the son of the Blancos' most popular leader, is viewed by the military as a harbinger of increased leftist inroads when a civilian government takes power.

The military's fears appear based almost wholly on worst case projections that would take years to play out, in our estimation. The remnants of the Tupamaros are in exile and generally inactive. Leftist political groups like the CDU are primarily active in student and youth wing organizations, where more

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radical solutions are traditionally embraced. Within the population at large, the memory of the violence of the 1970s and the military intervention seems likely to act as a brake on extremist activities for some time. Nonetheless, with the Tupamaro campaign so fresh in the minds of most military men, many armed forces officers are not content to leave the country's future political direction entirely to chance and the guidance of civilians. [redacted]

Institutionally, the Army, which carried the primary leadership role of the anti-Tupamaro campaign, is probably the service that is most uneasy with the prospective return to democracy. [redacted]

[redacted] many officers who have enjoyed the special advantages of governing—dual salaries, index-linked pensions, and prestigious positions as mayors or members of boards of state enterprises—are less likely to be committed to relinquishing rule to civilians. Younger officers—not involved in the war against the terrorists—are more willing than some of their senior commanders to return to the barracks.



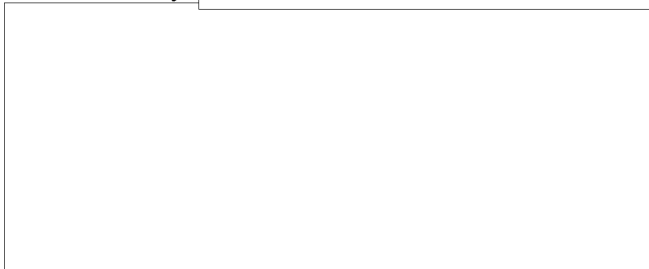
**Alvarez's Personal Ambition**

President Alvarez's personal stance toward liberalization appears to have mirrored attitudinal changes in the military institution as a whole. Despite a ringing endorsement of the transition at his inauguration in 1981, the political reverses since then—that is, the rise of antimilitary sentiment in the parties and public at large—have caused the President to be more cautious in his public and private statements. For example, although he reiterated his dedication to a return to civilian government in a conversation with the US Ambassador last April, he also stated that he was determined to ensure that it did not produce a government controlled by "enemies of democracy."



**Gregorio Conrado Alvarez Armellino**  
*Ambitious and nationalistic, President Gregorio Alvarez, 57, is a pragmatic political moderate. Vehemently anti-Communist and firm in his opposition to terrorism, he played a key role in Uruguay's antisubversive campaign, utilizing his organizational skills and persistence. Difficult to get close to, Alvarez does not communicate easily and is often blunt and abrupt in conversations. He does, however, have considerable charm, which he can turn on and off at will, and he has, on occasion, demonstrated a flair for public relations. Some of his countrymen have described the President as stubborn, petulant, and demagogic.* [redacted]

Beyond institutional interests, Alvarez appears to harbor personal ambitions and has at least explored several political alternatives. Last March he publicly called for a "new political option"—evidently a party to include the conservative minority factions of the two major parties that would serve as a vehicle for his own candidacy. [redacted]



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**Table 1**  
**Negotiating Positions of Military and Civilian Leaders**

Issue	Military	Civilian
Political role for the armed forces	To be institutionalized through a constitutionally sanctioned advisory body, the National Security Council (COSENA), composed of military and civilian representatives.	Armed forces participation acceptable in some form, but only if authorized in regular (and hence, revocable) legislation, not in the constitution.
Lifting of proscriptions against parties and civilian politicians	Christian Democrats and some individual politicians from traditional parties may have their rights restored; many Socialist and Communist Party members, and radical politicians to remain banned.	All proscriptions to be lifted against parties and individuals.
Freedom of expression and freedom of assembly	Security forces must be free to act against subversion by limiting individual rights—various controls proposed on elected officials and politicians.	Democratic freedoms to be constitutionally guaranteed, with subversion to be treated as an exception.
Right of habeas corpus	Authorization to suspend up to 15 days for accused terrorists.	Authorization to suspend no more than 48 hours.
Selection of general officers	Candidates to be selected by the military, subject to approval by the president and the legislature.	No stated position, but under previous constitution generals were selected directly by the president, with the consent of the Senate. (Some officers allege this created excessive politicization of promotions.)

[Redacted]

**The Bumpy Negotiations**

With renewed and widespread political activity increasing the armed forces misgivings, the military has responded by adopting an increasingly blunt and confrontational style with civilian politicians. It has served notice that, at a minimum, its prerogatives in the ant subversion area must be constitutionally safeguarded. According to [Redacted] statements by high-ranking regime officials, the armed forces will proceed with the transition only if the new constitution includes:

- A provision granting the armed forces a permanent institutional role in politics.
- Military license to suspend due process for a short period if necessary to pursue terrorists.
- Guarantees that an investigation into the prosecution of the 1970s war against the Tupamaros will not be undertaken.

These provisions would, of course, allow the military a free hand to deal with a resurgence from the left. [Redacted]

To date, the constitutional talks—begun on 13 May—have made little progress, and the military has created a political climate reflective of its harder line. Since the talks began, the military government has closed a Blanco newspaper and has arrested a leader of a ranchers' organization, some 25 allegedly Communist youths, and a prominent Blanco politician—twice—for criticizing the government. When Blanco leaders, in response, indicated in June that they planned to withdraw from the negotiations, the military preempted this move by suspending the talks briefly. [Redacted]

A second suspension in July resulted from the parties' general frustration over the failure to narrow differences over how to deal with subversion. The civilian negotiators know that the public is loath—as it demonstrated in the 1980 plebiscite—to include in any new constitution provisions that allow the armed forces to deal with subversion at the expense of individual liberties. [Redacted]

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Table 2

Percent

## Major Components and Factions of Colorado and Blanco Parties

Party	Leaders	Orientation	Proportion of Party Vote in November 1982
The Colorado Party			
Unidad y Reforma and Libertad y Cambio Alliance (ABX and ACE factions)	Julio Maria Sanguinetti Enrique Tarigo Jorge Batlle (proscribed)	Liberal, antimilitary	67
Union Colorado y Batllista	Jorge Pacheco Areco	Conservative and generally promilitary	29
Union Batllista Radical	Raumar Jude (proscribed)	Liberal, antimilitary	<sup>a</sup>
The Blanco Party			
Por la Patria and Movimiento Nacional de Rocha Alliance (ACF faction)	Wilson Ferreira Aldunate (proscribed) Dardo Ortiz (proscribed)	Strongly antimilitary	64
Partido Nacional Movilizada (ABP faction)	Alberto Gallinal	Conservative, promilitary	10
Consejo Nacional Herrerista (BCF faction)	Alberto Lacalle de Herrera	Strongly antimilitary	10
Other factions			16

<sup>a</sup> Less than 10 percent.

Subsequently, the government alarmed party leaders by announcing that the armed forces would draft a new constitution on their own if the political parties would not participate in the constitutional negotiations. The military further hardened its stance in early August, when it announced severe temporary restrictions on political activity, including censorship. The US Embassy reports, however, that, while the formal negotiations were suspended, the two sides had been meeting privately in an attempt to get the talks back on track. [redacted]

**The Civilian Dilemma**

The civilian politicians have so far had little maneuvering room in the transition process, caught between armed forces demands and their own dominant anti-military constituencies. Moreover, the resources the parties can call upon to pressure the military appear limited. Student and labor groups, which a decade ago were large and controlled by the left, are subdued and

less committed to open protest.<sup>1</sup> Despite an appreciable demonstration of labor strength at a May Day rally this year, the Uruguayan labor movement is hampered by the absence of right-to-strike laws and the lack of protection for union organizers against dismissal. Although somewhat more active than in recent years, the movement remains politically insignificant, according to US Embassy reporting. Neither has the church become an effective political force, either on its own or in conjunction with the political parties. [redacted]

Similarly, economic conditions are unlikely to boost civilian fortunes significantly. Unlike neighboring Argentina, the Uruguayan military—adroit enough to

<sup>1</sup> Indeed, one Communist-dominated labor confederation at its peak in the late 1960s represented 250,000 workers, whereas the largest recognized labor federation now active represents no more than 12,000 workers. [redacted]

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**The Role of the Economy in the Transition Process**

*In the mid-1970s the military liberalized the economic and financial system, and these reforms helped mute popular criticism of the military's rule by paying handsome dividends during 1975-80:*

- *Economic growth averaged 5 percent per year.*
- *Unemployment fell to 6 percent, the lowest level in years, by the end of the period.*
- *There were surpluses in international payments, and exports were greatly diversified. By the end of 1980, official reserves had been built up to a level equivalent to three months of import coverage.*

*The government's economic program was less successful, however, in reducing strong inflationary pressures; prices increased an average of more than 50 percent annually between 1976 and 1980.* [redacted]

*Beginning in late 1981, economic performance deteriorated sharply. Adverse external economic conditions and occasional domestic policy mistakes have contributed to a protracted recession and serious external payments difficulties. Domestic output fell 15 percent, unemployment mounted to 15 percent, inflation remained near 40 percent, and wages fell 30 percent between late 1981 and early 1983. Meanwhile, as exports dropped off and cheap imports flooded in, short-term borrowings doubled and reserve levels dropped by two-thirds. Uruguay's debt servicing burden nearly tripled by early 1983 and the country saw itself forced to begin selling off gold holdings to meet its external payments. To gain essential debt relief, the government recently negotiated with the IMF a \$410 million standby arrangement and with bankers a \$1 billion refinancing program.* [redacted]

*IMF-mandated austerity and a slow world economic recovery will limit economic improvements in Uruguay over the period of the transition. Strict monetary and fiscal targets are likely to depress both domestic investment and consumption. The huge devaluation will likely increase inflation above last year's 20 percent but will also give some boost to exports. An export rebound along with a drop in the cost of oil imports could wipe out most of the \$800 million balance-of-payments deficit recorded in 1982. Nonetheless, according to the US Embassy, these current debts and other financial constraints on growth probably will not be overcome until a strong world recovery boosts exports, particularly to neighboring countries, and interest rates decline.* [redacted]

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*Barring a sudden economic downturn, however, we do not expect economic problems to be a major factor in the military's calculations relative to retaining power. Although a peaceful May Day demonstration of some 20,000 was successfully organized, to date, the population has remained generally passive toward the deteriorating economic conditions. In part, this attitude results from gradual accommodation to a broad, secular economic decline made easier by the availability of a societal safety valve in the form of emigration. In the severe contraction of the last two years, however, an additional explanation for this passivity is the reluctance of politicians and the public at large to confront the government too boldly on economic issues—however severe—while the fate of liberalization hangs in the balance.* [redacted]

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*rely on competent technocrats—has a generally creditable track record in the economic arena. The Uruguayan population has also exhibited a traditional tolerance for declining living standards, and the economic outlook, although troubled, is not dismal.* [redacted]

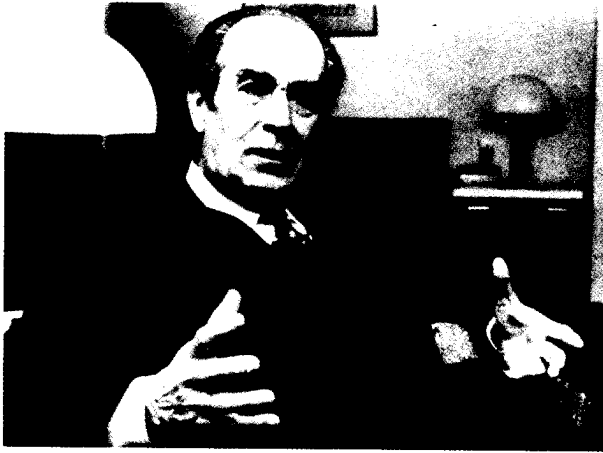
*readiness of the security forces to react to any challenge by civilian politicians, has meant in practice that the costs to the military of their own intransigence in the talks, if not minimal, are at least bearable.* [redacted]

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*The comparative inability of the parties to mobilize their forces, when measured against the potential*

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**Wilson Ferreira Aldunate**

*Wilson Ferreira, the 64-year-old exiled leader of the Por la Patria (PLP) faction of the Blanco Party, has long been a principal target of military enmity. Ferreira has been described by both US Embassy officers and Uruguayan politicians as poised, charismatic, and intelligent and as a brilliant orator. According to some [redacted] he also has a caustic, often cruel wit that, along with some irascibility, has earned him not just political opponents but lifelong enemies.* [redacted]

**Ferreira and the Blancos**

The most outspoken and stridently antimilitary party, the Blanco Party, has been both dominated and constrained in recent years by the single personality of Wilson Ferreira Aldunate. Ferreira, who narrowly failed to win the presidency in 1971, is characterized by partisans as a progressive and nationalist. [redacted]

[redacted] Although he is technically banned from participation in politics and lives in exile, his longtime sway over the Blanco Party heightens military fears of a return to the early 1970s. The military has recently reconfirmed its profound distaste for Ferreira by taking the unusual step of reissuing a warrant for his arrest, based on his activities in the early 1970s, according to press and Embassy reporting. [redacted]

Ferreira's continued control over the party is not guaranteed, however, despite the success of his faction in the 1982 internal party elections. The Blanco Party

is deeply divided [redacted] and Ferreira's majority faction, the most antimilitary of the principal factions in any recognized party, is split over key issues. First, Ferreira has been unwilling to renounce the radical left, exemplified by the CDU, which his son heads. Second, considering his historically antagonistic attitude toward the armed forces, the degree to which Ferreira is sincerely committed to resolving differences with the military in order to achieve a democratic government is being questioned by moderates. The US Embassy has reported that, while moderate Blancos respect Ferreira, they believe his continuing intransigence, militancy, and personal political aspirations could lead to a delay or even cancellation of the transition process. [redacted]

**The Colorados**

Like their traditional Blanco rivals, the Colorados are also dominated by antimilitary factions. They appear to be less militant, however, and somewhat more flexible in dealing with the military. Since their convention last April, they have avoided strident antimilitary rhetoric. In addition, we believe the presence within the party of a sizable promilitary faction led by a conservative former president, Jorge Pacheco Areco, helps to moderate party policy. [redacted]

Although the two major parties appear to be roughly comparable in strength,<sup>2</sup> the Colorado Party enjoys greater unity. The moderate leadership of Julio Sanguinetti is accepted, according to US Embassy reporting, by all important factions. Colorado youth, unlike their Blanco counterparts, are incorporated directly into regular party factions and generally follow orders. Radical leftists within the party are overshadowed by moderates and have little influence. [redacted]

<sup>2</sup> Based on the November 1982 party elections, the Blanco Party is now slightly larger, probably because of support from members of banned leftist parties who have no other legal party for which to vote. If one or more of these parties—the Christian Democrats or Socialists, for example—were allowed to reestablish itself, it would undercut Blanco strength and possibly leave the Colorados the dominant party once again. [redacted]

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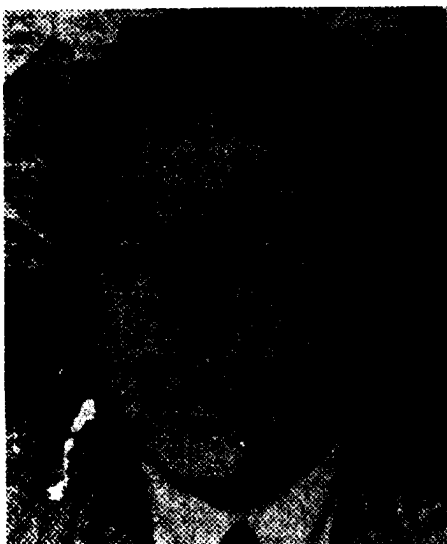
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**Julio Maria Sanguinetti**

*Julio Sanguinetti, 47, currently heads the principal faction of the Colorado Party, the moderate Unidad y Reforma (the former List 15). According to US Embassy officials, he is a longtime friend of and political adviser to its proscribed and traditional leader, Jorge Batlle. Sanguinetti became general secretary of the Colorado Party in November 1982—his first elected party post—and has been publisher of its weekly tabloid since 1981. Described by US officials as highly intelligent, dynamic, and articulate, he is a political moderate who has occasionally been critical of the United States for not publicly supporting the need for democratic elections in Uruguay.*

**Outlook**

In our judgment, the transition will be difficult and constitutional negotiations, assuming they proceed, are likely to suffer periodic interruptions that will reflect the continuing differences between the military and the political parties. Since the negotiations began, the armed forces have grown more confident and tougher in their approach to the parties, and we expect this general trend to continue. What consensus President Alvarez has forged is centered on the military's demands for a constitutionally sanctioned role to contain and combat subversion. We believe the armed forces, at least for the short term, will hold to a substantial portion of their demands in the expectation that they hold the trump cards. Further, military leaders probably recognize that their toughness has most seriously affected their primary civilian nemesis, Ferreira. Indeed, neutralizing him politically is their likely interim tactical goal.

As the year progresses, we judge that even intermittent military inflexibility will place increasing pressure on the parties to make concessions. The alternative to concessions—a threatened imposition of a constitution by the military—is anathema to most civilians. Some factions and leaders probably will argue that they must, however reluctantly, compromise or risk losing an opportunity to reestablish a functioning party government by 1985. The internal party debate alone may begin to diminish Ferreira's importance and following.<sup>3</sup> We do not expect him to compromise his views, and his faction could easily split into moderate and radical groups.

Such an event could allow both camps more room for flexibility. The military would be more likely to stomach the risks of transition if a united Colorado Party—traditionally closer to the armed services—were facing a more divided Blanco bloc. The Colorados would hope to cast themselves further in the mold of pragmatic moderates, especially if they sense that they could coax some concessions from the military. The Blanco majority, if it broke with Ferreira, might have little choice except to participate in the only game in town.

We judge that even if, in their recent threat to impose a constitution, the armed forces have overstepped their mark and ultimately succeed only in driving the parties together, the civilian leaders currently lack the means seriously to confront the government. They have been unable, as yet, to mobilize enough effective support—through unions, student groups, the church, or international opinion—to force the military significantly to modify its stance. Even a united civilian political sector would, in our opinion, be unlikely to

the Colorados turned their attention briefly away from the military and openly attacked Ferreira, declaring that no one individual has the right to endanger Uruguay's return to democracy.

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face down the military, even if it could maintain cohesion for a period of months. Because Uruguayan civilian structures have so atrophied under military rule, we doubt the parties would be able, at least for the balance of this year, to mobilize sufficient labor or popular support in the streets to put the military on the defensive. [redacted]

Such actions would instead increase the possibilities that Alvarez would more aggressively seek extension of his own mandate by one mechanism or another. His intent in already testing military support for perpetuating himself in office beyond 1985 may indicate that he has belatedly realized the futility of his own candidacy in an open election. Even an alliance of promilitary factions united behind him would be unlikely to outpoll the leading presidential contenders of either major party, based on demonstrated strengths in the November 1982 party elections and the overall antimilitary sentiment reflected in the 1980 plebiscite. Thus, postponement of the timetable or manipulation of the terms of the transition—such as the imposition of the military's constitution—to discourage full party participation in the national elections appear to be the only viable options for Alvarez to extend himself in office. [redacted]

If no agreement has been reached with the political parties by late 1984 over the armed forces' role in a new civilian government, military commanders might well be inclined to put off elections for several months and make minor concessions in an effort to reach an agreement. Senior officers would probably find this course preferable to the more dramatic alternative of imposing a constitution—and perhaps a government—on the nation without popular consent. The latter would risk jeopardizing military unity, which, while not threatened by short-term measures to keep civilians under control, could be eroded by an indefinite postponement of liberalization. [redacted]

**Implications for the United States**

If Uruguay fails to complete the transition to civilian rule, we believe it would result in a more strained and complicated bilateral relationship, with increased criticism of the United States. Civilians, without sufficient domestic political muscle to extract concessions from the military, would seek wider and stronger international backing. Because they view the United States as having substantial leverage in the smaller countries in the hemisphere, the advocates of civilian rule would be increasingly tempted to hold Washington at least partly accountable for any transition failure and could target the ineffectiveness of US quiet diplomacy. Over the longer term, the situation in Uruguay could be more conducive to activist and radical elements in the parties gaining greater control, thereby making relations with the United States more difficult when civilian rule is eventually reestablished. [redacted]

US relations with the Uruguayan military—which had been strained during the late 1970s as a result of differences over human rights issues—would also be likely to become more sensitive. Human rights issues would almost certainly become more of a peg for civilians in their efforts to focus attention on the Uruguayan political process. Although US security and economic interests in Uruguay are, in global perspective, negligible, the situation would be a troubling distraction in a region where the overall US political stake is growing. [redacted]

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