

Paraguay National Day

Long-standing relations built on mutual respect

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AMBASSADOR OF PARAGUAY

On the occasion of the 205th Anniversary of the Independence of the Republic of Paraguay, and on behalf of the government of President Horacio Cartes and the people of Paraguay, I would like to convey our respectful greetings, best wishes and health to Their Majesties Emperor Akihito and Empress Michiko, the distinguished members of the Imperial family, His Excellency Prime Minister Shinzo Abe, members of the Japanese government and the people of the friendly nation of Japan.

I would also like to extend my sincere gratitude to The Japan Times and its sponsors for providing me with this opportunity to reach its distinguished readers and subscribers.

I take this opportunity to extend our deepest and most sincere condolences to the victims and families of the earthquake that struck Kumamoto Prefecture, causing heartbreaking loss, displacement and the disruption of the lives of so many citizens in the area. The president of the Republic of Paraguay, the minister of foreign affairs and other authorities have expressed their deepest sympathies and support in these difficult times for the people of the region.

The birth of Paraguay

Paraguay is located at the heart of the South American

continent, surrounded by Brazil, Bolivia and Argentina. The country covers an area of 406,752 sq. km and is about 1.1 times the size of Japan.

Some historians argue that Paraguay was discovered twice with the first discovery by land by Spanish conquistador Alejo Garcia in 1524 on his way to El Dorado in Peru, 19 years earlier than when the first Portuguese arrived to Japan in 1543. The second "discovery" was by water in 1528, by Venetian Sebastian Gaboto, who thought he could reach El Dorado faster by navigating the River Plate. But it was not until almost 10 years later, on Aug. 15, 1537, that another Spanish conquistador named Juan de Salazar founded Asuncion, the capital of Paraguay, making it one of the first cities to be founded in Latin America. Asuncion was later known as the "Mother of Cities" as many cities — including Buenos Aires — were founded by expeditions that departed from Asuncion. Contrary to most other Spanish ventures in the New World, the Spaniards found no gold in this region, but instead peaceful and welcoming natives who aided them in their successful settlement and travels to further lands.

Following this pattern of "twos," Paraguay achieved its independence from Spain over the course of two days: the night of May 14 and early morning of May 15, 1811. This was achieved through a bloodless struggle and long before most other countries in Latin America.

By the late 1860's Paraguay was an economically and educationally progressive country. A year later the country inaugurated one of the first railroad

systems in South America, 11 years before Japan laid its first railway connecting Shinbashi to Yokohama in 1872.

From 1864 to 1870 (around the time that Japan was starting the Meiji Restoration), Paraguay found itself pushed to war against Brazil, Argentina and Uruguay after ironically attempting to play a peaceful regional role outside its borders. The War of the Triple Alliance — as it was later known — decimated most of the adult Paraguayan population almost wiping out the country itself leaving only old men, women and very young children the daunting task of rebuilding the country. This is said to be the origins of the hard working reputation that Paraguayan women are known for.

People and language

Due to the amicable relations between the Spanish conquistadores and the natives during their initial encounter, 97 percent of the current 6.7 million Paraguayans are mestizo. The rest of the population is made up of 2 percent Europeans, while 1 percent is of mixed race, including Japanese. Because of this, and once again following this unique pairing of "twos," Paraguay is the only true bilingual (Spanish and Guaraní) country in Latin America, maintaining the native Guaraní language and adopting the one brought by the Spanish conquistadores.

Economy

On the economic front, thanks to its vast and fertile land, Paraguay is characterized by its agriculture and livestock production, both of which have

contributed to achieve a solid average economic growth of 5.1 percent annually over the past 10 years. In 2014 and 2015, Paraguay's GDP was the highest among the Southern Common Market (MERCOSUR) countries with 4.8 percent and 3 percent respectively.

Moreover, Paraguay has an open and very attractive policy for the foreign investment, i.e., tax incentives such as the 60/90 and Maquila Laws, as well as the recently enacted Law of Investment Guarantee 5542/15.

In addition, industrial parks offer good opportunities for foreign industries to settle in Paraguay with reliable transportation routes and basic facilities such as electricity, running water and high-speed Internet already in place. Currently there are eight industrial parks operating in Paraguay; a public one in the city of Capia and seven private ones throughout the country.

Furthermore, Paraguay has abundant and low-cost clean energy, a young and trainable labor force, a financial system with a sound capital position and a steadily improving rating, as well as free capital mobility.

In January, Paraguay ranked first in Latin America with the highest average business environment index for the past year. In fact, Paraguay's outstanding and consistent economic growth in recent years has attracted the attention of investors and businesses not only from the surrounding countries, but also from the entire world.

From Japan, encouraged by the above-mentioned favorable conditions, a major ship-



Clockwise from top left: The former congress building now houses a history museum; The Jesuit Missions in Trinidad are a UNESCO World Heritage site; Monday Falls lie close to the border with Brazil and Argentina; The Paraguayan Chaco is very rich in biodiversity and shares part of the Pantanal with Brazil. SENATUR

builder and three well-known auto parts companies have already established manufacturing plants in Paraguay.

Between 2015 and 2018, the government of Paraguay is planning to invest around \$75 billion in infrastructure work; a remarkable figure considering that the average public work investment during the past 12 years was below \$180 million per year.

Relations with Japan

Paraguay's friendly and strong diplomatic relationship with Japan began 97 years ago when both countries signed the first Amity Treaty. Later in 1936, following the closure of Brazil as a migration destination, the first 81 Japanese families settled in Paraguay in the city of La Colmena, 132 km from Asuncion. By 1941, the number of Japanese immi-

grants reached 125 families but the flow was put on hold due to World War II, resuming in 1954 almost nine years after the conclusion of the war.

With the aid of the Paraguayan and Japanese governments, immigration continued and now over 10,000 Japanese and their descendants live in several parts of the country. Most Japanese immigrants engaged in agriculture and, in later years, began growing soybeans, a staple food from their country. In 1969, the country produced a total of 22,000 tons of soybeans, half of which were produced by the Japanese farmers. Today, with a total of 8 million tons produced annually, soybeans are Paraguay's most important export product, making the country the fourth-largest soybean exporter in the world.

Since 1956, Japan's technical

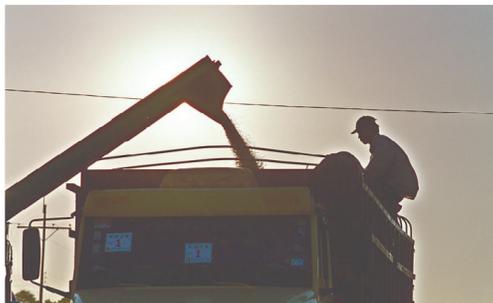
and financial cooperation, along with its official development assistance (ODA), have played a key role in Paraguay's economic growth. This solid relationship is mainly based on the open and always welcoming doors Paraguay have had for the Japanese people, as well as the extensive Japanese ODA and contributions of Japanese descendants.

Our relationship extends beyond the common diplomatic relationships through profound ties with the Imperial family. Four visits, starting in 1978 by the then Crown Prince Akihito and Princess Michiko; followed in 1986 by Prince and Princess Hitachi to celebrate the 50th Anniversary of Japanese Immigration; the 1999 Prince and Princess Takamado visit for the South American Soccer Cup when Japan participated as a special guest; and more recent-

ly, in 2006 with the visit of Prince Akishino to celebrate the 70th Anniversary of Japanese Immigration to Paraguay, transcend the formal ties and strengthen the relationship and strong bonds that unite the people of Paraguay and Japan.

This year the Japanese-Paraguayan community is commemorating the 80th Anniversary of Japanese immigration to Paraguay. The principal celebration ceremony will take place in Asuncion on Sept. 9, and will be attended by senior officials from both Paraguay and Japan.

To conclude, I am very happy to be able to celebrate the 205th Anniversary of our Independence Day together with my fellow Paraguayan citizens, who live in Japan alongside our Japanese friends, and share the joy and depth of our friendship and respect.



Clockwise from top left: Paraguay is currently the sixth-largest beef exporter in the world; The country is the fourth-largest exporter of soybeans; Paraguayan women are known to be strong and hardworking, given their role in rebuilding the country after the Triple Alliance War; Japanese immigrants and their descendants quickly acquired Paraguayan customs such as drinking terere. SENATUR

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to the People of
the Republic of Paraguay
on the Occasion of
the 205th Anniversary of
Their Independence



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Congratulations!
to the Republic of Paraguay on the 205th Anniversary of Independence

The history of Tsuneishi Group in Paraguay started from emigration projects in the 1950s. Since then, the group has been assisting the Japanese emigrants and communities in Paraguay through various activities and by building a good relationship with them.



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