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The Dominican Republic Four Months After President Danilo Medina Took Office

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In the Dominican Republic, 2012 was marred by frequent street protests, some directed at outgoing President Leonel Fernández, of the Partido de la Liberación Dominicana (PLD). Other protests were sparked by opposition to mining projects that would purportedly lead to the pollution of water sources, while others were caused by popular opposition to corruption and impunity.

Since August, when President Danilo Medina took office (NotiCen, May 31, 2012), social unrest has worsened, especially after the newly elected president announced that he would put forward a tax-reform bill and after it became known that in 2012 the Dominican Republic’s fiscal deficit reached 8.5% of GDP, the highest in Latin America.

On Dec. 10, despite its unpopularity, the new law, known as the Ley de Estrategia Nacional de Desarrollo, went into effect. Medina has defended the measure as a strategy to help the poorest members of society and also as "a bitter but necessary pill that must be taken." However, the opposition regards this as mere rhetoric to disguise what is actually a tax hike.

Added to this, the local press says the Medina administration will attempt to solve the country’s US $5 billion deficit by issuing bonds for the international market for a total value of US$1 billion and bonds for the local market worth US$500 million, subject to prior congressional approval.

This has met with strong opposition from social movements that have come together to voice their discontent with mining projects that have a detrimental impact on water sources and the environment, as well as with impunity for government corruption, violence against women, and soaring crime rates in general.

Nevertheless, protests have been peaceful: prayers, days of mourning, and candlelight vigils, among other forms of peaceful protest, have been organized. Former President Fernández has been taken to popular tribunals accused of crimes purportedly committed during his time in office and has been symbolically condemned.

So now it’s Medina, or where did the money go?

At this point, it is still impossible to ascertain to what extent Medina will continue the policies implemented by the Fernández regime. It is important to remember that Medina’s election marks the continuity of the PLD and that by 2016 the party will have been in power for 16 years. And, new Vice President Margarita Cedeño is Fernández’s wife.

Both Fernández and Medina have denied any responsibility for the huge fiscal debt that the country is facing and have blamed the global financial crisis. Moreover, to justify the proposed budget increase and fiscal reform, Medina has said that the resources are needed to increase public spending on education and eradicate poverty.
However, the country’s macroeconomic statistics reflect badly on the Fernández administration. In an article published in early December 2012, Víctor Bisonó pointed out that the World Bank’s annual report says, "The Dominican Republic is the country in Latin America with the slowest middle class growth since 1995."

Crime also continues to be a cause for concern, as the homicide rate has increased from 14 to 24 homicides per 100,000 inhabitants since 2000. Domestic violence and violence against women continue to be a serious problems.

Bisonó said, "Most of the major projects embarked on by the previous government were funded through foreign loans, and contracts were awarded to foreign construction corporations." He also said that the education bill put forward by Fernández "has been repeatedly violated since 1997," because even if it establishes that 4% of GDP should be spent on pre-university-level education, public spending on education has never reached even 3% of GDP.

Bisonó, a former member of the Partido Reformista Social Cristiano (PRSC), answers the question of where the money went in two words: bureaucracy and clientelism. His article explains that, with a population of 10 million, the Dominican Republic’s civil service has a total of 630,000 employees, and, during the 2012 election year, government spending increased by 40%, which explains how the country managed to incur such a sizeable fiscal deficit.

The year to come

An article published by the Chinese News Agency described 2012 as "a nightmare," since "during that year the country’s economic indicators sank to their worst level in almost a decade." Added to this, the country was affected by a dengue epidemic, and climate phenomena caused damage to infrastructure and displaced the affected populations.

Another worrying trend for the US government is the role that the Dominican Republic is playing as a transit point for drugs shipments bound for Europe and the US. In 2012, Dominican authorities, with help from the US government, confiscated more than 10 tons of cocaine.

On the other hand, in the past two decades, the Dominican political system, which has been dominated by two major political parties—the Partido Revolucionario Dominicano (PRD) and the PLD—has started to show signs that it is ready to implode. Divisions within the PRD, the largest opposition party, have surfaced after the party’s defeat in the last general elections.

Meanwhile, President Medina has said that 2013 will be "the year in which the 200th anniversary of the birth of [national hero] Juan Pablo Duarte will be commemorated" and has set up a national commission, including a number of government ministers, so that "on Jan. 26 the government can commemorate the birth of Juan Pablo Duarte with great honor and splendor."

Political essayist Narciso Isa Conde says that the current political system has run its course. "I hear people who call themselves progressive, even people who are leftist, talking about a "fiscal reform" and a "fiscal pact"; both terms were coined by the government and business groups and repeatedly appear in the Ley de Estrategia Nacional de Desarrollo, a judicial and political instrument of those in power to bring about a process of neoliberal recolonization."

Political scientist Pedro Catrain has proposed that social and popular movements should make an alliance with the PRD and "put forward a proposal to face the current financial crisis." However, Isa
Conde believes that this is "a digression" that must be avoided. "That was unnecessary, and it was an attempt to manipulate a worthwhile initiative that seeks to hold Leonel Fernández and his regime accountable. To use that initiative in a top-down manner to promote such an idea with no prior debate on the issue is undemocratic, and it detracts attention from another aspect of that decaying regime," he writes.

Isa Conde adds that "protestors have come together with a different purpose: to demand that Leonel Fernández and his aides be imprisoned and to overcome the impediments that his regime created for achieving justice, and it is therefore wrong to pervert the purpose of this beautiful spring of street democracy and potentially transformative forces."

Isa Conde favors strengthening popular movements. "Let’s look after the emerging social and political movement, its diversity and present independence from pacts with the elite or any other faction of the corrupt and neoliberal party system, which is always involved with proposals that have no real sense and lack a transformative content. Let’s try to dismantle and overcome the institutionalized dictatorship by setting up an Asamblea Constituyente Popular (popular constituent assembly) as part of the growth of this street democracy led by the youth of our country," he writes.

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