Paraguay's President Fernando Lugo's Vision Crippled by Friends and Enemies

Andrés Gaudín

Follow this and additional works at: https://digitalrepository.unm.edu/notisur

Recommended Citation
https://digitalrepository.unm.edu/notisur/14000
Paraguay's President Fernando Lugo's Vision Crippled by Friends and Enemies

by Andrés Gaudin

Category/Department: Paraguay
Published: Friday, October 7, 2011

Although Paraguay's April 2013 presidential election is still 18 months away, the conservative Partido Colorado (PC)—the possible winner according to early and still sketchy electoral polling carried out at the request of the opposition media—is already acting with the sole objective of ensuring its victory at the ballot box. Using its legislative majority to block approval of any government-backed proposal and attempting to pit President Fernando Lugo against his base, the PC is trying to limit the president's ability to act so that his future will be that of a mere spectator in Paraguayan politics.

The PC thus obstructs the work of Congress, which cannot even debate two proposals vital for the government to move forward with its plans to establish a more equitable distribution of wealth. One proposal establishes a tax on personal income (the opposition postponed debate on the bill until 2013), and the other taxes soy exports. Without those resources, Lugo cannot tackle the principal reforms—agrarian reform in particular—that he promised when he was elected in 2008. This has led to very tense relations with campesinos whose hopes for an immediate change in the land-tenancy situation have been dashed (NotiSur, Feb. 27, 2009).

With the aim of marginalizing Lugo in the future from the country's political life, the Colorados and the Unión Nacional de Ciudadanos Éticos (UNACE), the party of attempted-coup leader and former Gen. Lino Oviedo, have joined forces to block a constitutional reform that would allow presidential re-election and to reject a bill that would permit former presidents to run for legislative seats. Lugo has never said that he was considering running for re-election but, just in case, the rightist parties united in opposing the reform. A constitutional clause stipulates that, when their term ends, presidents automatically become senators for life, with privileges and the right of voice but not vote, and they cannot collect a salary. Nor has Lugo said that he was considering running for an elected seat that would give him a vote in the Senate, but just in case, the opposition also blocked that possibility.

Friends disillusioned with Lugo's inability to deliver

It is clear that, seeing the speed and unity with which the opposition acted in its desire to undermine the government and given the absence of a consensus candidate in their ranks, Lugo's supporters—especially the Frente Guazú (large in the Guaraní language)—at one time considered the president's re-election or his election to a Senate seat with a vote as a way to keep him active politically.

To ensure political continuity beyond 2013, Lugo, during his remaining 18 months in office, would have to fulfill one of his promised reforms—agrarian, education, health—and prepare a successor. The Alianza para el Cambio (APC), which in 2008 helped Lugo end 60 years of PC political domination, including the 35 years of the bloody dictatorship of Gen. Alfredo Stroessner (1954-1989), is going through a difficult time. Its major player, the Partido Liberal Radical Auténtico (PLRA), is divided in two. One PLRA sector supports Lugo, and the other, headed by Vice President

©2011 The University of New Mexico, Latin American & Iberian Institute All rights reserved.
Federico Franco, withdrew its legislative support and maintains close ties with openly destabilizing, or pro-coup, sectors of the right.

Lugo's other major leg of support is the Frente Guazú, with some 20 small, progressive and leftist parties, which is also going through a critical stage. The powerful and active campesino movement and the indigenous communities, the president's principal social-support bases, are dissatisfied with the lack of implementation of the reforms and have been susceptible to the right's campaign.

To illustrate the situation of the governing alliance, Franco, who belongs to the PLRA sector that wants to impose its own candidate on the APC, said, "We are setting the table for the Colorados to come eat."

Reuters analyst Mariel Cristaldo said on Aug. 14 that the PC "is not wasting any time" in its eagerness to end the dominance of Lugo and the APC, and she described the dictatorship's old party as solely "responsible for having created, during its six decades of government, a sinecurist and corrupt bureaucracy."

**Opposition has candidate ready and waiting**

The PC already has its presidential candidate. He is Horacio Cartes, a powerful businessman and successful sports-team owner. "Cartes' rise was impressive; he took over the party. In less than two years he went from not being a party member and never having played a role in politics to being the most important Colorado in the country," wrote analyst Alfredo Boccia in the opposition daily Última Hora.

The Cartes family made its fortune during the Stroessner dictatorship. The economic empire of which Horacio is the visible head is the largest shareholder in a national bank, owns a tobacco company, and has, among other holdings, a large beverage factory.

José Antonio Vera, correspondent in Paraguay for the Uruguayan weekly Brecha, drew an unflattering portrait of Cartes on Aug. 19. After saying that he rode into "politics on the back of a huge fortune whose origins raise suspicions," Vera says that "even his allies link him to drug trafficking."

Cartes' discourse and roots are reminiscent of other South American far-right political leaders, also coming from the business world, such as Peru's ex-President Alberto Fujimori (1990-2000), Chilean President Sebastián Piñera, and Mauricio Macri, former head of the government of the Ciudad Autónoma de Buenos Aires, the Argentine capital.

Although, under normal circumstances, no one would be talking about candidates or about the end of Lugo's administration, it is clear that the government team is far from fulfilling the essential program that would have allowed he former Catholic bishop to bring an air of democracy to a county dominated by the ultraright and by corruption. Of his six-point 2008 campaign platform, only the first—the recovery of national sovereignty based on securing a more favorable rate from Brazil for the millions of kilowatts of electricity that it receives from the binational Itaipú hydroelectric plant—has been partially accomplished *(NotiSur, Nov. 7, 2008)*.

In 2009, Brazil's President Luiz Inácio Lula da Silva (2003-2010) agreed to triple the amount paid for that energy, from US$120 million to US$360 million per year, an equally ridiculous amount based on...
its real value and, above all, on the price the Brazilian government charges São Paulo industries, the ultimate beneficiaries of that electricity (NotiSur, July 31, 2009).

Before Lugo was elected, Lula had celebrated the possibility that a progressive and his friend might became president of Paraguay, and he promised a substantial change in the price Brazil paid for the energy that allows its major industrial hub to remain active and prosperous. Lula never kept that promise and condemned Lugo to an inability to put his proposals into practice, especially agrarian reform.

The promised agrarian reform, in a country that is a large producer of cereals, meats, and other foods, continues to be an illusion. While 2.5% of the population owns 86% of the best lands, dedicated to cattle raising and especially to transgenic soy, corn, and sunflowers, 300,000 families were expelled from their plots and await a new regimen of land tenancy that would guarantee them the right to their livelihood and to again occupy their lands.

The Paraguayan economy began to grow in 2003, basically thanks to the rise in global prices for raw materials. The country became the world's fourth-largest soy exporter and fifth-largest producer (third in South America, after Argentina and Brazil). Meat is its second-largest source of income, and it is number 16 in the world in beef production and the eighth-largest exporter.

Paraguay rode the wave of high commodity prices, first with its agriculture and then with its cattle. The principal destinations for its beef exports are Russia and Chile. Until last June, when a mandatory three-month pause in soy cultivation went into effect to combat Asiatic soybean rust (ASR), Paraguay had harvested 8 million tons of soy this year, exported mainly to China and European countries. Soy plantations occupy nearly 3 million hectares of land, and, in 2010, soy exports produced earnings of US$1.6 billion.

After having suffered the worst and dirtiest campaigns on record, for corruption that never existed and for the presumed paternity of several children—despite their not having been recognized, the ultraright used doublespeak, since the president is a former Catholic bishop (NotiSur, May 1, 2009)—Lugo was struck by lymphoma from which he is apparently recovering. Lugo overcame it all, and today, despite being in debt to his followers for all the reforms promised and not delivered, 44.3% of poll respondents describe the president's image as "very positive," and 30% describe it as "normal." Only 25.7% of respondents reject the president outright. Analysts suggest that those numbers are respectable. But he continues with no successor.

-- End --