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Andrés Gaudín

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## New Left-Center Alliance Hopes to Win Back Paraguay's Presidency

by *Andrés Gaudín*

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More than five years after the progressive Frente Guasú (Guasú Front, FG) and its leader, the ousted former president Fernando Lugo (2008-2012), suffered the biggest political betrayal in Paraguay's post-dictatorship history, the leftist coalition is again teaming up with the centrist Partido Liberal Radical Auténtico (Authentic Radical Liberal Party, PLRA). And just as it was in the lead-up to Lugo's election in April 2008, the aim of the partnership is to keep the rightist Partido Colorado (Colorado Party, PC)—the political arm of the country's last dictatorship (1954-1989)—from retaining power.

The first FG/PLRA alliance, led by Lugo and with a PLRA representative as his vice-president, was called the Alianza Patriótica para el Cambio (Patriotic Alliance for Change) ([NotiSur, April 25, 2008](#)). For the upcoming April 22 election, they're going by the name Gran Alianza Nacional Renovadora (Great National Renewal Alliance, GANAR), and the roles are reversed. GANAR's presidential candidate is PLRA leader Efraín Alegre. His running mate is the progressive journalist Leonardo Rubín.

When asked to explain why the two sides would want to renew a pact that collapsed with Lugo's impeachment in 2012 ([NotiSur, July 13, 2012](#)), Rubín's answer is prompt: "That was a circumstantial electoral alliance, without a program for governing. This new agreement corrects those errors." Never mind that the PLRA allowed the coup to go forward and thus helped put the PC back in power; it is now ready to let bygones be bygones to win the presidency for the first time since its founding 130 years ago.

The PC, for its part, will be represented by an ultra-conservative candidate, Sen. Mario Abdo Benítez, the son of the only minister (now deceased) who accompanied Gen. Alfredo Stroessner throughout his 35-year dictatorship. Rubín says that while in theory, "children shouldn't have to bear the burden of their parents' political past," in Benítez's case, the candidate actually defends the worst aspects of the dictatorship, with its thousands of deaths and disappearances.

Current President Horacio Cartes, the beneficiary of the coup against Lugo ([NotiSur, May 10, 2013](#)), tried to impose his own candidate, Santiago Peña, a former finance minister, but Peña was defeated soundly in an internal election held by the PC on Dec. 17. The president's record, furthermore, does little to favor Benítez. And yet, GANAR doesn't expect it will be easy to beat the PC candidate. "The Colorados have screwed a number of antidemocratic practices firmly into place with regards to weak institutional structures and corporate management of the state," the opposition alliance says.

### *Progressive platform*

GANAR is hoping to win voters over with an eight-point program that emphasizes, among other things, justice, the environment, healthcare, education, tax equity, and indigenous rights, and will require "several major reforms and several terms in power." After GANAR went public with its

platform, Benítez, curiously enough, put forth his own platform with similar areas of focus, although with little in the way of specifics.

Judicial reform plays an especially central role in the GANAR platform. As it stands, the opposition alliance argues, the judiciary lacks independence, has low professional standards with regards to judges, and serves the interests of the corporate powerbase that has come to dominate the country since the dictatorship. “This is about making fundamental changes to a judiciary that is backwards and conservative and a subject of criticism even by friends of the [Cartes] government,” GANAR argues in a document it presented to voters.

The “friends” mentioned in the statement refer to the World Economic Forum (WEF), which famously gathers every January in Davos, Switzerland, and issues an annual Global Competitiveness Report that routinely ranks Paraguay near the bottom with regards to judicial independence. In the 2017/2018 report, Paraguay ranks 133rd out of 137 countries, ahead of only Chad, Ecuador, Nicaragua, and Venezuela.

Another major platform item for GANAR is tax policy. The opposition alliance argues that the neoliberal tax model introduced by the PC fosters inequality while holding back the country’s development. “With the argument that it’ll attract foreign investment, the [tax] rates are low,” the GANAR platform reads. “For example, capital gains are only taxed at 10%, while in countries like Uruguay and Bolivia it can be as high as 25%. In Paraguay, the emphasis is more on indirect taxes, which are paid by the poorest people, than direct taxes, which can be progressive”—meaning the more people earn, the higher tax rates they pay. Progressive taxes, GANAR argues, are more just.

In an interview with the Spanish news agency EFE, Rubín said on Dec. 5 that the state should also revise how it taxes the rural sector, given “the enormous earnings being made, for example, by soy producers or beef exporters,” two sectors that, due to their operating practices, take a major toll on the environment ([NotiSur, April 11, 2014](#), and [Aug. 11, 2017](#)). The vice-presidential candidate noted that the rural tax is just 1% and is paid “based on the listed price of the land, which has nothing to do with the real value.” As such, there are producers who pay only US\$0.20 for a hectare of land worth between US\$10,000 and US\$15,000. With a more equitable tax policy, according to Rubín, the state could collect US\$300 million annually.

In addition, GANAR proposes creating a Water and Environment Ministry. Regarding the boom in soybean cultivation and beef sales, Rubín argued in his EFE interview, “These producers are deforesting at a world record rate. We’re talking about a rhythm of 25,000 ha per month, which is equivalent—just to make it clear—of razing four times the total area of New York’s Manhattan, in the US, every month.”

### *Rising poverty numbers*

In a report dated Dec. 28, researchers Ava Gómez Daza and Javier Calderón of the Centro Estratégico Latinoamericano de Geopolítica (CELAG), based in Madrid, argued that the Paraguayan presidential race—now that the two leading candidates, Benítez and Alegre, have been decided—will more closely reflect the country’s social tensions. “There is a crisis scenario that’s been exacerbated by the policies of a government that opted for deepening a regressive tax system, establishing legal framework tailored to the interests of corporations, and the increasing presence of and intervention by the armed forces in domestic political conflicts,” the authors wrote.

Interestingly, the GANAR platform doesn't, at any point, mention Defense Law 5036, from August 2013, the first new law enacted by the Cartes administration. The law modified previous national defense and domestic security rules (from 1999) by giving the president the power to use, at his discretion, military forces to repress protests. The mechanism has been used recurrently against campesino (agrarian worker) groups that are active in reclaiming land for family farming ([NotiSur, March 20, 2015](#)).

Neoliberal policy moves, according to the CELAG researchers, have had a direct correlation in Paraguay on an increase in poverty and unemployment and decreased social spending (namely healthcare, education, and employment). In its 2016 annual report, the UN's Economic Commission for Latin America and the Caribbean (ECLAC) listed Paraguay as having one of the region's lowest levels of social spending as measured by a percentage of Gross Domestic Product (GDP). Argentina, Brazil, and Uruguay led the ranking—with social spending levels of 27.8%, 26.6% and 24.1% respectively—followed by Venezuela, Chile, Colombia, and Bolivia. The Latin American and Caribbean region, as a whole, spends 16.8% of GDP, according to ECLAC. Paraguay, in contrast, spends just 11.2%.

The government agency Dirección General de Estadística, Encuestas y Censos (General Directorate of Statistics, Surveys, and Censuses, DGEEC) found that between 2016 and 2017, Paraguay's poverty levels increased, from 26.6% to 28.9%, meaning that as of the end of last year, approximately 2 million of the country's 6.5 inhabitants are living below the poverty line. The numbers are far higher (77%) for indigenous Paraguayans, the DGEEC found. Extreme poverty numbers are up too. Last year, the rate rose from 5.4% to 5.7%.

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