

# Paraguay: Election ends six decades of one-party rule

**Bill Van Auken**  
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The election victory Sunday of former Catholic bishop Fernando Lugo brings an end to 61 years of unbroken rule by the right-wing Colorado Party.

Lugo became known as the “bishop of the poor” after championing the cause of Paraguay’s indigenous peasant population and then resigning from the Church in 2004 to pursue a political career.

He vowed that his government would be “characterized by honesty and not by corruption,” a clear reference to the rampant criminality of the Colorado regime. He also issued a call for political “unity” and extended “a very special invitation to the entire political class, to all without exception” to participate in his government.

Winning nearly 41 percent of the vote, Lugo failed to achieve an absolute majority, but led his nearest competitor, Colorado Party candidate and former education minister Blanca Ovelar, by 10 points. Lino Oviedo, a former general who shortly before the election was released from jail where he was serving a 10 year sentence for a 1996 coup attempt, placed third, with nearly 22 percent of the vote.

Incumbent President Nicanor Duarte was prevented by law—a statute that he had unsuccessfully sought to overturn—from running for a second five-year term. While conceding Lugo’s victory, he vowed that his former ruling party would seek a return to power as early as possible. This is no idle threat.

In the new parliament, it appears that the Colorado Party will hold more seats in both houses than Lugo’s Patriotic Alliance for Change (APC), which is dominated by the center-right Authentic Radical Liberal Party—which supplied the vice presidential candidate—and includes a hodgepodge of nominally leftist and indigenous organizations.

The balance of power will likely be held by General Oviedo, who had vowed to back Lugo (just as the ex-bishop considered taking on the former coup leader as his running mate) until he was released from prison and was allowed to run himself. Oviedo ran on the campaign slogan of “God, fatherland and family,” and is seen as decidedly unlikely to support any far-reaching reforms in Paraguay.

According to initial election returns, Lugo’s coalition will hold 15 seats in the 45-member Senate—13 of them going to the center-right Liberals—while 16 remain with the Colorados. Oviedo’s followers will hold nine, while the pro-business Beloved Fatherland Party will hold four.

The Colorado Party’s six decades in power included the rule of anticommunist dictator Gen. Alfredo Stroessner, who was Paraguay’s president between 1954 and 1989, years marked by torture, political kidnappings and ferocious political repression. Embraced by five US administrations because of his virulent anticommunism, Stroessner finally fell out of favor with Washington under President Jimmy Carter, as dictatorships were falling throughout Latin America. He himself was overthrown in a military coup, but the basic structures of the state are those left behind by his regime, while the civil service as well as the judiciary is packed with Colorado loyalists.

Paraguay, with less than 7 million people, is one of South America’s poorest countries. Nearly half of the population lives on less than \$2 a day and at least 38 percent of the workforce is either unemployed or underemployed, with the bulk working in the informal sector. The level of social inequality is among the highest in Latin America, with latifundist soya growers and cattlemen, drug traffickers and government officials—together with multinational agribusiness—reaping fortunes, under conditions in which masses of peasants have been forced off the land and into urban poverty.

There is no reason to believe that Lugo’s election will alter this grim reality.

Lugo’s election was treated by the media as another manifestation of Latin America’s “turn to the left,” with his ascendancy lumped together with those of figures ranging from Venezuela’s Chavez, Lula of Brazil, Morales in Bolivia, Correa in Ecuador and Chile’s Bachelet.

Lugo himself, however, has repeatedly rejected comparisons to other Latin American leaders. “I am not of the left, nor of the right,” he declared during a visit to the US State Department last June. “I’m in the middle as a candidate sought by my people.”

On the eve of the elections, he declared that he was taking “a middle path, between Chavez and Lula.”

The son of a leading Colorado Party dissident, Lugo grew up in a family that fell afoul of Stroessner, suffering arrests and exile as a consequence. He became a priest in 1977 and became an adherent of “Liberation Theology.” This trend, which sought to ally the Catholic Church with the cause of the poor, gained a substantial following in Latin America. He returned to Paraguay after spending 10 years studying at the Vatican, becoming the bishop of the Paraguayan department of San Pedro.

While no doubt his election is the product of intense mass

discontent with the economic and political oppression that has characterized the rule of the Colorado Party—both under the Stroessner dictatorship and since—Lugo has made it clear that he is a centrist figure who intends to defend private property and avoid any confrontation with Washington.

His aim is that of “building an alliance between private enterprise and the state,” he told McClatchy Newspapers in an interview Monday. In an earlier statement, he declared himself a proponent of “socially responsible” capitalism.

Lugo also made it clear that he has no intention of antagonizing Paraguay’s military, sections of which remain loyal to the Stroessner legacy. Asked if he would follow the example of Argentina, Uruguay and Chile, which have recently sought to prosecute officials from their respective former military dictatorships for human rights crimes, he indicated that he did not intend to go so far.

“There is already a commission of truth and justice that has been set up,” he said, “and we’ll consolidate that and move forward.”

He has also made pointed criticisms of both Venezuela’s Chavez and Bolivia’s Morales that dovetail neatly with Washington’s own attacks. He condemned Chavez’s decision not to renew the broadcast license of RCT television, an outlet that had actively encouraged an attempted coup against his government, declaring that the political setup in Venezuela was “dangerous for real democracy” and “totally at the service of one person.” As to Morales, he commented, “Individual leaders can cause polarization, as I believe is happening in Bolivia. I don’t believe in creating a polarized society. I will not be a Paraguayan Morales.”

The one area where Lugo seems likely to imitate Morales, however, is in pursuing a nationalist campaign over resources against the two countries’ more powerful neighbor, Brazil.

During the election campaign, he sought to employ nationalist demagoguery over Brazil’s stake in Paraguay’s Itaipu dam—the world’s largest hydroelectric project—to win votes. The plant provides 20 percent of Brazil’s electric energy, which is purchased under a contract that pays Paraguay below-market rates.

Brazilian President Luiz Inacio Lula da Silva took a hard line Monday against Lugo’s stated intention to renegotiate the Itaipu deal with Brazil. Speaking to reporters during a United Nations conference in Ghana, Lula declared, “We have a contract that will be maintained.”

Brazilian Foreign Minister Celso Amorim, however, told the Brazilian press on Tuesday that, while Brasilia will resist efforts to scrap the treaty, it would agree to talks on energy prices.

Washington, meanwhile, issued a statement welcoming Lugo’s election and vowing to “work” with the new government.

The vote marked a “step forward,” said State Department spokesman Tom Casey, after Paraguay’s “rather difficult history in terms of the development of democracy.”

This reaction seems to represent more than just an attempt to put a good face on the election of another supposed “leftist” in Latin America.

While during the Cold War, Washington valued Stroessner’s unconditional anticommunism—and turned a blind eye to his harboring of Nazi war criminals like Josef Mengele as well as his government’s intense corruption—its relations with his successors

had grown increasingly troubled.

Initially, President Nicanor Duarte had been embraced by the Bush administration for his unstinting support for Washington’s “global war on terrorism,” including in the so-called “Triple Frontier” area where Brazil, Argentina and Paraguay meet. The US has cast the region as a potential hotbed of terrorism because of the presence of a sizeable Arab immigrant population and the widespread smuggling that takes place there.

The area is also considered strategically vital because of the presence there of the Guaraní Aquifer, one of the world’s largest sources of fresh water, as well as the Itaipu hydroelectric project.

In 2005, the Pentagon participated in a series of joint “exercises” with the Paraguayan military in the area and was widely reported to have constructed a base there, making Paraguay one of the only countries on the continent to welcome such a military presence.

Subsequently, however, Duarte balked at Washington’s demand that Paraguay grant the US military immunity from prosecution under the International Criminal Court, leading to a suspension of military ties between the two countries.

Duarte also cemented closer relations with both Venezuela and Cuba, accepting aid from the Chavez and Castro governments.

Part of this shift was no doubt a pragmatic response to Washington’s own dwindling interest in the continent, while part was an attempt to recast himself as a populist as part of his desperate—and ultimately failed—attempt to hold onto power.

More fundamentally, the Colorado Party and its network of corruption and patronage built up over the long years of the Stroessner dictatorship and afterwards stand as an impediment to what Washington means when it talks about the “development of democracy.”

Using the state to reward its friends and punish its enemies, the Colorado regime has maintained control over assets, public services and enterprises that in other parts of Latin America have long since been privatized and sold off to foreign transnationals.

With the “Bishop of the Poor” and his vows for honest government and of marrying the state and free enterprise, Washington may well see a path for deepening the “free market” reforms that it has advanced elsewhere on the continent.



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