

# ISSUE BRIEF

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## U.S. Should Respect Paraguay's Decision to Remove President Lugo

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On June 22, Paraguay's legislature removed leftist President Fernando Lugo from office for "poor performance of duties." This peaceful, public action was confirmed by multi-party supermajorities in both houses of the legislature and followed procedures outlined in the 1992 constitution. Vice President Federico Franco of the Liberal Party assumed the office of president.

Several leftist South American leaders have labeled Lugo's dismissal a "coup" and demanded punitive measures aimed at restoring him to the presidency. While the Obama Administration has expressed concern about the rapidity of the process by which Lugo was removed from office, it has not called the action a "coup."

The Obama Administration has supported the dispatch of a

fact-finding mission to Asuncion led by the Organization of American States (OAS). The position for the U.S. should be one that recognizes the legitimacy of the Franco interim government coupled with a concerted effort to reinforce democratic governance rather than punish Paraguay.

**The Road to Impeachment.** In April 2008, Lugo, a former Catholic bishop and exponent of liberation theology who represented a coalition of center and left parties, won the presidency. In office, Lugo sought to shift the political balance away from the long-dominant Colorado Party and what many considered the dominant landowning elites. Lugo undertook to impose a tax on soy, Paraguay's chief export, and redistribute land to the poor. He also drew criticism for his personal life, including fathering children while still a serving bishop, and for his close association with Venezuela's Hugo Chavez and the members of the Bolivarian Alliance for the Americas (ALBA).

On June 15, 2012, police operating under presidential orders attempted to evict a band of squatters occupying land reported to be privately owned. The confrontation turned violent, leaving 17 dead, including seven policemen. This violence

produced a shock to Paraguay's political establishment, with the legislative body and others blaming the president for what occurred. The political tide turned against Lugo.

In keeping with the constitution, both legislative chambers voted by more than the required two-thirds majorities to charge, try, and then remove the president. In an excellent analysis of the removal, Javier El-Hage of the Human Rights Foundation argued:

While President Lugo's removal was too swift for the taste of many legitimate critics, he was removed legally through the application of a constitutionally-mandated impeachment trial, carried out on the vague yet constitutional grounds of "poor performance of his duties." No "impeachment coup" occurred.<sup>1</sup>

On June 22, Franco was sworn in as Paraguay's new constitutional president. Lugo initially accepted his removal with little protest. He subsequently formed a shadow group but has recently backed off from attending an upcoming MERCOSUR trade bloc summit that will take place in Argentina on June 29 and has spoken out against imposing sanctions.

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There have been modest protests, but the majority of citizens appear to have accepted the change. Outside pressure will also awaken nationalism and memories of when Paraguay fought Argentina, Brazil, and Uruguay in what was known as the War of the Triple Alliance (1864–1870).

**ALBA Autocrats Call Lugo Removal a “Coup.”** While many in the Americas questioned the fairness of the removal process, few have gone as far as the leaders of the anti-American, Chavez/Castro-led ALBA group. ALBA members were quick to label events in Paraguay a “coup” and rally to Lugo’s defense. They have also taken the lead in pressing the Union of South American States (UNASUR) and the regional common market, MERCOSUR, to isolate, expel, and punish Paraguay for Lugo’s removal.

Of course, ALBA leaders are among the worst offenders when it comes to eroding representative democracy by favoring extreme presidentialism and steamrolling legislatures, taking on unlawful decree powers, shutting down media outlets, and more. ALBA leaders also hope to marginalize the OAS from its crisis-management role and generate suspicion that Lugo’s removal was the work of an anti-democratic U.S.

President Franco has vowed to defend Paraguay’s sovereignty, preserve law and order, and move ahead toward elections in April 2013. He has resisted the idea of moving the elections forward.

Undoubtedly, Paraguay is vulnerable to pressure applied by its more powerful neighbors, whose capacity

to inflict economic pain is extensive. How far Paraguay’s neighbors, especially Brazil, will go to apply more than just diplomatic pressure on Paraguay has not yet been determined. Brazil has spoken of potential diplomatic sanctions but appears to be leaning against economic sanctions that would impose genuine hardship.

It is clear that ALBA members wish to orchestrate an interventionist policy that will seek to pummel Paraguay into submission with economic sanctions and diplomatic isolation. The changes in Lugo’s position from initial acceptance to defiance to uncertainty can certainly be attributed to pressure from ALBA members. One cannot discount covert intervention to promote violence and lawlessness and to demonstrate deep popular discontent with the new government.

**U.S. Should Recognize Franco Government.** In 2009, the U.S. government declared the removal of the president of Honduras a coup but brokered negotiations and ultimately recognized the election of President Porfirio Lobo. A contradictory policy provoked partisan fights in the U.S. and doubts about the U.S. commitment to backing friends and allies in a pro-U.S. nation. In the case of Honduras, the Obama Administration opted to follow rather than lead.

In order not to repeat this episode, the U.S. should:

- Make clear that it does not consider events in Paraguay to be “an unconstitutional alteration or

interruption of the democratic order” as specified by the 2001 Inter-American Democratic Charter.

- Oppose punitive measures against Paraguay or its expulsion from the OAS.
- Preserve full diplomatic relations with and work with the Franco government to reduce tensions and preserve domestic order.
- Advance political reconciliation and work to avoid a violent backlash by extremists on either the left or the right.
- Promote economic opportunity for this export-agriculture nation facing high levels of poverty, which creates the dry tinder of political unrest. This means no cut-offs or suspensions of modest U.S. economic assistance.

**Work Behind the Scenes.** While Chavez and ALBA members demand harsh actions against Paraguay, the U.S. can work effectively behind the scenes to expose the fundamental flaws and self-serving rationales that drive their brand of interventionism in Paraguay.

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1. Javier El-Hage, “Should Paraguay Be Expelled from the OAS, MERCOSUR, and UNASUR?,” *Americas Quarterly Blog*, June 25, 2012, <http://www.americasquarterly.org/should-paraguay-be-expelled-from-the-oas-mercosur-and-unasur> (accessed June 29, 2012).