The Nicaraguan revolution—six years after the Sandinista electoral defeat

GARY PREVOST

On 25 April 1990 Violeta Chamorro assumed the presidency of Nicaragua, two months after her National Opposition Union (UNO) coalition scored a decisive electoral victory ending 11 years of rule by the revolutionary Sandinista National Liberation Front (FSLN). The backers of President Chamorro both inside and outside of Nicaragua expected her administration to move quickly to dismantle the revolutionary projects of the Sandinistas. This article will give an assessment of Nicaraguan society based on the questions: what gains of the Sandinista revolution have been overturned by the Chamorro administration and what gains have been protected by the Sandinistas and their supporters. Additionally, it will analyse the current relationship of political forces within Nicaragua with an eye toward the prospects for social change in the coming years.¹

Sandinista achievements

To answer the two questions that have been posed, it is first necessary to draw a balance sheet on the 11 years of Sandinista rule with an eye to cataloguing the transformation of Nicaraguan society that did emerge during this time period. Transformations in eight areas will be discussed briefly: agrarian reform, worker’s rights, creation of a more democratic economy, women’s rights, elimination of the historic repressive apparatus, democratic political processes, education, health care; Atlantic Coast autonomy process. In analysing the successes of the Sandinista revolution and ultimately assessing the success and failure of the current government to overturn these gains, it is important to acknowledge that many of the gains of the Sandinista period had already been eroded by the effects of the contra war and the Sandinistas’ own policies even before Chamorro assumed office. This chapter does not seek to draw a balance sheet on the years of Sandinista power. That has been accomplished elsewhere,² rather this work begins with the accomplishments of the Sandinista revolution and analyses those changes that have occurred since 1990.

Agrarian reform is at the top of the list of Sandinista achievements because it is often cited as the single most important development of the 1980s in Nicaragua. Nicaragua is primarily an agrarian country. By 1990 the agrarian reform had affected more than half of the country’s arable land, benefiting some
60% of all rural families. Also, by 1990 the majority of farms were in the hands of small and medium size producers, in contrast to the historic maldistribution of land going back to the colonial times. Initially the Sandinista land reform had concentrated on creating a significant state sector for agro-export but beginning in 1985 much greater emphasis was placed on land distribution to individual campesinos and by 1989 the small private producers and the cooperatives were responsible for 47% of all agricultural production (Baumeister, 1989: p 34). The campesino sector benefited from the government’s policy of easy credit terms and technical assistance along with state-run processing and storage facilities. This step forward was partially offset by commercial policies that kept producer prices low. In one of its final acts the outgoing Sandinista-led National Assembly passed laws designed to protect the agrarian reform from its possible dismantling by the Chamorro government. While the laws could not make up for 10 years of failure to grant the necessary titles, they have provided a legal basis to struggle for the maintenance of this gain.

A significant expansion of workers rights, especially the right to form unions and engage in collective bargaining, was a definitive achievement of Sandinista power. Prior to 1979 only about 30 000 Nicaraguans (less than 10% of the workers) were trade union members and strikes or even collective bargaining were made virtually impossible by the Somoza regime. By the end of the 1980s there were more than 2000 workplace unions with some 55% of the working population unionized (Barricada Internacional, 1989: p 2). New laws enacted by the National Assembly guaranteed the right to strike and collective bargaining. Some trade union rights, including the right to strike were, suspended during the contra war, but strikes occurred throughout the 1980s. Most labour confrontations were settled through dialogue with the FSLN.

During the Sandinista years a considerable transformation of the Nicaraguan economy occurred in the direction of the interests of Nicaragua’s poor majority. Through government intervention, unemployment was sharply reduced, basic necessities such as food and clothing became accessible to a much greater proportion of the population, and the gap in the standard of living between the rural and urban areas was narrowed. These gains were achieved through a combination of government credit policies and a subsidisation of basic necessities with export revenues. This achievement, probably more than any other, was always fragile and by 1990 the combination of the contra war and Sandinista economic policies undermined this transformation.

In the area of women’s rights the gains of the 1980s were numerous including paid maternity leave; equal access to education; legal equality in relation to divorce, adoption and parental responsibility; a measure of economic independence, and the inclusion of sex education in the school curriculum. Of course, these gains occurred in the context of a traditional male-orientated society and with a Sandinista government that often resisted women’s demands out of a lack of commitment to women’s rights and a deference to the Roman Catholic hierarchy. However, even with those limitations, women had emerged by 1990 as much greater players in Nicaraguan society than ever before.

Sometimes overlooked in recitations of revolutionary achievements, especially by outside observers, was the elimination of the repressive apparatus of the
Somoza regime and its replacement by an army and police force under civilian political control. The brutality of Somoza’s National Guard is well chronicled and one of the Sandinista government’s first acts was the establishment of the Sandinista Army and the Sandinista police without any involvement of persons connected to the National Guard. In many bureaucratic areas the Sandinistas were forced to depend on some Somoza holdovers, but not in the police and army. As a result, when the Sandinistas handed over state power in 1990 they left behind army and police institutions imbued with a revolutionary consciousness and insulated from penetration by North American institutions. The Sandinista army and police were not immune from human rights abuses. Rather they were under strict political supervision and their human rights record compared quite favourably with their Central American neighbours. Disappearances and killings by government forces were common-place in the 1980s in El Salvador, Guatemala and Honduras. This simply did not happen on any comparable scale in Nicaragua.

Another Sandinista achievement hailed by virtually all analysts was the establishment of a democratic constitutional and electoral process that resulted in Nicaragua’s first truly peaceful and legal transfer of political power from one party to another. During the Somoza era and before Nicaragua had the facade of a democratic constitution and elections, but the political reality was a dictatorship that rigged elections and operated outside the law. The 1987 constitution, which combined Western liberal democratic norms with a revolutionary social conscience, was the centrepiece of the new political progress. In addition, Nicaragua conducted two honest elections, in 1984 and 1990, the second of which saw the Sandinistas defeated but committed to the democratic will.

In the area of education the 1980s saw significant gains, particularly in the early years. The 1980 Literacy Crusade, cited as a model campaign by the United Nations, dramatically reduced illiteracy, particularly in the rural areas. The Nicaraguan government also committed a greater share of resources to education than any previous administration. By 1989 the school population had grown from 300 000 to 1 million and the government launched a follow-up to the Literacy Crusade in the form of 17 000 education collectives providing adult education to 200 000 Nicaraguans (Norsworthy, 1991: p 109). Education was, however, undermined by the contra war as resources were diverted away to the military and schools were forced to close in areas of heavy fighting.

Provision of health care to the whole of the Nicaraguan population was greatly expanded, especially during the early years of the revolution. For the first time Nicaragua gained a true national health system under the Sandinistas. During the Somoza era only about 15% of the population received care. Substantial expansion was achieved in both curative and preventative medicine. More than 400 new health clinics and several major hospitals were built around the country. Government expenditures on health care more than tripled (Norsworthy, 1991: p 116).

After initial serious mistakes, the Sandinista government enacted an autonomy statute for Nicaragua’s Atlantic coast that is a significant achievement for the rights of the indigenous peoples of the Americas. Nicaragua’s eastern coast, rich in minerals and other natural resources, had long been exploited with no care for
the environment nor the non-Hispanic population that lived there. Initially the Pacific coast-based Sandinistas continued the same pattern of dominant relations with the coast. After serious confrontation with CIA-sponsored Indian rebel groups in the early 1980s, however, the government entered into discussions with the Atlantic coast residents. These discussions resulted in a 1987 Autonomy Statute that guarantees the rights of the indigenous groups to their own language, culture and communal forms of land ownership. In addition, the statute recognises the rights of the different groups in regard to the development of natural resources. Also established were regional governmental assemblies with direct representation from each ethnic group. The statute for the transference of considerable authority to these governments, especially in the areas of taxation and resource development.

**Chamorro’s victory**

The Chamorro election victory, while not fully anticipated either by Chamorro or her Washington backers, laid the ground work for a fundamental assault on the projects of the Sandinista revolution. The Chamorro candidacy was a transparent political initiative fostered in Washington when it became clear in 1988 that the *contra* war had fallen short of Reagan’s intent. The 14 party UNO coalition was brought together under the auspices of the US embassy and was united in its hatred for the Sandinistas.³ The coalition contained political parties from the far right to the far left. It became clear soon after the election that Chamorro and her closest advisors, would dominate the political decision making. Even Chamorro’s running mate, Independent Liberal leader Virgilio Godoy, was quickly marginalised. The isolation of Godoy and his alliance with the most pro-*contra* right wing elements led many observers to give Chamorro and her advisors, primarily Antonio Lacayo, a moderate label. In reality they are deeply conservative and have worked closely with the United States to reverse the policies of the Sandinistas. Chamorro and many of her advisers were members of a right-wing fundamentalist Catholic cult called ‘The City of God.’ Chamorro’s conservatism manifested itself very well in the appointment of fundamentalist Humberto Belli to the Ministry of Education. Belli, working closely with the US Agency for International Development (USAID), moved quickly to marginalise Sandinista influence from the schools on the grounds that the previous government had promoted an ‘atheist humanist view of life.’ With AID funding, the Ministry quickly replaced Sandinista-era text with books imported from the United States. The fundamentally conservative and anti-Sandinista strategy was evidenced by the government’s head long drive to re-privatise the economy. Within weeks after taking power, Chamorro and her advisors moved to privatise virtually all state-run property from farms to factories against the strong resistance of the labour movement. In many instances the properties were returned to former owners, including persons who had been closely associated with the Somoza dictatorship. The privatisation occurred within the framework of a neo-liberal policy of ‘structural adjustment.’ Such a policy was not unique to Nicaragua but rather was part of a worldwide initiative of the US and international lending agencies like the International Monetary
The Nicaraguan Revolution

The Nicaraguan Revolution

The Nicaraguan Revolution

It should be noted that a form of ‘structural adjustment’ was begun by the Sandinistas in 1988 and 1989 under the pressure of the contra war and pressure from the West European donor countries. However, the policies pursued by the new administration were qualitatively harsher and contained no safety net for Nicaragua’s majority poor.

Since assuming office, the Chamorro administration has introduced two stabilisation programmes—economic policies designed to reduce inflation and eliminate the balance of payments deficit. (Nicaragua earns around $300 million a year and spends about $700 million a year on exports.) The programme involved large cuts in public spending, tight controls on credit to producers, and big devaluations. The initial programme was vigorously opposed by a renewed labour movement in 1990 with a resulting retreat by the government. However, in 1991 similar measures were successfully implemented. Virtually all government controls of the economy have been lifted. Prices and currency have been significantly stabilised, largely as the result of massive foreign aid received in 1991–92 rather than any serious effort to reactivate production. Between 1990 and 1994 Nicaragua received the highest per capita foreign aid of any developing country: $182 annually, though it has dropped to $130. But the huge foreign debt service the country was paying meant that even that capital flow could not cover the current payments gap, so the debt kept growing. By 1994, 96% of all cash aid went to service the foreign debt (Envío, May 1995: p 5).

The Chamorro administration has had a very important ally in its anti-Sandinista campaign—the government of the United States. A prime vehicle for US involvement has been USAID. AID officials saw Nicaragua as an excellent venue for its strategy of counter-reform. AID’s profile in Nicaragua was very political and ideological as it sought to place the Sandinistas in irreversible retreat. As part of its Central American strategy for the 90s US officials sought to eliminate governmental obstacles to trade, promote reform of political and military institutions to meet US needs, and to encourage Central American economic and political integration under North American dominance.

AID used its promises of assistance to influence Nicaraguan government policy on all levels. US assistance was provided only after Nicaragua had complied with all IMF rules in regard to domestic economic policy. In addition the US has used aid as a weapon to pressure the government on issues where Washington and Managua have been at odds. For example, in acknowledging the reality of the strength of the FSLN in national politics, Chamorro decided to retain Sandinista Humberto Ortega as chief of the army. The US government never agreed with this decision and for more than three years sought to have it overturned. In so doing US officials made a tactical alliance with the far right forces of Godoy. On the Humberto Ortega issue the Chamorro government, with aid from the US temporarily suspended, announced in late 1993 that Ortega would be removed. US funding was renewed.

Not surprisingly AID money has been used to favour institutions of Nicaraguan society that are anti-Sandinista and pro-US government. Some of the recipients include conservative trade unions, the Supreme Council of Private Enterprise, (COSEP) and conservative non-governmental organisations such as Save the Children and Project Hope (Webbels, 1993: p 10). In the last two years US
pressure has taken a new direction. With Senate Foreign Relations chair Jesse Helms taking the lead, the US government began to champion the demands for the return of confiscated land to former supporters of the Somoza dictatorship. Many of these people became US citizens after fleeing Nicaragua in 1979 and now support for their claims is being based on that citizenship. US Ambassador John Maisto has stated on several occasions that future US aid will be conditional on the settlement of these land claims. AID officials have stated that no US assistance can be given to any land that may have been illegally confiscated (*Barricada*, July 1995).

**Balance sheet on the gains**

A balance sheet on the defense of the gains of the revolution begins with agrarian reform. Key Sandinista leaders believe that this is the most important achievement that remains in place six years after the loss of Sandinista state power. Their view may be overly optimistic, but it is based on the fact that according to recent statistics 70% of Nicaraguan farmland remains in the hands of small and medium producers.\(^4\) Property is still more equitably distributed in Nicaragua than before the revolution, and the number of large estates remains small, especially in comparison to other Central American states.

However, the agrarian reform programme is under attack from the government and this achievement remains in jeopardy. Formally, the new administration was committed to respecting the land tenure arrangements of the previous government. In practice the counter-reform began almost immediately. Decrees 10-90 and 11-90 of May 1990 created a commission charged with reviewing the land confiscations of the previous government. Former landlords were given six months to petition for the return of their lands, though lands confiscated from Somoza were to be excluded. By the end of June 1990 the government approved requests by 57 former owners to rent some 86 000 acres of land on state farms (*Norsworthy*, 1991: p 82).

The large scale return of former owners, mainly self-exiles who had developed business interests in Miami, led to many confrontations and mobilisations. These mobilisations led to the July 1990 general strike which demanded repeal of Decrees 10-90 and 11-90. The National Workers Federation (*FNT*) received assurances that no further land would be returned, but in reality the government continued its privatisation and land return policies behind the scenes. The ability of the union movement to carry out a resolute struggle against the return of lands was undercut by crosscutting interests. In some instances farm workers welcomed former landlords hoping that their return would bring new capital into their farms. In other instances the government’s firmness in moving forward with privatisation convinced some farmers to accept what they thought was the best deal they would get.

At the end of the Sandinista period nearly 12% of the country’s farmland was state-owned under the rubric of the Area of Peoples’ Property (*APP*). This area was declining slowly after 1985 as Sandinista agrarian policy shifted toward the distribution of individual plots but it remained largely intact and became a key target of the Chamorro counter-reform. Many of the 70 000 workers on state
farms were affiliated to the Sandinista-led Rural Workers Association (ATC) and were seen as a significant Sandinista power base to be attacked.

Initially the ATC sought to prevent the privatisation process entirely but retreated from the position as the result of the previously discussed division within its ranks. Eventually, the union accepted the government’s policy with several stipulations. No property was to be returned to people who had close links with Somoza, small holders and cooperatives who had benefited from agrarian reform would be protected. In the latter case former owners were compensated with shares in public utility companies (water, electricity, and telecommunications). After considerable negotiation the union agreed to a formula for the privatisation of the APP lands—workers (32%), demobilised army personnel (17%), ex-contra (21%), and former owners (30%). However, the workers on many farms that were to be returned to their former owners refused to accept the agreement. They argued that they were the legitimate owners and feared the loss of their jobs, homes, and personal plots. This led to serious conflicts in which former owners tried to take possession of the disputed properties with the aid of the police and army. According to 1993 union figures this has resulted in over 130 arrests and seven fatalities (Evans, 1993: p 10). Many of the farms are in dispute and cases are still being fought out in the court system. The speed with which this privatisation was carried out is demonstrated by the fact that by the end of 1993 the ATC reported that the agricultural APP had been 100% privatised.\(^5\)

While it is clear that large numbers of medium and small producers retain control of their land, the longer term future of this pattern of land tenure remains in doubt. In what seems to be a blatant government tactic, many peasants still do not hold the actual title to their land. Without the title the current banking system will not grant credit to such farmers in most instances. This situation has left many farmers unable to plant their crops and facing bankruptcy and foreclosure. During 1995 many protests were staged to highlight the gravity of the situation regarding land titles. In June more than 6000 small farmers from throughout Nicaragua marched on President’s Chamorro’s office and, the ATC staged long term occupations at two sites in Managua to underscore their plight.

The problem of credit is not limited to the untitled farms. Credit cutbacks have fallen particularly hard on the rural poor. The number of campesino families served by the National Development Bank, BANADES, had expanded from 16 000 in 1978 to a peak of 102 000 in 1988 under the Sandinista government. By 1991 this was cut to 31 000 families (Baumeister, 1995: p 259). The combination of less money allotted by the government to small producers and the tighter lending policies of the banking system have conspired to place many small producers in a precarious financial situation where they are highly vulnerable to being bought out by larger landholders. Current figures are not available, but it is clear that a process of land reconcentration is underway. Under the laws enacted during the transition in 1990, no lands were to be returned to persons connected to the Somoza family. In practice, however, this law has been violated and now the Somocistases have gained an important ally in the US government which is lobbying on their behalf. Members of Somoza’s own family have become active in attempts to reclaim property, including farms.\(^6\) In the face of these policies
and pressures, it is not clear how long Nicaragua’s relatively democratic distribution of land can be maintained.

The privatisation process has not been limited to the agricultural sector, state owned manufacturing and service industries were also targeted. As in the rural areas, the initial instinct of the union movement was total opposition to privatisation, and large demonstrations, including factory occupations occurred during the summer of 1990. Divisions within the working class and the absolute commitment of the government led to the privatisation process going forward. The union movement concentrated on winning agreements allowing workers to purchase all or part of the privatised enterprises. This process of full and partial worker’s ownership has turned out to be highly controversial and contradictory. An agreement between the government and the FSLN in 1991 established the principle that when an enterprise is privatised a minimum of 25% of the value of the enterprise must be available for purchase by the employees. No provision of the agreement blocked full purchase of the enterprise if the workers could raise the capital. A good example of the complexity and difficulty of this process is the food industry where the Sandinista Workers Federation (CST) represents 1200 workers in 11 enterprises that were previously state-owned.

By mid-1995 five of the enterprises were 100% worker-owned, three were mixed with worker-owned shares from 25 to 50%. The remaining three were completely privatised. The Secretary-General of the Food Workers section detailed how government policies and the overall economic crisis have combined to create a very mixed picture for the workers. On the positive side food processor Delmor has been a success. The fully worker owned company is profitable. Having paid its debt to the government, it is now expanding to export to other Central American countries. Even its relatively good position is threatened by low-priced foreign competition and antiquated machinery. Other worker-owned industries in the food sector are not as fortunate as Delmor. In one case, the El Mejor coffee processing plant is fully worker owned but carried out no production for almost two years as the government directed coffee production to those processing plants that were wholly private. Production was resumed in 1994 after an agreement with a worker-owned coffee plantation, but production remains modest. In another worker-owned coffee processing plant, El Caracol, the government and the banks made operation of the enterprise almost impossible during a lengthy dispute over ownership. Basic services were cut off, vehicles were confiscated. Worker-owned enterprises have usually found it very difficult to obtain credit with formal ownership. In many cases, particularly with farm land, the government has been slow in granting formal title to the workers thus undermining their ability to get credit. The unions have sought to get financing directly from abroad, but so far this approach has had little success, in part due to the overall chaotic economic situation in the country.

Union leaders that were interviewed remain convinced that full and partial workers ownership represents an important achievement and primary battleground for the union movement, but it seems to be a questionable position. By compromising their initial demand against privatisation the union movement forfeited the momentum and bargaining power that it had in 1990. When the
union movement enters the arena of ownership and management it is not playing its strongest card. In the arena of finance capital the government and the private sector have the money and the expertise. The unions are working hard to adjust to their new role, but it seems that the amount of time and resources devoted to privatisation has come at the expense of their representation of workers in traditional owner–management situations. Even if the union movement can make some of the enterprises successful, it is estimated that these efforts can only benefit 5–10% of the workers. Any process that benefits such a small percentage only further divides the working class and ultimately weakens the union movement.

**Neo-Liberal reforms**

The overall democratisation of the Nicaraguan economy that occurred in the Sandinista era has been significantly undermined by the new government’s neoliberal economic model. As noted earlier, the Sandinistas themselves had retreated from a more democratic economy in 1988, but the counter reforms of Chamorro’s government have deepened the process of reconcentration of wealth in the hands of fewer people. The strategy has been ‘structural adjustment’, a redistribution of resources to capitalist sector as the favoured way of reactivating the post-war economy. Virtually all government controls of the economy have been lifted. Food prices are now almost entirely market driven with all remaining government food subsidies eliminated. Supermarkets have sprung up all over Managua with well-stocked shelves of primarily imported foodstuffs. The price of goods is comparable to North American standards and is, therefore, out of the reach of ordinary Nicaraguans. Because the stores are stocked with imported goods, local producers are not the ones to benefit from this revival of commerce. The beneficiaries are primarily the private commercial intermediaries who have reemerged.

The reconcentration of wealth has also occurred in other ways, particularly changes in the banking system. Existing state-owned banks could not be privatised because of constitutional provisions. As a result, the government encouraged the establishment of a parallel private system and by 1995 10 private banks were in existence. To prop up the new banks the government assigned most of the foreign financing to these institutions. Also, to undermine the viability of the state banks, a sharp reduction of personnel was carried out. Progressive lending policies of the state banks that supported agrarian reform through generous loans to poor peasants have been eliminated. The National Development Bank now operates on strictly commercial criteria. The new economic policies also seek to reverse Sandinista efforts for Nicaragua to become more self-sufficient as part of a Central American common market. In 1990 Chamorro cut import duties from an average of 80% to 30%. As a result, there was a flood of imported textiles, shoes, and metal goods with which domestic producers could not compete. The subsequent closing of plants has only made worse the country’s staggering unemployment. Some 50% of the economically active population was underemployed in 1992 and 1993 and figures rose to nearly 52% in 1994. Open unemployment also grew considerably
in 1994, reaching almost 24% of the labour force. (Envio, May 1995: p 5) The job cuts in the formal sector have been dramatic. The number of people paying social security dropped 23% between 1990 and 1994 in absolute terms, without even factoring in the growth of the employable population. According to a UN study 70% of the population is living in poverty, with 40% in acute poverty\textsuperscript{10} (Evans, 1993: p 12).

Social reforms

The Sandinista revolution received considerable international attention and praise for its efforts in the field of education, particularly the successful 1980 National Literacy Crusade and the expansion of adult education. How is education faring under the new government? Education policy has been highly controversial under Minister of Education Humberto Belli. Within the wider context of reduced spending on education, the main feature of Chamorro’s program has been curriculum revision and an offensive against the Sandinista-led teachers union, ANDEN.

The curriculum changes being implemented in Nicaraguan schools seek to marginalise Sandinista influence and to promote a worldview closer to the ideological outlook of Chamorro and her advisors. Belli has spoken of the need to create an education system ‘permeated with Christian-inspired values’. Within weeks of the government’s arrival in power thousands of new schoolbooks appeared in Nicaragua funded by US AID. By the 1991 school year these books and the new school curriculum were well entrenched. Typical of the new curriculum is the ‘Civic Morals’ text that teaches conservative values of subservience and obedience to church and state authorities.

The Ministry of Education recognised that there would be resistance to the changes because of strong Sandinista influence among the nation’s 30 000 teachers primarily through ANDEN, the teachers’ union. The Ministry of Education used harsh tactics to break down ANDEN’s resistance to the curriculum changes. Within the first four months of the new government ANDEN reported 420 teachers had either been arbitrarily dismissed or transferred to schools far from their homes (Norsworthy, 1991: p 108). ANDEN has fought the government’s actions and some teachers have won reinstatement through the courts, but the strong arm tactics have largely succeeded in taming the resistance of the teachers. A six-week teachers’ strike was conducted in early 1995, but the union was only able to win a very modest pay increase. Most teachers, including Sandinistas and their sympathisers, have been forced to implement the new curriculum in order to retain their employment in very desperate economic circumstances.\textsuperscript{11} The combined impact of the years of war and the further cutbacks in education spending during the last five years have almost totally reversed any gains that may have been accomplished in the early 1980s. In 1979, approximately 22% of those students who began primary school completed sixth grade; in 1992 the same figure was being cited by the Ministry of Education. For both years less than 10% of rural populations completed primary school. In another telling statistic the 1993 illiteracy rate was already equivalent to or greater than the 54% rate in 1980, when the national literacy campaign took
place. In absolute numbers there were approximately half a million more illiterate Nicaraguans in 1993 than in 1980.\textsuperscript{12}

The Nicaraguan people had made a significant health gains in the first years of the revolution, but the contra war began a process of eroding those gains that continues now under the Chamorro administration. The current regime’s dismantling of the Sandinista system is again based on a privatisation process. In part because of constitutional provisions requiring a public health system and in part because of resistance from well-organised health care workers, the government has not fully succeeded in implementing their privatisation plans. Notwithstanding, they are definitely moving forward. The system is clearly favouring those who have the resources to pay for health care over those that do not. This is being done in a variety of ways. At public hospitals and clinics only the visit to a doctor remains free, all other services including diagnostic tests and medicines involve significant charges, usually beyond the means of the majority of the population. Visits to a doctor are by no means guaranteed because the number of appointments available has been sharply reduced as the result of a sharp cutback in government funding for public hospitals and clinics. The overall budget of the Ministry of Health has been cut from $130 million in 1989 to $70 million in 1994 (Nicaraguan Ministry of Health, 1994). As a result many medical personnel have been laid off from the public health system and forced to seek work in the growing private system. The government actually subsidised the transfer of medical talent from the public to the private sector by giving doctors cash incentives to leave the public system and move into private practice. Many doctors remain committed to the public system but find it necessary to split their time between a presence at the public hospital and a private practice. This obviously limits the number of appointments available in the public system.

Other privatisation tactics also are being employed. Private doctors are permitted to rent space and equipment from the public hospitals at favourable rates. In some hospitals a certain percentage (up to 50\%) of the beds are now reserved for private patients. Many of the pharmacies in the public facilities are now operated by private concerns who own the drugs that they sell and, therefore gain a majority of the profits. The government is also funnelling money from workers’ health payments into the private sector. In the past, the social security tax paid by workers went entirely to support the public system. Now the Social Security Institute is developing its own institutions in the private sector. Medical workers will no longer be state employees but rather organised into cooperatives selling services. This effort is a union-busting strategy and dovetails with the ideological drive toward privatisation. Ending the status of medical personnel as public employees is allowing the government to fire those workers who are union activists. The Sandinista-led health workers’ union, FETSALUD, has fought against the privatisation and the union-busting but its membership has been reduced from 23 600 in 1990 to 18 000 in 1995.\textsuperscript{13} Finally in mid-1995 the Ministry of Health announced that it would begin charging for basic health services on a sliding scale.

All of these cutbacks have had an impact on the health of the Nicaraguan population. According to statistics released by the Office of Nutrition of the
Ministry of Health more than 60% of Nicaragua’s children under the age of one year are anaemic and 4% of all children under five years old suffer from irreversible mental retardation because of malnutrition. In 1988 more than 40,000 children received nutritional attention in government day care centres. Many of those centers are now closed and only 7000 children are receiving the same attention. Infant mortality rates have increased from 62 deaths per 1000 live births in 1987 to 107 in 1994.14

Women’s rights

How have the gains in women’s rights achieved in the Sandinista years fared during the last five years? On the positive side the legal framework has largely been maintained. The UNO parties and the Catholic Church have sought to restrict the right to unilateral divorce by either party but so far the Sandinista-era law has been sustained. However, the legal framework put in place by the Sandinistas had many serious limitations for women’s rights and now Nicaraguan women’s organisations are seeking to strengthen their rights but are doing so in a generally unfavourable political climate. Examples of loopholes in the legal code of the revolutionary period included abortion, violence against women, democratisation of the family, lack of an equal pay provision, and protections for gays and lesbians. In spite of pressure from some women, abortion was never decriminalised. The Sandinista leadership made clear it was unwilling to go up against the Catholic Church on this issue. During the 1980s abortion became widely tolerated and few prosecutions occurred. In the last five years the Managua women’s hospital stopped performing therapeutic abortions, and the procedure has been driven entirely underground. The pro-government media have presented powerful anti-abortion measures, and this has dovetailed with the Catholic Church’s wider campaign of promoting a more traditional role for women. Nicaragua has also gone backward with the recent passage of anti-sodomy laws. Prior to this new measure Nicaraguan law has been silent on such questions. After a heated internal debate the Sandinista bench opposed the sodomy law in the National Assembly, but the conservative forces prevailed. The Women’s Commission of the National Assembly dominated by Sandinista legislators, has proposed a democratic family code and a law forbidding violence against women, but the passage of these proposals seems unlikely. The conservative framework of laws on women and the family allowed the Nicaraguan delegation at the UN Population Conference in Cairo in 1994 to line up with the Vatican against the mildly progressive majority document.

Nonetheless, the greater involvement of women in the public life of Nicaragua, an important advancement of the 80s, remains strong. The women’s movement is probably stronger today than 10 years ago with the Nicaraguan Women’s Association (AMNLAE) strengthened and many new organisations on the scene, including several which have clearly labelled themselves as feminist. AMNLAE operates 57 centres throughout Nicaragua that promote programmes in health, economic development, gender consciousness, political involvement, the environment, and legal rights. In 1994 the programmes reached 108,000 women.15
That these centres continue to function and provide services to women that were not available prior to 1979 is a significant achievement.

On many fronts the position of women is under strong attack in today’s Nicaragua. The country’s economic crisis bears heavily on women because so many are heads of households and because they bear a disproportionate burden of household production and reproduction. Desperate economic circumstances have resulted in the greater occurrence of prostitution. AMNLAE’s service orientation has benefited some women but there seems to be little defence of women’s rights in the political arena. The Catholic Church and its allies in government seem to have the upper hand in implementing their anti-feminist agenda. Countering this trend are a variety of new groups organised around concrete issues like violence against women and women’s health issues including abortion.

Atlantic Coast autonomy

The autonomy process is under direct challenge from the Chamorro government. Basically, Managua has used flanking tactics to undermine the rights of the residents of Nicaragua’s Atlantic Coast. Rather than seeking any formal reversal of the Autonomy Statute the central government has simply ignored the law and created its own approach to the region. In April 1990 Chamorro created the Institute for the Development of the Atlantic Coast (INDERÁ) and appointed former Miskito contra leader Brooklyn Rivera as its head. For four years the meager resources allotted for the coast were channelled through INDERÁ rather than the regional Autonomous Councils. The Managua government used INDERÁ to divide the different coast groups by pitting them against each other. With shifting political alliances, both regional governments passed motions rejecting INDERÁ in 1994, and the central government eliminated the agency and proceeded to carry out all programs for the coast through national level ministries. This strategy is aided by the control of the South region government by the anti-autonomy Liberal Constitutional Party (PLC). The February 1994 regional elections brought the PLC to power in the south, while an FSLN/Yatama alliance governs in the north. Yatama’s commitment to autonomy, in spite of its contra roots, has allowed tactical alliances with the FSLN against the anti-autonomy parties.

The greatest challenges to the coast today are growing environmental destruction and the lack of control over its natural resources—fishing, forestry, and mining. According to the spirit of the autonomy law, control over the coast’s resources were to be vested with the regional governmental bodies. In the last four years the central government has either ignored this aspect of the law or used local leaders sympathetic to the central government to cut deals on the exploitation of resources that are detrimental to the region’s interests. Virtually all of the fishing rights for the coast have been placed in the hands of Oceanic, a company run by Diego Lacayo, brother of the presidential advisor. Oceanic does not actually carry out significant fishing operations. Rather it subleases its rights for an exorbitant profit to primarily US-based fishing companies who do the actual work. Because the US operators have their own processing plants in
Honduras and Costa Rica, the Bluefields processing facility is operating well below capacity with more than 250 people out of work. Another previously government-owned facility, the COMABLUSA saw mill has been privatised to a US owner. Its level of operation is still in doubt. Its future may hinge, in part, by an effort of the central government to sell 150 000 acres of forested communal lands that indigenous people claim should be protected by the Autonomy Statute.\textsuperscript{16}

Efforts in the National Assembly to achieve constitutional reform come from a variety of political directions and may yet prove to be an important battleground for the legal and political future of the autonomy project. The Sandinista years ended without the passage of laws to fully implement the process outlined in general principles in the 1987 statute. This failure gave the anti-autonomy forces in the Chamorro government and the National Assembly the handle with which to stall the process. Atlantic Coast National Assembly members, Mirna Cunningham and Ray Hooker of the Sandinista Renovation Movement (MRS) have embarked on an effort to raise the 1987 statute to the level of constitutional status. If the effort eventually succeeds it will be a step forward for autonomy, but constitutional reforms are a two-edged sword. In a political context dominated by conservative forces, constitutional principles could be established that would explicitly block further autonomy for the coast. Strong sentiment clearly continues to exist among the indigenous residents of the coast, but it is far from clear that their hopes for autonomy and sustainable resource development will be achieved.

**Changes in the Police and Army**

The elimination of Somoza’s National Guard and the repressive police force of his rule was clearly an important achievement of the Sandinista revolution. How has this gain fared during the last six years? Maintenance of Sandinista influence in the army and the police was at the centre of the transition negotiations after February elections. Sandinista leaders were fearful that the Chamorro administration would bring former contras directly into the government apparatus and exact revenge on their people for the military defeat that the contras suffered at the hands of the Sandinista Army. Aware of the importance of the issue to the FSLN and mindful of their considerable power even in defeat, Chamorro allowed Sandinista Humberto Ortega to remain as the head of the army. The president herself assumed the position of Minister of Defence. Chamorro argued that retaining Humberto as head of the army would maintain social peace and allow for an orderly reduction of the size of the military. The reductions have been dramatic. At the time of the elections there were about 96 000 soldiers and by mid-1994 the number stood at 17 000 (Evans, 1993: pp 16–17). The retirement of Humberto Ortega in early 1995 and his replacement by a less controversial Sandinista officer General Joaquín Cuadra has been hailed by many as a further depoliticising of the armed forces. Cuadra is from a Nicaraguan oligarchic family, and is a cousin of Antonio Lacayo. By the end of 1995 the label of Sandinista had been removed from the organisation.

The maintenance of the armed forces as a progressive force has met with
mixed results. On the positive side up until late 1995 the army has not been absorbed into the framework of US domination that is true for every other Latin American army except for Cuba. Nicaraguan officers are not trained at the infamous School of Americas in Georgia. US leaders clearly hope for the long term integration of the Nicaraguan army into their sphere of influence but remain sceptical about the character of an army still dominated by Sandinistas. Nicaraguan military officials have sought full participation in Central American military manoeuvres but so far they have been rebuffed.

Also on the positive side the army has not engaged in systematic human rights abuses so common to Nicaragua’s northern neighbours in Central America. Nicaraguan citizens do not have to fear arbitrary death or detention as they did during the Somoza era. The army also remained strictly neutral during the protracted political stalemate between the executive and legislative branches in 1994 and 1995. The professionalism of the army helped to defuse the potentially volatile confrontation. There were also some disturbing trends that led many Sandinistas to question the leadership of Ortega and the trajectory of the army. In numerous incidents the army has been employed in labour disputes, especially in the countryside where it has acted in support of former landowners attempting to recover their land from occupying workers. There is also a developing bitterness within the Sandinista ranks toward senior army officers who have apparently acquired considerable amounts of land. Senior army officials also have established a number of private companies including a bank located in the former EPS press headquarters in front of the Intercontinental Hotel in Managua.

The deterioration of the police as a progressive force has occurred with even greater speed. The Ministry of Interior was renamed Ministry of Government and the Sandinista Police became the National Police. Chamorro appointee, Carlos Hurtado, became the new high official replacing Tomás Borge. New uniforms were issued, and police units in riot gear were commonly deployed in the capital, a departure from the Sandinista era. In 1992 Managua mayor Arnoldo Alemán created a new municipal police force (highly visible in the capital with their red berets). After initial hesitation the police increasingly have come to be used as strikebreakers. In the most dramatic confrontation to date three people were killed when a force of over 600 anti-riot policemen opened fire on protesters in the Managua neighborhood of Villa Progresa during a transportation strike in May 1995. (La Prensa 19 May 1995; Barricada, 20 May 1995). Earlier in 1995 police used force against a peaceful demonstration of the La Fosforera match workers and also against the national teachers’ strike (El Nuevo Diario, 15 February 1995). During the 1980s the Sandinista Police gained a reputation for honesty and discipline. Much of that reputation is now gone. Bribery and corruption have developed on a widespread basis in the context of the desperate economic situation and low police salaries.

The ruling coalition

Six years into the presidency of Violeta Chamorro, what is the state of her ruling coalition and how is her primary opposition, the FSLN, faring? Chamorro’s UNO
coalition has been fractured almost from the beginning. The electoral alliance that included Vice President Virgilio Godoy of the PLI did not even last until the government assumed power in April 1990. Godoy never actually assumed any real duties as vice president. Along with his party and several others, Godoy has moved into the opposition on the grounds that Chamorro and Lacayo were making too many concessions to the Sandinistas during the transition process. Godoy was joined in his withdrawal of political support from the government by two other prominent political figures on the right—Alfredo César and Arnoldo Alemán. César, leader of the conservative Social Democratic Party, was a contra political leader and was elected president of the National Assembly in 1991. However, his presidency was controversial and in January 1993 the Sandinista members of the Assembly allied with a small group of pro-Chamorro delegates to oust César from his position. After his ouster César declared himself officially in opposition to the government, a further deepening of the division in the UNO.

In the last three years, Godoy’s prominence has declined and Managua mayor Arnoldo Alemán has emerged as the leader of Nicaragua’s conservative forces. Formerly a supporter of Somoza, Alemán has achieved notoriety for his attempts to eliminate symbols of the Sandinista revolution such as street names, public murals, and the eternal flame at the grave of Carlos Fonseca. He used AID money and new local taxes to finance splashy public works projects, aimed at gaining popular backing for himself. In the tradition of Cook County, Illinois politics, the mayor’s office appears prominently on billboards near all of his new projects in Managua. Even Sandinista officials admit that his efforts in Managua have made grass roots organising there more difficult.17 Alemán formally announced his presidential candidacy in mid 1995, encouraged by the performance of his Liberal Constitutional Party (PLC) in the 1994 Atlantic Coast elections. Running independent of UNO the PLC emerged as the largest single party in both regional councils with 19 seats in the North and 18 seats in the South. Public opinion polls have shown him to be the leading candidate one year before the election. A March 1995 poll gave him 43.4% of the vote with no other candidate garnering as much as 20%.18

The state of the FSLN

Key questions on the minds of most Nicaragua watchers are: Are the Sandinista maintaining their base of support and do they have any prospect of returning to power? These are difficult questions to answer but some patterns are beginning to emerge. The FSLN remains the largest and best organised political party in Nicaragua, but the election defeat and its aftermath have taken a heavy toll on the organisation making its long term prospects unclear at this time.

Sandinista success in the war against Somoza and in the years of state power was nurtured by a broad unity around certain basic principles. This unity emerged from years of factional warfare in the 1970s and held up fairly well until the election defeat. However, since 1990 the divisions have reemerged though not along the same lines as in the 1970s. After a bitterly divisive party congress
in May 1994, the FSLN broke into two separate political organisations in January 1995 with the departure from the party of several key figures including former Vice President Sergio Ramírez and National Directorate members Dora Maria Téllez, Luis Carrión, and Mirna Cunningham. Also many prominent intellectuals, including Ernesto and Fernando Cardenal left the party. Many of those who left formed the Sandinista Renovation Movement (MRS) which was formally launched as a political party at a congress in May 1995. The gulf between those who stayed in the FSLN and the newly formed MRS is quite wide. Reconciliation seem unlikely and both parties will likely field candidates in the 1996 elections. The MRS claims a membership of 24 000 (El Nuevo Diario, 22 May 1995) compared to the current membership claim of 350 000 for the FSLN (Barricada Internacional, February 1995; p 3). At any rate the MRS now dominates the Sandinista bench in the National Assembly. Of the 38 Sandinistas in the Assembly only seven are clearly affiliated with the FSLN. While not all the rest have formally joined the MRS, they tend to vote with them on key legislative matters including the 1995 reform of the constitution.

It is too early to draw definitive conclusions about the split in the FSLN, but a review of some developments in the party since 1990 may shed some light on the division. During 1992 and 1993 divisions developed within the party over the political course that the party’s National Directorate was pursuing as an opposition party. Arguing that the main threat to the gains of the revolution was the activity of the far right Godoy-Alemán forces, the FSLN leadership pursued a tactical alliance with Chamorro and Lacayo against the far right. The policy was implemented through an ongoing National Dialogue and through an alliance in the National Assembly that removed Cesar as parliamentary leader in January 1993.

It is the view of many Nicaraguan political observers that this alliance had considerable political cost for the Sandinistas. The alliance gave the FSLN no real control over Chamorro government policies (it was not co-governance), but it meant that the FSLN was seen as bearing some of the responsibility of the dire economic circumstances of the country. In practice the FSLN’s support for social and economic stability meant that the economic interests of the popular sectors have taken a back seat in the political priorities of the FSLN. Important elements in the resurgent popular movements, especially the trade unions have shown marked displeasure with the FSLN leadership.

The party’s alliance strategy is not the only target of discontent with the FSLN. The party is still suffering from the widespread belief, both inside and outside of the party that individual members of the party unfairly benefited from the distribution of goods that occurred during the transition to the Chamorro government. Known as the piñata, this process apparently resulted in the transfer of considerable property and goods to the leadership ranks of the FSLN throughout the country. Many of the transactions may well have been justified by years of low-paid services, but it was ultimately viewed as unjust by many rank-and-file Sandinistas who did not materially benefit during the transition and by the wider population. The long term impact of the piñata is difficult to assess, but it appears to have significantly undercut the moral authority of the Sandinista movement and has also helped to magnify class divisions within the FSLN that
make it nearly impossible for the party to mount a sustained alternative to the neo-liberal economic policies of the government.

The split, combined with the FSLN’s loss of moral authority and failure to articulate a credible alternative to the neo-liberal economic policies of the government, makes a return to power through the 1996 elections unlikely. The FSLN leadership seems fixated on preventing an Alemán victory at all costs and seems ready to make whatever electoral alliance in necessary to deny Alemán the presidency. Remarkably the alliance which seems least likely would be with Ramírez and the MRS. Forming an electoral alliance with Antonio Lacayo has a much greater probability in spite of its obvious political opportunism and Lacayo’s very low standing in the current polls. The 1996 election remains difficult to predict because of the high level of political alienation on the part of the Nicaraguan populace. At one time the strength of the FSLN was its image as representing a challenge to the old political elites that had ruled Nicaragua for decades. Today most Nicaraguans see the FSLN as part of that political elite that has failed to solve their problems. Now it will be hard for the FSLN to change that image, at least in the short term. Widespread alienation plays into the hands of an Alemán candidacy and to a potential marginalising of the Sandinista movement.

**Popular organisations**

It should be noted that the organised defence of the revolutionary gains is not limited to the formal activity of the FSLN party. Since the 1990 electoral defeat the activities of the popular sectors have actually been strengthened. This activity is a direct legacy of the Sandinista era and is one of the most enduring realities of the revolution. Most of the popular organisations were set up by the FSLN but since 1990 they have become increasingly independent of the party. This independence has reflected the growing maturity of some of the organisations but also discontent with the alliance strategy of the FSLN’s national leadership. The strongest of the popular organisations are the unions. The Sandinista unions, organised under the National Workers Front (FNT) have emerged as the principal opponents of the government’s economic policies. The union’s power has been weakened by widespread unemployment and concentration on the establishment of “‘areas of workers’ property” within privatisation. In spite of these limitations the unions are still a potent force and a factor for positive social change. The strongest of the peasant organisations is the National Union of Farmers and Ranchers (UNAG). Although it has ties to the FSLN, this organisation has had an independent power base among small landholders form its origins in the early 1980s. UNAG has always had a private sector orientation and they are now establishing their own bank. There has always been class divisions within the UNAG and this tended to favour the large farmers over the marginalised ones. As a result, it would not necessarily be a strong voice as government policies drive marginalised farmers off their land. It has specifically opposed takeovers by the landless peasants (Evans, 1993: p 16).

In many ways the organised women’s movement has been strengthened since
1990. Many new initiatives were launched in the late 1980s as a response to AMNLAE’s close identification with the FSLN’s vacillation on women’s rights. The growth of a women’s movement independent of AMNLAE was highlighted by a women’s conference in 1992 that drew over 800 activists. The new organisations are working on a variety of women’s issues ranging from reproductive rights to legal services (Quandt, 1993). Many grassroots organising campaigns have been launched in the last four years. Some of the more successful have come from the Community Movement (CM), a reincarnation of the Sandinista Defence Committees. While still an FSLN-dominated operation, the organisation has a new vitality based around struggles to defend property rights and neighbourhood development. The CM has apparently achieved its greatest successes in smaller towns and cities where the FSLN is well organised.21

Conclusion

To summarise the balance sheet on the Nicaraguan revolution six years after the electoral defeat, it can be said that the future course of Nicaragua has yet to be definitively determined but the prognosis is not good. At this time the counter-revolutionary forces have clearly gained the upper hand in the context of a world situation favourable to the neoliberal programme and the continuing failure of the FSLN leadership to provide a coherent alternative. The final chapter of the Nicaraguan revolution has yet to be written. Some crucial gains of the revolution, especially in land tenure and democracy, remain alive. Nicaragua’s population, while beaten down, has shown considerable willingness to struggle. The biggest question mark may be the FSLN itself. The split in the party makes its return to power highly unlikely in the short term. It is not clear that the party can recover to again become an inspiration for the majority of Nicaraguans seeking fundamental social change. At the base of the party remain many dedicated people through which the organisation may be able to recover its lost credibility, but it is not clear that a national leadership exists to formulate a strategy for the return to power. The FSLN is now seen as part of the political problem by most Nicaraguans and therefore not looked to as a solution. Those who left to form the MRS believe that they can rebuild the people’s trust but their limited base among the country’s intellectuals makes this unlikely. The grassroots movements alone, however well organised, are not capable of defending the gains of Sandinista revolution. The organisations like unions, cooperatives, women’s movements are all capable of militant struggle within their own sectors but they face an enemy that has control of the state apparatus and the backing of powerful foreign governments and international organisations. Because of this relationship of forces the grass-roots organisations can be isolated and in some instances played off against each other. Because of Nicaragua’s unsolved social and economic problems, radical change can return to the agenda in Nicaragua and build off the gains of the Sandinista period. However, it will require a new political force that does not now exist. It could be a revitalised FSLN or it could be a new political movement that comes from the militancy of the current grass-roots organising.
Notes

1 The conclusions drawn here are primarily based on field work conducted in Nicaragua in 1991, 1994, and 1995. The research focused primarily on studies done by Nicaraguan social scientists and interviews with the leaders and rank-and-file of the political parties and grass-roots organisations.


5 Interview with Lily Soto, official of the Rural Workers Union (ATC), Managua, 5 January 1994.

6 In a 25 March 1995 interview in El Nuevo Diario Luis Ramon Sevilla Somoza, the first of the Somoza family who is publicly reclaiming his family’s confiscated property, stated the value of the claim at over $250 million. The claim has been made in part through a formal petition to the Interamerican Commission on Human Rights in Washington.

7 Interviews with Leonidas Pulidas, Secretary General of the Food Workers Section of the Sandinista Workers Federation, Managua, 7 January 1994 and 5 July 1995.

8 Ibid.

9 Interview with Trevor Evans, CRIES, 4 January 1994.

10 Evans, p 12. A similar study released by the Nicaraguan Centre for Human Rights in February 1995 reported figures of 44% and 75%.

11 Interview with William Schwartz, FSLN Regional Secretary and former ANDEN official, Bluefields, 8 January 1994.


13 Interview with Dr Andres Zamora Peralta, Financial Director, FETSALUD, Managua, 5 July 1995.


16 Interview with Francisco Campbell, Secretary-General of the Autonomous University of the Caribbean Coast (URACCAN), Bluefields, 8 January 1994.

17 Interview with Enrique Picado, Head of the Community Movement, Managua, 5 January 1994.

18 La Prensa, 15 March 1995. The poll was conducted by Borges and Associates, a respected polling service.

19 This view was confirmed by many interviews especially Ramon Meneses, Sandinista journalist and former DRI official and Francisco Campbell, Secretary-General of URACCAN.


Bibliography


326
La Prensa, 15 March 1995.
La Prensa, 19 May 1995.