

Nicaraguan Revolution and after: Ortega's Betrayal

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Today's Sandinista leaders are a far cry from the revolutionaries that once inspired the international left.

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At a Democratic debate last month, Bernie Sanders was asked about his sympathy for the Sandinistas — a Nicaraguan revolutionary movement that in 1979 ousted the US-backed dictator Anastasio Somoza, whose family had ruled the small Central American nation for over forty years.

The Sandinistas were an inspiration for a generation of leftists. Whatever their shortcomings, they became a shining example of successful revolutionary politics during a period of disillusionment for the international left. During the 1980s, Nicaragua was a red republic in the United States' backyard, clinging to socialist principles at the height of the Cold War.

When he was mayor of Burlington, Sanders visited the country as a guest of the revolutionary government [1]. While in Nicaragua, he pledged to help stop US intervention in the region — at the time, the Reagan administration was funding a brutal anti-Sandinista insurgency that would ultimately leave more than sixty thousand dead. Burlington even entered into a sister-city agreement with Puerto Cabezas, an embattled city on the country's Caribbean coast.

Sanders's opposition to Reagan's dirty war in Nicaragua was hardly unique — there was widespread opposition to US intervention in Central America during the time, not just on the radical left but also among liberals and moderates [2]. Yet today's Democrats seem to have forgotten this anti-interventionist history.

Sanders was forced to defend his support for the Sandinistas during the latest debate [3], inviting backlash from Hillary Clinton backers [4]. *Salon's* Amanda Marcotte jumped at the opportunity to discredit Sanders, immediately linking to an article in which libertarian Michael Moynihan equates Sanders's support for the Sandinistas with an endorsement of breadlines [5]. While this kind of red-baiting may be unfamiliar to younger Sanders supporters, it harkens back to the 1980s, when refusing to denounce the Nicaraguan revolution invited accusations of anti-Americanism.

The defensiveness wasn't surprising. When Sanders visited Nicaragua in 1985, the Sandinistas still represented a vibrant radical force, premised on an opposition to American imperialism and committed to redistributing resources to their country's poorest. But the movement has changed dramatically since then.

While Sandinista president Daniel Ortega currently governs the country — having come to power in 2007 after seventeen years in opposition — the Sandinismo of today is a far cry from the force that once rattled Washington.

A Frustrated Revolution

The Sandinista National Liberation Front (FSLN) came to power in 1979 as part of the Junta of National Reconstruction, a broad-based anti-Somoza coalition that included right-wing entrepreneurs as well as revolutionary socialists.

Education was a central priority of the FSLN-led government, which viewed mass illiteracy as a significant barrier to Nicaraguan development. In 1980, a nationwide literacy campaign connected young people from the cities with peasant communities long neglected by the Somoza regime. Almost one hundred thousand people volunteered to travel to Nicaragua's underdeveloped countryside as members of the Sandinista-led People's Literacy Army (EPA). When the program began, less than half of Nicaraguans could read; five months later, all but twelve percent were literate.

The reforms didn't stop there. The Sandinistas' commitment to land reform led the revolutionary junta to nationalize the Somoza family's former holdings along with those of their close associates, placing between 25 and 40 percent of the nation's wealth under public control. Soon after, the Sandinistas began a land redistribution program, granting abandoned or expropriated plots to more than eighty thousand landless peasants.

But the FSLN's bold reforms were met with a groundswell of US-backed opposition. Right-wing figures like newspaper heiress Violeta Chamorro soon split from the government and began to collaborate with counterrevolutionary "contra" fighters. When the FSLN claimed exclusive power in 1981, a bloody civil war was already underway.

Despite the raging conflict, the Sandinistas called for free and public elections in 1984. Daniel Ortega — then the party's general secretary and the revolution's most celebrated figure — won the presidency with 67 percent of the vote [6].

The vote demonstrated overwhelming support for the revolutionary government. But the contra war continued, sapping 62.5 percent of the national budget yearly and preventing the FSLN from realizing many of its ambitions.

In this context, one of the revolution's central shortcomings became clear. When the Sandinistas came to power, they seized the properties controlled by the most prominent oligarchs — including the Somozas — but declined to nationalize many important enterprises in the country.

This strategy was associated with the *Tercerista* tendency within the party, which prior to the revolution had advocated a strategic alliance between workers, peasants, and liberal capitalists to establish a democratic political system as part of an anticipated long transition towards socialism. Once in power, the FSLN established a mixed economy — without the capacity to organize production on a national scale, the government depended on industrialists with deep pockets to invest in domestic production.

At first, this orientation helped prevent the kind of massive capital flight that had followed the Cuban Revolution twenty years earlier. But it also placed severe limitations on the revolution's transformative potential.

For one, it starved the government of much-needed resources. But more importantly, it linked the survival of the FSLN program to the development of an entrepreneurial capitalist class, which soon became large and well-organized enough to pose a political threat.

As Ortega's first term drew to a close, the country faced an economic crisis. Five years of the American embargo had taken its toll, provoking the kind of capital flight the *Terceristas* had hoped to prevent with the mixed economy. Nicaraguan exports nearly halved in eight years, plummeting from \$415 million in 1980 to \$217 million in 1988. To make matters worse, the government's attempt to cling to domestic capital by controlling exchange rates resulted in a massive black market for American dollars [7], inflating the Nicaraguan córdoba by a staggering 20,000 percent a year.

In 1989, President Ortega introduced austerity measures [8]. Thirty-five thousand public employees were laid off, including ten thousand members of the Sandinista People's Army. FSLN-controlled labor unions intensified their commitment to "production unionism," reaffirming a nationwide no-strike pledge and advocating work speed-ups. The national budget was cut by 44 percent.

Sapped of resources and battered by the contra war, the Sandinistas were especially vulnerable to right-wing forces within the anti-Somoza revolution. In 1990, with the support of the United States and contra insurgents, the anti-Somoza right united around a single candidate — Chamorro — to contest Ortega's reelection.

Chamorro went on to win the presidency for the National Opposition Union (UNO), a motley coalition of fourteen right-wing and centrist parties. The Sandinistas' electoral defeat in 1990 was a catastrophic blow, ending the national revolution they had inaugurated and initiating a long period of degeneration within the FSLN itself.

Out of Office, Into the Backroom

As Nicaraguan revolutionary Mónica Baltodano points out [9], the Sandinista electoral defeat coincided with the collapse of radical movements across the world. For some, the times seemed to call for "adjusting to reality"— that is, abandoning socialist aspirations and instead jockeying for power within the constraints of neoliberal capitalism.

After 1990, powerful members of the Sandinista establishment "adjusted to reality" by seizing state-owned enterprises to enrich themselves and suppressing party democracy to consolidate power around Ortega.

Just before leaving office, Ortega and his associates claimed ownership over hundreds of nationalized properties, transforming reserves of national wealth into their own private holdings — a dramatic betrayal of revolutionary principles that came to be known as *la piñata*, in reference to the prize-stuffed party toy.

Former Sandinista vice president Sergio Ramírez insists that *la piñata* was originally an emergency plan, intended to ensure the FSLN's political survival. "Sandinismo could not go into opposition without material resources to draw upon," he writes, so "there was a hurried and chaotic transfer of buildings, businesses, farms, and stocks to third persons who were to keep them in custody until they could be transferred to the party."

But this plan was never carried out. Instead, individual Sandinista officials kept the expropriated properties for themselves, often becoming the owners of private firms with lucrative connections to the FSLN political organization.

Many leaders — including Ortega — consolidated personal fortunes at the revolution's expense, eventually organizing themselves into an economic group that came to be known as the "bloc of Sandinista entrepreneurs." Ironically, they benefited greatly from the business-friendly policies of the neoliberal Chamorro administration — which represented the anti-Somoza liberals who had benefited from (and recently outgrown) the Sandinista mixed economy.

The opulence of the post-1990 Sandinista nouveau riche became well-known and much-resented in Nicaragua. Ortega's brother Humberto, also a former revolutionary commander, was one infamous example, living for a time in a luxurious Somoza-era mansion with a private baseball diamond attached.

But of course it wasn't just lavish mansions up for grabs in *la piñata*. Sandinista officials also took control of some of the nation's largest companies — including sugar refineries, major media providers, and AgriCorps, the \$100 million food producer that supplies much of the nation's rice and flour. During the period in opposition, these firms funneled money back into the party and often funded FSLN election campaigns. As a result, the affluent officials who ran them accumulated political influence as well as personal wealth.

But the Sandinistas still could not regain national power. After the Chamorro presidency, the party lost the 1997 election to Arnoldo Alemán of the Constitutionalist Liberal Party (PLC). Alemán was even further to the right than Chamorro — in fact, he drew much of his support from the original oligarchs who had once controlled the very enterprises Sandinista "entrepreneurs" acquired in 1990.

In the years following *la piñata*, Nicaraguans saw their national political system devolve into a tug of war between two competing blocs of elites — one comprised of the newly affluent Sandinistas, the other of older dispossessed Liberals — with members of each group often claiming possession over the same properties.

But this contest changed dramatically in 1999 when the FSLN, under Ortega's leadership, entered into a power-sharing agreement with Alemán and the PLC. This notorious backroom deal — known in Nicaragua as *el pacto* (the pact) — continues to shape the country's politics.

El pacto refers to a suite of about thirty different agreements between the PLC and the FSLN, some of which were subsequently written into law when the national constitution was revised in 2000. These agreements consolidated political power in the two major parties by establishing barriers designed to prevent smaller ones from participating in elections. The bargain also subdivided the government into PLC- and FSLN-controlled departments and strengthened the office of the president, among other reforms.

With *el pacto*, the two parties — each associated with a rival faction of the economic elite — became a single political machine. This alliance foreclosed the possibility of genuine democracy in Nicaragua, signaling the FSLN's transformation from an anti-authoritarian revolutionary organization to a top-down political party under Ortega's control.

Rampant corruption at the highest levels — much of it involving Alemán himself — provided the opening for *el pacto*. The divvying up of government offices seems to have been motivated in part by Alemán's desire to insulate himself from prosecution. Facing scrutiny from the comptroller general, Alemán neutralized the threat by ceding sections of the PLC-controlled judiciary to the Sandinista party machinery in exchange for a shake-up in the comptroller's office.

In 2003, Alemán was placed under house arrest after a scandal revealed he had embezzled as much

as \$100 million from the national coffers. But the collusion between Ortega's FSLN and Alemán's PLC only intensified as Ortega continued to seek national office.

In 2007, he succeeded. Ortega was elected president with 38 percent of the vote, and the FSLN took national power for the first time since 1990. Two years later, in a stunning turn of events, Alemán's twenty-year sentence was overturned by Supreme Court judges sympathetic to the FSLN. Many suspected that Ortega was behind the pardon, wielding his considerable influence over the judiciary to maintain the rigged political system established by *el pacto*.

Daniel-ismo

When Ortega became president in 2007, many leftists outside of Nicaragua celebrated the election as a watershed victory for the Latin American left — a triumphant return to power of one of the region's most storied left-wing movements after decades of retreat.

Some claimed Ortega's win signaled Nicaragua's belated entry into the "pink tide" [10] — the wave of left-wing governments in Latin America that challenged much of the neoliberal consensus in the region. This misplaced optimism survives today, as observers on the international left still place Ortega awkwardly alongside figures like Venezuela's Hugo Chávez or Bolivia's Evo Morales.

Ortega hardly deserves such company. Chávez and Morales came to power with the outspoken support of mass social movements [11] that demanded profound changes in the state's structure and agenda. Ortega's route to power could not have been more different.

In the decades leading up to his election, he suppressed party democracy to consolidate his power within the FSLN. By isolating his critics, Ortega ensured his nomination for president in every election between 1990 and his victory in 2007. His stranglehold on the party is so complete that some dissident Sandinistas have described the FSLN's trajectory as a turn away from Sandinismo and towards a new kind of politics — "Daniel-ismo."

But Ortega's popularity with the Sandinista base has waned. Many are resentful that their society seems to have slipped back into the strongman politics and backroom deals of the Somoza era. Widespread disillusionment with today's deformed Sandinismo has emboldened forces on the Right, some of whom even threaten a return to the contra wars [12].

To make matters worse, Ortega is no stranger to personal scandal, oftentimes enlisting the FSLN bureaucracy as protection against public ruin or even criminal prosecution.

The most shameful example: in 1998, Ortega's stepdaughter, Zoilamerica Narvaez, accused him of years of sexual abuse and harassment [13]. Most Sandinista officials refused to take Narvaez's credible allegations seriously, instead rallying around Ortega. Ortega never faced any criminal proceedings, despite Narvaez's charges — ex-presidents' immunity from prosecution was one of the special privileges negotiated in *el pacto* the next year and officially amended to the constitution the year after [14].

But Ortega has faced some dissent from within the ranks of the FSLN. As early as 1994, Sandinistas fed up with Ortega's tight control over the party — including prominent officials like former vice president Sergio Ramírez — left the organization to form the Sandinista Renovation Movement (MRS).

Later, some dissident members of the party, including legislator Mónica Baltodano, refused to

support the constitutional changes associated with *el pacto*. In 2000, Baltodano declined to run for an open seat in the party's national directorate, saying "I'd rather be a dreamer than a killer of dreams."

Baltodano is associated with the explicitly socialist Movement to Rescue Sandinismo (MpRS), which grew out of the Democratic Left (ID) tendency within the party and includes such towering figures as poet Ernesto Cardenal and songwriter Carlos Mejía Godoy.

Disgusted with Ortega's suppression of an internal party-nomination process, many Sandinistas even opposed Ortega's 2006 candidacy. The MRS broke from a five-year-old electoral alliance with the FSLN to run the popular Managua mayor Herty Lewites — a left-wing anti-Ortega figure within Sandinismo. Lewites died unexpectedly just weeks before the election, but the MRS still received about 7 percent of the popular vote. And during the municipal elections in 2008, the MpRS joined with the MRS in an effort to reclaim local power from the FSLN, with limited success.

In the face of corruption at the highest levels of the FSLN bureaucracy, these currents are struggling to keep the emancipatory core of Sandinismo alive.

A Different Way Forward

To his credit, Sanders didn't back down when he was confronted about his 1980s enthusiasm for the Nicaraguan Revolution during the Miami debate. And neither should we — the FSLN victory over Somoza was a watershed moment in the fight against dictatorship and oligarchy in Latin America, and the reforms the Sandinistas were able to bring about are formidable reminders of the potential of left-wing governments.

But we also can't conflate the FSLN of 1985 with the FSLN of today. The party has gone through troubling changes since its defeat in 1990, and today it falls far short of the revolutionary promise it once projected.

Of course, some things have improved during Ortega's current presidency, which maintains a left-wing character in some respects. Under Sandinista leadership, Nicaragua has joined the Bolivarian Alliance for the People of Our America (ALBA) — the left-wing bloc that includes countries like Bolivia, Cuba, Ecuador, and Venezuela, convened by Chávez as an alternative to the neoliberal Free Trade Area of the Americas.

And some of Ortega's economic interventions have proved successful — in 2011, his government broke with the neoliberal development models it inherited, to great success. Nicaragua's gross domestic product is expected to grow by 4.2 percent this year, compared to an overall negative growth rate for the region.

But for many Nicaraguans — including many Sandinistas — Ortega offers no real alternative to the corruption that came before. And some of his plans may even prove catastrophic.

A mega canal project [15] — the Nicaraguan Grand Interoceanic Canal [16] — is slated to bisect the country, linking the Pacific and Atlantic Oceans. Funded by Chinese capital, the project is opposed — on both economic and environmental grounds — by peasant groups [17] and indigenous communities on Nicaragua's embattled Atlantic coast. Some even allege the Sandinista authorities have used threats and other strong-arm tactics to force indigenous cooperation with the canal plans [18].

The way forward for the Nicaraguan left would seem to lie in the example set by FSLN dissidents — like Mónica Baltodano and the Movement to Rescue Sandinismo — who sharply criticize the trajectory of the party but hold fast to the Sandinista principles of radical democracy and social transformation from below.

The future of the movement is in their hands. Sandinismo faces “a deep crisis,” as Sandinista dissident Vilma Núñez de Escoria reminds us, but there is still hope that it can be redeemed from the left.

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P.S.

* “Ortega’s Betrayal”. Jacobin. 4.12.16:

<https://www.jacobinmag.com/2016/04/bernie-sanders-sandinistas-daniel-orega-nicaraguan-revolution/>

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Footnotes

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[2] <https://www.jacobinmag.com/2016/03/sanders-sandinistas-clinton-kissinger-interventions/>

[3] <http://www.politico.com/blogs/2016-dem-primary-live-updates-and-results/2016/03/bernie-sanders-1985-praise-of-fidel-castro-sandinistas-220550>

[4] <http://fair.org/home/sanders-redbaiting-and-the-denouncing-double-standard/>

[5] <http://www.thedailybeast.com/articles/2016/02/28/when-bernie-sanders-thought-castro-and-the-sandinistas-could-teach-america-a-lesson.html>

[6] http://news.bbc.co.uk/onthisday/hi/dates/stories/november/5/newsid_2538000/2538379.stm

[7] <http://www.telesurtv.net/english/opinion/The-Roots-of-the-Current-Situation-in-Venezuela-20151122-0031.html>

[8] http://www.europe-solidaire.org/ecrire/?exec=article_edit&new=oui&id_rubrique=719

[9] ESSF (article 37713), [Nicaragua, before the elections: From Sandinismo to “Danielismo”](#).

[10] <https://viewpointmag.com/2014/09/28/state-subaltern-bolivarianism-toward-a-left-critique-of-pink-tide/>

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