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The United States and the struggle for democracy in Nicaragua

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I. Introduction

The election of Señora Violeta Chamorro in February 1990, as the President of Nicaragua, has been understood as part of the aluvial tide running in favor of democracy throughout the world. In Washington, the administration of President George Bush, as surprised by the results as most observers, welcomed the outcome as the final vindication of the policy of Ronald Reagan in Central America. To many observers in the United States and in Latin America, that posture appeared disengenuous because for the better part of a decade, the U.S. government had appeared much more concerned with the presence of Cuban and Soviet influence in Nicaragua than with the possibilities for democracy there. Certainly, the manner in which democracy as a policy goal was subordinated to other goals in El Salvador, Guatemala, and Honduras, and the manner in which an armed insurgency against the government of Nicaragua was provided overt and covert support under the justification of anti-communism, suggested that «democracy» was nothing more than a club or weapon that the United States would use whenever convenient against regimes it considered hostile, in its ongoing struggle with the Soviet Union. In Central America, it was a device to counter what the United States decried as the threat of external intervention in the region.

Given the experience of the past ten years, it is hard to imagine that the U.S. government on several occasions in the 20th century fervently supported the cause of democracy in Nicaragua and, by explicity supporting the government there, played a constructive though paternalistic role in the effort to extend the

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reach and deepen the substance of democracy. That was the care during the first administration of Woodrow Wilson (1913-1917) and the administration of Warren G. Harding (1921-1923). Indeed, it is harder, still, to imagine the time when the U.S. government did not play any significant role in the internal affairs of Nicaragua. And, yet, such was the case during most of the 19th century. Perhaps it is hardest to realize that the policy of the United States toward Nicaragua has gone through a number of important changes and that the government in Washington, when it first turned its attention to events in Nicaragua during the administration of William Howard Taft (1909-1913), was uncertain how to act and uncertain how to achieve its goals. A review of the history of U.S. relations with Nicaragua in the twentieth century prior to the Sandinista accession to power in 1979 is extremely useful in understanding the evolution of the concept of democracy in U.S. foreing policy thinking and how changes in that concept affected relations between the two countries. It is useful also in enabling us to see more clearly how U.S. policymakers have viewed democracy as an export commodity and how the defense of democracy may be used to this day as the rationalization for armed intervention in the affairs of another state, as in the invasion of Panama in December 1989.

Recounting the history of U.S. intervention becomes a morality play that suggests compellingly that democracy as an export commodity tends to be long on form and short on substance, that in attempting to impose the trappings of democratic government on Nicaragua over the years, the U.S. government has made little attempt to consider the needs, concerns, or interests of the Nicaraguan people; and, that efforts to impose democracy, even when limited to constitutional form and elections, never succeeded in establishing stable democratic conditions in the country. The history of U.S. efforts to impose democratic government on Nicaragua suggests also that there has operated an iron law of intervention under which a little intervention in the domestic affairs of another nation, for the purpose of imposing a certain kind of government or a certain pattern of political behavior, leads inexorably to more intervention. The iron law operates until and unless the U.S. government explicity decides to limit its intervention and to give up the policy objective of forcing democracy on the intervened people. At that moment, the political forces in Nicaragua return to their traditional patterns of behavior in which governance is organized by personalistic deals rather than by free expression of the popular will and which power is considered a zero-sum game, not to be shared or given up except under force. Nicaragua is a penetrated political system in which the U.S. government is a vital actor, passive or active, to be appealed to by Nicaraguan actors for the purpose of achieving or maintaining control over the government. In the current cycle, the Nicaraguan actors appear to know their roles very well. At this writing, it remains to be seen how the United States will respond and whether the Nicaraguans will be capable of sustaining a pluralistic democratic policy that is responsive to the needs of the Nicaraguan people without the suffocating tutelage of the United States.

II. Historical Background

Those in the United States given to sabre rattling south of the border and those in Latin America given to U.S.-bashing tend to forget or deny that the United States was not always paramount in Nicaraguan affairs. The United States had attempted to project its power in the region in the 19th century, but to little effect. The filibustering of William Walker in the 1850s was the only exception and the U.S. government played little or no role in the episode. Great Britain had been the dominant power in the region throughout the 19th century, and by the end of the century, the United States had succeeded barely in neutralizing British power, not in eliminating it. Nicaragua had figured in United States policy as the site of a potential isthmian canal. As early as the 1880s, Captain Alfred Thayer Mahan had referred to the isthmus as critical to United States national security. In the early years of the 1890s, the best route for the canal and the role of the U.S. government in its construction was a subject of political debate in the congress and among those concerned with U.S. foreing policy. For several years, the route through Nicaragua was preferred by a majority in congress and it was only through concerted effort by the lobby favoring a route through the Colombian province of Panama and the separatist movement there that turned attention in the United States away from Nicaragua.[1]

The United States achieved its hegemonic dominance in the Caribbean basin in the years between the war with Spain and the First World War. The key to understanding U.S. policy in the area during this period is the nature of United States policy objectives – eliminating the conditions that prompted external intervention by European powers, such as fiscal irresponsibility and political instability – and the evolving debate within the government over the appropriate means by which it would accomplish its goals in each intervention in Mexico, Central America, and the Caribbean.

In this early period, the United States shifted from a reactive policy toward European intervention in the Caribbean bastin to a proactive interventionist policy. The first step in this process came during the so-called Venezuelan debt crisis of 1902, in which the government of Theodore Roosevelt explicitly gave permission to the other «civilized» nations, as they were called in those days, and the governments representing the holders of the bonds on which the Venezuelan government had defaulted, to «police» the area by using force to extract payment from the Venezuelan government. Public opinion and congress reacted immediately with a passion that surprised Roosevelt, forcing him to ask the Germans, who had dispatched a naval force to the coast of Venezuela, to speed up their civilizing mission and get out of the Caribbean. Worse, an international tribunal in The Hague seized with a dispute among Venezuela's creditors regarding how the debts should be repaid, found in favor of the creditors who had taken the trouble to send ships to the region to force resumption of payments.

When a similar episode occurred in 1904, in the Dominican Republic, President Roosevelt knew he could not allow the European creditors to step in. The

1. David McCullough, *The Path Between the Seas: The Creation of the Panama Canal, 1870-1914* (NY, 1977); Walter LaFeber, *The Panama Canal: The Crisis in Historical Perspective* (NY: Oxford University Press, 1978); and LaFeber, *Inevitable Revolutions: The United States in Central America* (NY: Norton, 1983).

United States would have to assume the responsability of the policeman of civilized nations in order to keep the Europeans out. As he told his son in February 1904, «The United States should assume an attitude of protection and regulation in regard to all those little states in the neighborhood of the Caribbean.» Later the same month, he told a friend, «It is our duty, when it becomes absolutely inevitable, to police these countries in the interests of order and civilization.» [2]

The Congress was not certain it wanted to assume an imperial role in the sense that such roles had been assumed by the European nations. When the executive proposed a formal treaty in 1905 to certify the United States activity in the Dominican Republic, the congress balked. Roosevelt, himself, was uncertain as to how to proceed. On one thing, however, he was clear. At the end of the year, as the government discussed its options in the Dominician Republic, he told Secretary of State Elihu Root, «I have about as much desire to take over more territory as does a gorged boa constrictor to swallow a porcupine hind end to.» [3]

Thus, the United States approached its first military intervention in Nicaragua in the context of defining its role as a great power. The nation's leaders were confident that they could and should assume such a role but, aside from rejecting the territorial implications of empire, they had not defined carefully what their responsabilities as a hegemonic power might entail. They knew that their basic objective had to be to prevent European intervention in the Caribbean. There was a sense that lapses in international behavior by nations in the region, especially those involving international debets, created the conditions for intervention and that such intervention was justified under international law. In order to prevent intervention by the European powers, the United States would have to act to teach the lessons of civilized international behavior to their client states. What this might mean was anything but clear in the thinking of U.S. policymakers.[4]

III. Enter Nicaragua

Nicaragua had made little progress in nation building in the seventy-five years since Spanish authority had been overthrown. During most of the 19th century, the central government was in the hands of one or another of the regional barons who, calling themselves Liberals or Conservatives, dominated society and economics around León, in the north, or Granada, in the central south. These bosses, cattle barons and mercants, were caudillos in the classical mold of 19th century Latin America. Their power was regional but within their region, it was virtually without significant limitations. No formal institutions, local or national, curbed the power of these caudillos.[5]

2. Elting E. Morison, ed., *The Letters of Theodore Roosevelt*, vol. 3, p. 235.
3. *Ibid*, vol. 3, p. 463.
4. See E. R. May, *American Imperialism: An Interpretative Essay* (NY: Atheneum, 1973) for a synthesis of the contemporary debate over the nature of U.S. imperialism.
5. For a general discussion of the 19th century in Central America, see R.L. Woodward, Jr., *Central America: A Nation Divided* (NY: Oxford University Press, 1976). For a discussion of caudillis-

In truth, the central government had very little authority over a national territory that was defined only in the most imprecise manner. National boundaries had not been fixed at the time of independence and their location was a question of elite politics, something for the regional bosses to fight over but which had little or no symbolic meaning for the nation. To make matters worse, the east coast was virtually cut off from the central plateau and the west coast. There, the British were all but sovereign, English was the dominant language, and the population was Afro-Caribbean and Indian, not mestizo or Indian of the highland tribes. As a consequence of this legacy, there was a marked lack of national cohesion throughout the century characterized by remarkably primitive communications. There was very little state formation and no attempt to make of the central government anything more than the symbolic prize of warfare among the regional caudillos. At the same time, the lack of state formation and lack of definition of the national territory led to a pattern of meddling across international boundaries throughout the region. It was common for caudillos to meddle in the affairs of their aillies or enemies even though they might be in a land called Guatemala, or Costa Rica, or Honduras.

So weak was the national state, that a filibusterer from the United States, William Walker, invaded Nicaragua in 1855 with an army of mercenaries, under contract with the Liberals, to help them oust the Conservatives. First, he was military chief under a puppet regime and then, in 1856, he declared himself president of the republic. The British provided financial support for a coalition of Conservative forces in the region who managed to oust Walker in 1857. The Liberals were so discredited by their alliance with Walker that the Conservatives held power until 1893, when the Liberals managed to install their leader, José Santos Zelaya, as head of the national government.

Zelaya's subsequent anti-clerical policies and persecution of the Conservative faction subjected his government to constant insurrections by his opponents. The Conservative revolt against Zelaya in 1909 was the fourteenth during his rule. In this case, however, it upset the U.S. Department of State because it threatened the property and lives of foreigners and contained the potential to provoke foreing intervention, which the United States was determined to forestall. To ameliorate his financial difficulties, Zelaya previously had tried to sell the rights to a canal route across Nicaraguan territory to interests in Europe and Japan. This did not sit well in Washington either, and the agents of the U.S. Government in Nicaragua exerted their best efforts to eliminate Zelaya and install in his place general Juan Estrada, a dissident Liberal leader who had thrown his lot in with the Conservatives.

In intervening to tip the scales in favor of the Conservatives, the Department of State expected to repeat what they considered to be their success in preventing European intervention in the Dominican Republic by restoring the conditions of fiscal responsability. At this point, little mention of politics was made in setting the terms of U.S. intervention in Nicaragua. After the fall of the Zelaya faction in 1910, the U.S. government sent financial advisers to Managua to help president Estrada straighten out his government's budget. This action

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mo in the 19th century, see John C. Chasteen, «Twilight of the Lances: The Saravia Brothers and their World» (Ph. D. dissertation, University of North Carolina, 1988); and Mark Szuchman, ed. *The Middle Period in Latin America* (Boulder: Lynne Rienner, 1989).

was consistent with the U.S. policy of dollar diplomacy elsewhere in the world,under which U.S. capital was expected to become «the instrumentality to secure financial stability and hence prosperity and peace in the region.» [6]

To accomplish its limited objectives, the State Department solicited support from investment banking houses in New York to consolidate Nicaragua's foreing debt and pay off the European bondholders, thereby eliminating the threat of European intervention. At the same time, the Department presented a treaty to Congress under which the United States would guarantee loans to Nicaragua and help end the fiscal irresponsability that had become an international embarrassment. Much to the consternation of the Taft administration, Congress rejected the treaty in 1910.

At this point, the bankers already were committed to proceed with the consolidation loan and the State Department gave them informal assurances that they could expect government support for their activities. But in 1911, Estrada was replaced in a bloodless coup by Adolfo Díaz, a Conservative. Tension increased until the political situation collapsed completely the following year. Fearing that they could not get a fair deal in the upcoming congressional elections, both Liberals and Conservatives prepared for an armed conflict, as they had so many times in the past. This time it would be different because the U.S. government was committed to maintaining stability in the region and was unwilling to accept the traditional pattern of inter-elite conflict in Nicaragua.

At Díaz' request, marines landed in August 1912 to protect U.S. lives and property and restore order. When they departed in November, they left behind a Legation Guard of 100 soldiers. This was the first time the U.S. government had used troops to restore order and bolster the established government of a Latin American nation. It would not be the last.

The nature of U.S. imperial responsibilities in the western hemisphere changed as a result of this episode. Now, there was a presence of U.S. marines to support the constituted government and prevent the usual play of violence in the change of national authorities. The man who directed the Legation Guard, the U.S. minister, became the arbiter and mediator of Nicaraguan politics, consulted by leaders of both major factions, by ministers of the national government, and by leaders of the national congress concerned about pending legislation. The role of this proconsul was expanded as a consequence of the world economic downturn that cut back on revenues earned by the Nicaraguan government through customs receipts, now collected by an agent of the U.S. government. At the end of 1912, the Ferrocarril del Pacífico de Nicaragua, the national railway, became collateral for the consolidated loan held in New York. In 1913, the same fate befell the National Bank. Both became U.S. corporations administered by boards that met in New York City.

In many ways, some of them totally unanticipated by Washington when it first posed the option of intervention in Nicaraguan affairs, the U.S. government had become an actor in Nicaraguan politics in a manner that would make it difficult to distingish politics in a manner that would make it difficult to distin-

6. Quoted in LaFeber, *Inevitable Revolutions*, p. 23. For a detailed account of these events, and a very different interpretation from the one offered by LaFeber, see Dana G. Munro, *Dollar Diplomacy and United States Intervention in the Caribbean, 1900- 1921* (Princeton: Princeton University Press, 1964).

gish between internal and external influences. Factions in Nicaragua and the Nicaraguan government itself began to play to the U.S. government in an effort to increase their leverage within the Nicaraguan political system. Still, in 1909, the nature of the government in Nicaragua had not become an issue of U.S. policy; stability, not democracy, was the issue.

When Wilson became president in March 1913 he began immediately to fulfill one of his campaing promises to end dollar diplomacy. His first target was the consortium of bankers intent on using U.S. government influence to make major loans to China. His Secretary of State, William Jennings Bryan, was a longstanding critic of Wall Street and greedy capitalism. Yet neither man for a moment questioned the basic goal of avoiding European intervention in the Caribbean, nor the assumptions underlying the need to protect U.S. strategic interest in the Caribbean by avoiding the conditions that might precipitate foreign intervention.

Confronted with the critical Nicaraguan situation of 1913, Bryan first tried to get the Senate to ratify the Knox-Castrillo Convention which contained an option for the United States to build a canal across Nicaraguan territory and a clause similar to the Platt Amendment giving the U.S. government authority to maintain order and fiscal equilibrium in Nicaragua. To his dismay, the Senate rejected the convention because it was unwilling to assume the imperial responsabilities it implied.

Bryan then renegotiated the agreement, now called the Bryan-Chamorro Treaty. In place of the explicit assumption of imperial responsability. Bryan proposed a scheme that anticipated the multilateral lending agencies after World War II. He suggested that the United States Treasury float loans on the domestic market at 3-4 % and then lend Nicaragua the money it needed at 5-6 %, significantly under the market rate of 9-10 % for such poor risks as the Nicaraguan government. The U.S. government would use the difference to amortize the loan. Agents appointed by the U.S. government would advise the Nicaraguan government on the disposition of the loan funds and help in the collection of revenues in Nicaragua.

Now, it was Wilson who rejected the scheme, on the grounds that it would commit the United States to unnecessary involvement in Nicaragua domestic affairs. Yet, just one month later, to keep Nicaragua solvent, Bryan was forced to approve the loan contract negotiated by Brown Brothers in October 1913 under which the U.S. government appointed two members of the board of the National Bank. As a result, all disputed with the Nicaraguan government automatically became diplomatic disputes involving the government of the United States. The involvement of the U.S. government in Nicaraguan domestic affairs had become complete. This financially induced involvement was broken only by the export boom after World War I which enabled Nicaragua to pay off its longstanding loans and get rid of the offensive U.S. agents. In the period from 1917 to 1929, 43 % of total government outlays went to cover public debt commitments. The debt crisis of the 1980s was triffling by comparison.

Wilson was not content to be drawn into the domestic affairs of Nicaragua as the satrapy of New York bankers. At the time he was discussing events in Managua with Bryan, the two men were deeply involved in the unfolding drama of the Mexican Revolution. There, as well as in the Dominican Republic, Wilson was convinced that the U.S. government had a constructive role to play in

After the war, Wilson was convinced that the threat of European intervention in the hemisphere had all but disappeared. He also was disillusioned with his efforts to implant democracy in Mexico, Haiti, the Dominican Republic and Nicaragua. As a consequence, he was determined to reduce the intervention by the United States in the domestic affairs of nations in the Western Hemisphere. In Nicaragua, that meant accepting the form of democracy while conscious that its substance was being violated. In the elections of 1920, Chamorro manipulated the rules to insure the election of his uncle, Diego Chamorro, while he remained the power behind the president. The State Department held its collective nose and publicly accepted the hollow shell of electoralism in order to avoid deeper intervention in Nicaraguan affairs.

The succeeding Republican administration adopted and extended Wilson's postwar reluctance to intervene in the domestic affairs of the Latin American nations. So long as the form of democracy was maintained, the State Department sought to ramain above the local fray, no matter how dirty it might become.[10] As Paul Drake explains clearly in another chapter in this volume, the political factions in Nicaragua continued to use the U.S. government as a player in domestic politics as they had for years.[11] Each was prepared to do whatever was necessary to precipitate U.S. intervention on their behalf because that was the only way they could have access to power. Without such intervention, either in the form of suasion and pressure by the local representative of the U.S. government or by the threat of force from officials in Washington, it was impossible to effect a peaceful change in control of the central government. Even Augusto C. Sandino, a Liberal who opposed Chamorro and would become the father of Nicaraguan anti-American nationalism, started out wanting elections, supervised elections. His innovation was to request supervision by Latin American observers, not by gringos.

The State Department tried to counter the idiosyncracies of Nicaraguan political culture by imposing additional reforms, correcting the abuses of democracy's substance or spirit with more procedures. The Nicaraguans adapted to them. In 1923, the so-called Dodds Law was imposed on the Nicaraguan government, creating for the first time an explicit requirement for bipartisan politics. This law was drawn up initially by a U.S. professor of political science, Harold Dodds, under contract by the State Department. After some discreet pressure on the Nicaraguan government by the U.S. ambassador and some minor changes in the draft version, the electoral law went into effect in 1923 and remained on the books with some amendments until the 1960s. While the law allowed any political grouping to become a party by submitting a petition signed by a number of citizens equivalent to 5 % of the total number of votes cast in the previous election, in fact the law institutionalized the two-party system by reserving all appointments to electoral posts to members of the majority parties (i.e. the Liberals and the Conservatives). Not only that, but the majority of officials at the various levels of the electoral machinery would be chosen from the ranks of the party in power at the time. With this control of the electoral process, the party in power could proceed easily to disqualify voters from the other

10. See Tulchin, *op. cit.*, chapters 3 and 7.
11. See the chapter by Paul Drake in this volume.

exporting democracy to countries that wanted it but were somehow unable to establish democratic governments without the assistance of the U.S. government. In the case of Nicaragua, Wilson undertook to revise the constitution and take steps to insure the fairness of the coming elections in 1916. For the first time, the achievement of democratic government and the projection of democratic process became an explicit feature of U.S. policy towards Nicaragua, always as a means to secure the basic policy goal: to prevent European intervention by eliminating the conditions that made it possible.

While it is fruitless to debate Wilson's motives in attempting to export democracy to Nicaragua – it seems clear, as Arthur Link has argued, that Wilson believed a democratic form of government would enhance the quality of life for all Nicaraguans, and it is just as clear that Wilson understood that the imposition of democracy on Nicaragua would enhance U.S. security and expand its influence in the region – it is remarkable that he adopted so limited a conception of democracy in the export version and that he never for a moment questioned whether the governmental institutions and procedures he was prepared to export to Nicaragua would have to be adapted in any way, shape or form, to fit the local milieu.[7] It was as if he believed that democracy was democracy, and that it could be exported to another country without any alteration whatsoever, without reference to the historical or cultural context in which it had envolved and, that honest local politicians would behave in a fully democratic manner if only they could be taught what it was. This cultural ethnocentrism and the certitude that accompanied it is the very essence of what we mean today by a «Wilsonian attitude».[8]

As it turned out, the Nicaraguans adapted the mechanisms of democracy to their own political culture with amazing virtuosity. In the run-up to the election of 1916, both factions, the Liberals and the Conservatives, complained to the U.S. minister that their opponents were violating certain laws and using illegal campaing methods and that their control of the press in their regional bailiwicks violated the letter and the spirit of the constitution. Emiliano Chamorro, the Conservative caudillo and presidential candidate, proved more adept than his opponent in manipulating the new instruments of democracy in building a coalition that looked remarkably like the old-fashioned alliances based on regional loyalties. Chamorro mastered the new procedures by adapting them to traditional Nicaraguan political culture. He manipulated the situation with such skill that the electoral agents sent to Nicaragua by the State Department virtually guarenteed his election. As further demonstration that he understood U.S. political culture much better than any North Americans understood Nicaragua's, he created the first institutional, legally recognized lobby of a Latin American nation in Washington, hiring Chandler P. Anderson to represent the interests of the Nicaraguan government. Time would prove Anderson a very effective lobbyist.[9]

7. Arthur Link, *Wilson the Diplomatist* (Baltimore: Johns Hopkins University Press, 1957); and LaFeber, *Inevitable Revolutions*.

8. Only in the case of Mexico would Wilson admit publicly that local players might have to adapt democracy to their own milieu. See Mark Guilderhuis, *Wilson and Mexico* (Alburquerque: University of New Mexico Press, 1985). Link's defense of Wilson is in volumes 3 and 4 of his biography, *Woodrom Wilson* (Princeton: Princeton University Press, 1960-64).

9. See Tulchin, *Aftermath of War* (N.Y.: New York University Press, 1971), chapters 1 and 2.

parties, count the ballots to its advantage, and in general make it impossible for a contender to mount a successful electoral challenge.[12]

It should come as no surprise that after 1923, with but two exceptions, no opposition party ever came to occupy the executive office of government by means of an electoral process. The first exception took place in 1928 when the United States Marines supervised the registration and voting procedures that enabled José María Moncada, the Liberal presidential candidate, to defeat Adolfo Díaz, the Conservative politician who owed the United States his entire political career. The second was in 1990, when an army of civilian observers patrolled the polling places and an opposition force, armed by the United States, camped in the countryside and across the border in Honduras. Moncada's victory was assured by the settlement imposed by President Coolidge's special emissary Henry Stimson to end the brief civil war between Conservatives and Liberals in 1927. Frustrated by their inability to win power through elections, the Liberals had resorted to the traditional device of an armed rebellion, hoping to drag the United States into the fray. Reluctantly, Coolidge intervened, but he ordered Stimson to do the job as quickly as possible and get out. Only Sandino objected to the terms of the arrangement Stimson negotiated and proceeded to fight the Marines from his strongholds in the north of the country. The U.S. government would not withdraw the Marines until the country was pacified. To accomplish its purpose, it adopted the advice of the Marine commander and created a local «professional police force» to keep order. Thus was born the Guardia Nacional.

The international environment in which the U.S. dispatched the Marines to Nicaragua in 1927 had changed in several important ways after World War I, affecting the manner in which democracy was used as an instrument of policy. While the decline in European capacity to intervene in the Caribbean as a result of the war certainly enhanced United States power and security, thereby diminishing the need for intervention, the nationalism characteristic of European politics of the era began to permeate Latin America as well. U.S. meddling in Nicaragua exacerbated the ongoing crisis in U.S. relations with Mexico.[13] The new revolutionary government in Mexico was determined to counter U.S. influence in the region and made its voice heard with increasing effect during the decade. The U.S. intervention in Nicaragua and the subsequent war between the Sandinistas and the Marines prompted the first concerted effort by Latin American nations to denounce and curtail U.S. hegemony when they met at the 1928 Pan American Conference in Havana. The fact that the intervention was justified by Washington in terms of protecting democracy did not move the critics at Havana. Nevertheless, the need to appear as the defender of democracy became even more useful to U.S. policymakers at the end of the decade, when then Secretary of State Stimson tried to emphasize the distinction between Japanese actions in Manchuria and the way in which the United States operated in Latin America. Democracy was an instrument of foreing policy, to be used against rival powers outside the hemisphere. It was no longer an objective in its own right, as it had been for Woodrow Wilson.[14]

12. The text of the law is in *La Gaceta/Diario oficial*, vol. 27, Nos. 71-74 (March 3-6, 1923).
13. Richard Salisbury, *Conflict in Central America* (Wilmington, DE: Scholarly Resources, 1989).
14. It is worth noting that the leader of the Marine force in Nicaragua, Smedley Butler was

IV. The Somoza Years

When Franklin D. Roosevelt became president of the United States in March 1933, there were indications that his administration would return to the interventionism in Latin American affairs that had characterized the first administration of Woodrow Wilson. Roosevelt himself had been involved in the occupation of Haiti, as Assistant Secretary of State. The Secretary of State, Cordell Hull, was an avowed Wilsonian in his belief in the universal applicability of democratic norms, and the administration's chief Latin American expert, Undersecretary of States Sumner Welles, had been deeply involved in the efforts during the Harding and Coolidge administrations to implant democracy in the Dominican Republic. Soon after Roosevelt's inauguration, in which the president had declared his special interest in Latin America by promising a policy of the Good Neighbor, Welles went to Cuba to ensure a smooth transition to democracy following the overthrow of the cruel dictator Gerardo Machado. Caught up in the factional infighting, Welles soon found himself forced to escalate his threats of intervention in order to encourage the various players to follow the straight and narrow path to democracy. Increasingly frustrated, Welles finally called for military intervention to bring order to Havana. Roosevelt and Hull refused and Welles was forced to retract his threats and swallow Batista as the strongman who would impose order. The U.S. government had resisted the temptation to get caught in the quicksand of intervention in the internal affairs of a client state in the Caribbean basin. A few months later, at the Inter-American Meeting at Montevideo, Hull could accept a motion condemning intervention with only a mild reservation that international law might permit intervention under certain circumstances. Three years later, at the special meeting in Buenos Aires, Hull would accept a similar motion without reservations. The Latin American pressure against intervention of any kind was growing more insistent, to the point that the Roosevelt administration considered it a logical feature of the evolving Good Neighbor policy.[15]

The effects of the Good Neighbor policy on U.S. relations with Nicaragua are clear in the episode in which Anastasio Somoza García took power in Nicaragua. Somoza García never hid his presidential ambitions from the moment the commanding U.S. general turned over the control of the Guardia Nacional to him. But he was very careful to respect the democratic and legal guidelines set down in the Dodds Law and the Nicaraguan constitution. By gradually winning over the national legislature and putting his own followers into key positions in the Guardia Nacional, he was ready in 1936 to force the resignation of president Juan Bautista Sacasa, his wife's uncle, and capture the leadership of the Liberal party.[16] The entire procedure allowed Somoza to reach his goal at

convinced that he was fighting to bring democracy to the country and that Sandino was an obstacle to the achievement of that goal. Correspondence cited in James B. McKenna, «Smedley Butler in Nicaragua», unpublished manuscript in the possession of the author. See, also, Neill Macaulay, *The Sandino Affair* (Chicago: Quadrangle Press, 1967).

15. This period is described in detail in Bryce Wood, *The Making of the Good Neighbor Policy* (NY: Columbia University Press, 1961).

16. For a detailed account of Somoza's rise to power, see Richard Millett, *Guardians of the Dynasty* (Maryknoll, NY: Orbis Books, 1977).

the beginning of 1937 with a minimum of bloodshed and just a little bending of the law. Somoza García emerged, thus, as a president elected with apparent bi-partisan support, the first of a series of similar arrangements that the Somozas would organize in the future. Strictly speaking, no law had been broken openly but the pressure and intimidation exercised by Somoza and his Guardia Nacional, together with his control of the state bank and Guardia funds, enabled him to persuade and threaten his way into the office of the presidency.

The cables from the U.S. legation in Managua indicate that the State Department was aware of what was going on. Moreover, in tried and true Nicaraguan tradition, the Conservatives who had refused to participate in the election and the Liberals who had been turned out of office after Sacasa's forced resignation organized a delegation that went straight to Washington to complain to the State Department about the disguised coup d'etat that had taken place and the phony elections that were coming up. To their surprise and dismay, the State Department officials told the unhappy politicians that the internal affairs of Nicaragua were the responsability of the Nicaraguans themselves and that the United States would do nothing.[17]

Although, in retrospect, it is clear that the United States could have threatened to act under the treaty signed in 1923 that forbade the recognition of government that came to power by force, or it could have frozen the assets of the National Bank of Nicaragua held in U.S. accounts, or that it even could have invoked the treaty of 1928 that created the Guardia Nacional as an apolitical, non-partisan body, it is not clear that any of those efforts would have had the desired result. Welles, who had learned a bitter lesson in Havana, was convinced that getting Somoza to behave in a genuinely democratic fashion would have required more than idle threats. It would have sucked the United States deep into the vortex of Nicaraguan politics. U.S. public opinion would not stand for military adventures in the Caribbean basin. Besides, few policymakers in Washington were persuaded that even massive, prolonged intervention would have the desired democratic effect. Not even secretary Hull, the most Wilsonian of the senior State Deparment officials thought imposing democracy on Nicaragua was feasible or that it was worth the political risks to other New Deal programs in Congress. Hull, too, had learned his lesson from the experience in Cuba. He was more interested in what was happening in Europe and in getting the Congress to cooperate with his broad policy goals such as freer trade and cooperation with Great Britain in an effort to preserve peace in Europe, than he was in getting bogged down in the difficult task of exporting democracy to a nation whose leaders seemed uninterested in living by its rules and immune to its spirit.

There were external forces working against a policy of intervention to impose democracy on Nicaragua, or on any nation in Latin America. Escalating intervention by the United States in Nicaragua, even in the name of democracy, would alienate governments from Mexico to Argentina. The gathering storm clouds in Europe made running the risk of alienating potential allies in Latin

17. The U.S. reaction to Somoza's continuismo can be found in *Foreign Relations of the United States, 1945*, v. IX (Washington, DC: Government Printing Office, 1969), pp. 1215-1230. For a discussion of elections in Nicaragua under U.S. influence, see Alvaro Argüello, «Tres modelos de elecciones en Nicaragua», *Envío*, No. 32. (1984.)

America much too costly. Consolidating those ties became the top policy priority by the end of the decade. The U.S. government even had adhered without reservations to a resolution at the inter-American peace conference held in Buenos Aires in 1936 to the effect that no state had the right to intervene in the domestic affairs of another. As further elaborations of this Good Neighbor policy, the United States had sought to ensure friendly relations with Mexico, imposing a settlement of the oil expropriation negotiations that the oil companies considered grossly unfair.[18] Consistent with the emerging policy, the Roosevelt administration sought to bolster Somoza, not undermine his rule by insisting on closer adherence to democratic norms. It invited President Somoza García to Washington in 1939 as the official guest of President Roosevelt, including a parade down Pennsylvania Avenue and a speech before the Congress. An initial policy of non-intervention combined with official recognition and public apotheosis in the U.S. capital provided Somoza García with the key elements to consolidate his government within and without Nicaragua.

The United States would do much the same with other dictators in the region. In the face of a perceived threat from outside the hemisphere, the U.S. government would sacrifice democracy and embrace dictators to ensure their support. This same policy would be employed during the Cold War, on the grounds that any form of government was acceptable so long as it was supportive of the United States in its struggle against hostile forces outside the hemisphere. Democracy did not disappear as a goal of U.S. policy in Nicaragua, or in other countries of the region for that matter, either in the struggle against the Axis or in the Cold War. There were leaders in Washington for whom the content of the concept was as vital as the form of the procedures. The U.S. government continued to be concerned about the nature of democracy during the government of the first Somoza and expressed that concern publicly on some occasions. Even in those moments, however, it is clear that concern for the purity of democracy in Nicaragua was subordinate to other national concerns.

Somoza García understood the priorities of U.S. policy and the dynamics of its domestic politics and manipulated them in a brazen and shrewd manner. During World War II, he was quick to declare his participation in the crusade against the Axis. He declared war on Japan and Germany, confiscated the property of Axis nationals, and moved (with help from the FBI) to stem the activity of German agents in Nicaragua. But even he was caught in the postwar concern for democracy that forced Vargas from power in Brazil and made Perón's life so difficult in Argentina. The wartime crusade against the Axis and the anti-communist crusade of the Cold War reduced foreing policy to a zero-sum game. «You are either with us or against us», as John Foster Dulles put it during the 1950s. Within such a scheme, if the U.S. government feared subversion or intervention by the «enemy» then stability and the ability and disposition to oppose that subversion was more important than the quality or nature of the regime. It was the purpose of Somoza and his allies in Washington to make sure that the State Department understood Somoza's support of U.S. policies within the context of that zero sum game.

The one time he failed, in the «soft» period after the war, clarifies the nature

18. For a comprehensive discussion of this policy, see Wood, *op. cit.*.

of this mechanistic calculation of policy priorities within the U.S. government. When Somoza made clear his intentions to remain in office past 1947, his relations with the State Department soured noticeably. Spruille Braden, a fervent Wilsonian known best for his public campaing against Juan Perón in the Argentine presidential elections of 1946, tried while he was Assistant Secretary of State for Latin America to persuade Somoza to relinquish the presidency once his term expired in 1947.[19] In fact, Somoza dropped his reelectionist plans and put forth the candidacy of Leonardo Arguello, an old Liberal whom Somoza thought he might control easily. Braden wanted Somoza out of the picture entirely to the point of even relinquishing his post as commander of the Guardia Nacional. When Arguello, already inaugurated as president, demanded Somoza's resignation from the Guardia, he had reason to expect the United States would back him up.

Somoza moved fast. He had the Nicaraguan congress declare Arguello unfit to occupy the presidency, appointed a new interim president, and chased Arguello into exile in Mexico. The United States responsed with the withdrawal of its ambassador and the commandant of the military academy and, together with the other nations assembled in Bogotá in 1948, declared its unwillingness to recognize the puppet regime in Managua. For a brief while, Leonidas Trujillo of the Dominican Republic was the only Latin American head of state to recognize the Nicaraguan government. Through it all, Somoza managed to retain his undisputed control over the Guardia Nacional, the bottom line of his hold on political power in Nicaragua and the one institution that the United States would not risk alienating. By this time, Braden was gone from the government, and the iron zero-sum logic of anti-communism ruled in the State Department.

Somoza's hold on power was strengthened by a number of social and economic changes that took place in Nicaragua after 1945.[20] These changes also contributed to an evolution in the practice of democracy in Nicaragua. Together, these changes, more than the passive acceptance of the U.S. government, help to explain the extraordinary longevity of the Somoza dynasty. First, there were fundamental economic changes that shifted power among elements of the national elite, thereby ending forever the regional factional politics that had characterized Nicaragua for a century. Part and parcel of these changes were a dramatic expansion of the state, traditionally feeble in Nicaragua, and a significant mobilization of popular forces, mainly through corporatist organizations manipulated by the state, but in some measure through unions with class consciousness and through a number of new political groups that began to address specific social questions.

These changes made Nicaragua appear a more open political system compared to the regimes in El Salvador, Honduras, or Guatemala until the fall of the Ubico dictatorship. And, if we keep in mind the Wilsonian concern for elections and constitutional forms and procedures that characterized the democracy-for-export imposed on Nicaragua by the United States in the decades prior to and

19. For a detailed history of the Argentine episode and the debate within the U.S. government over democracy as a policy priority and the willingness to intervene in the affairs of Latin American states in order to impose democracy these see my *Argentina and the United States: A Conflicted Relationship* (Boston: Twayne Publishers, 1990).

20. This period is covered is Knut Walter, *The Regime of Anastasio Somoza García and State Formation in Nicaragua* (Chapel Hill: UNC Press, 1991).

following World War I, then we can understand the Somocista system as consistent with that model. The infrastructure of democracy was in place, elections were held, constitutional norms were followed. Of course, they were manipulated shamelessly to keep Somoza in power and to allow the opposition approved by the regime some room for maneuver. For example, Somoza's overthrow of Arguello in 1947 was followed by a heavy-handed persecution of Conservatives and dissident Liberals, but in anticipation of the 1950 elections, Somoza made sure to woo the Conservatives and have them participate in the election. The preelectoral agreements reached were so explicit that the distribution of elected positions was mostly decided even before the polling took place: the Liberals and the Conservatives would be the only parties running and the Conservatives would get 17 of the 60 seats in the legislature and representation in all town councils. They also would get a certain number of judgeships, all in exchange for participation and acceptance of the results. General Chamorro, who had been expelled from the country in 1947 for plotting a coup against Somoza, was persuaded to return and sign, with Somoza, the so-called Pact of the Generals, which set the stage for the electoral charades of the following decades.[21]

Factors outside Nicaragua continued to have a determining impact upon the perception of and concern for democracy in Nicaragua by the U.S. government and its policy toward the regime in Managua. First, the establishment of pluralist democracy in Costa Rica after 1948 altered the calculation of priorities within U.S. policy to the detriment of Somoza; and, then, the radicalization of the Castro regime in Cuba after 1959 served to restore the delicate balance of the zero-sum game to forestall any moves in Washington to bring the Somoza dynasty to an end.

Somoza García had been close to deposed Costa Rican president Calderón Guardia and relied on him to provide a measure of international support for his regime. Costa Rica was one of the first to recognize Somoza's puppet president after the overthrow of Arguello in 1947. But as the democratic regime in San José was consolidated, it began to use the machinery of the OAS and the rhetoric of the Cold War to ostracize Somoza and to try to push him from power. José Figueres made his attacks on Somoza part of a crusade for democracy and freedom. He joined together with other democratic colleagues in the region to form The Caribbean Legion with the avowed purpose of ousting all of the dictators in the Caribbean basin. The OAS provided the military hardware necessary to defeat the Costa Rican rebels armed by Somoza and coming from Nicaragua.

The U.S. government was happy to have the OAS intervene and apply pressure on Somoza to cease trying to overthrow the Figueres government. It was embarrassed by the conflict and uncomfortable under the pressure from the democratic forces in the area coming as it did so soon after the military intervention in Guatemala to overthrow a democratic regime whose reformist policies were seen by the U.S. government as discriminating against U.S. capital, dangerously destabilizing and subject to subversion from outside the hemisphere. The

21. The agreement was ratified formally by the Nicaraguan congress as «Decreto convocando a elecciones para Asamblea Constituyente y Presidente de la República», *La Gaceta/Diario oficial*, vol. 54, No. 75 (April 15, 1950).

issue was raised whether supporting the Somoza dynasty was more destabilizing than attempting to remove it. It was a delicate balance in which the more conservative posture in Washington was to do nothing unless concerted Latin American pressure made intervention a popular and necessary alternative. As ever, the global concerns of U.S. policy would determine the relative weight accorded to democracy and stability as policy goals in any given episode.

Aside from the conflict with Costa Rica, Somoza earned high marks in Washington during the first Eisenhower administration. Not only did he protest his anti-communism loudly and often. Thanks in large measure to the strong prices for the country's principal exports crops, cotton and coffed, the economy enjoyed a prolonged period of expansion. Somoza never asked for U.S. aid, only trade and private investment – the perfect model for a conservative business-oriented administration that told Latin American leaders that the best way to end their region's backwardness and poverty was to open their economies to the magic of private entrepreneurship and foreign private investment.[22]

The conflict with Costa Rica came to a halt temporarily with the assassination of Anastasio Somoza in September 1956. Somoza García was running for reelection when he was shot. There is no doubt that he would have won the 1957 elections given the control his government exercised over the electoral machinery. Thus, when Luis Somoza, the elder son of Somoza García, was chosen by the Nicaraguan congress to fill out the term of his father, and when he ran unopposed as the presidential candidate in the 1957 elections, the U.S. government had nothing to offer but congratulations to the new head of state.

The timing of the transition in Nicaragua shows a bit of Somoza luck. By the end of the Eisenhower administration, democracy regained some of its value as a tool of U.S. policy. For the first time since the administration of Woodrow Wilson, the absence of democracy was considered a destabilizing factor which could lead to subverseion and outside influence in the area. It is instructive to compare the very different response of the U.S. government to the ouster of Batista in 1959 or the assassination of Trujillo in 1961.[23]

When Kennedy was elected in 1960, a true Wilsonian disposition to export democracy and the conviction that democratic government was infinitely exportable and adaptable returned to U.S. policy. Now, however, it was explicitly tempered by a fear of the Communist menace and manipulated to undercut pressure in Latin America for radical change. As it had been for Wilson, democracy was a reasonable political system that would end the appeal of more radical solutions to the region's problems.[24] Both the Eisenhower and Kennedy administrations tried to get the nations of Latin America involved in a struggle against Cuba in which the presence or absence of democracy would be a critical

22. On the economic situation, see Walter, *op. cit.*; and, V. Bulmer Thomas, *The Political Economy of Central America Since 1920* (Cambridge: Cambridge University Press, 1987). On the business approach to development at this time, see Robet Wagner (Standford: Standford University Press, 1968); and Stephen Rabe, *Eisenhower and Latin America* (Chapel Hill: University of North Carolina Press, 1988).

23. The transition in policy during the second Eisenhower administration is chronicled in Rabe, *op. cit.*

24. This period is discussed in Tulchin, «The United States and Latin America in the 1960s», *Journal of Inter-American Studies*, 30, 1 (Spring 1988).

feature. In the case of Nicaragua, Kennedy was prepared to sacrifice Somoza, if necessary, but he would not act alone. He was surprised and disappointed when there was so little positive response from Latin American leaders.

Luis Somoza realized that his government's good standing in Washington required a boost. The coffee and cotton boom of the 1950s intensified the growth of the export sectors and widened the gap between the rich and the poor. More serious to liberal critics in the United States, the Somozas had used the growth of the Nicaraguan economy to turn Nicaragua into a family fiefdom. Of greatest concern in Washington was the founding of the Frente Sandinista de Liberación Nacional (FLSN) in Havana in 1961. The FLSN made it clear that it would employ armed struggle to rid Nicaragua of the Somozas and that it perceived the United States as the principal cause for Nicaragua's underdevelopment. Castro was attempting to export marxist revolution the way the United States exported capitalist democracy. To observers in Havana and Washington, the most corrupt dictators were the most vulnerable, and the U.S. government's support for those dictators was a potencial cause of embarrassment.

This combination of internal and external events and circumstances prompted Luis Somoza to push for reforms along a number of lines. The regime decided to reform the constitution in order to allow for third party representation in the legislature, while guaranteeing the opposition at least one third of the seats in the congress regardless of the electoral outcome. Control of the electoral machinery would remain in the hands of the government party so that there was no real danger of an upset. The regime also decided that it was convenient to place a non-Somoza in the presidency; the person chosen was Rene Schick, a long-time associate of the Somoza who had occupied a variety of posts in government since the 1930s and who would be completely tractable.[25] After Schick's election in 1963, Luis Somoza stepped down to head the Liberal party and participate in legislative affairs.

The government proceeded to enact the first land reform law in Central America since Arbenz's ill-fated attempt of the early 1950s in Guatemala. Extremely mild and cautions, the law did speak about «elevating the standard of living of the peasant masses» and of redistributing land, but stopped short of expropriating private property unless it was totally unused and restricted the land reform program national lands or those purchased by the land reform institute. To no one's surprise, the results of land reform were quite limited. Agrarian policies tended to favor private export producers, especially those engaged in meat and cotton production.[26]

These political and socio-economic measures, together with others that sought to modernize the state's role in national development, were more than sufficient to allow the United States to channel large amounts of Alliance for Progress funds to Nicaragua. Within the Alliance vision of a democratized and modernized Latin America, Nicaragua appeared to be doing the right things. Of course, Nicaragua was doing other things which were equally important for the

25. «Reforma parcial de la Constitución Política», *La Gaceta/Diario Oficial*, v. 66, No. 1167 (May 26, 1962).

26. See Robert G. Williams, *Export Agriculture and the Crisis in Central America* (Chapel Hill, N.C.: The University of North Carolina Press, 1986). The land reform law is in *La Gaceta/Diario Oficial*, vol. 67, No. 85 (April 19, 1983).

United States, such as providing unrestricted use of its territory for anti-Castro activities (including training the troops for the Bay of Pigs invasion) and keeping a very close leash on leftist activities within Nicaragua.

Thus, U.S. interest in democracy in Nicaragua during the 1960s was tempered and limited by security concerns which became paramount after the triumph of the Cuban Revolution and the increasing Soviet presence in the Caribbean. The Guardia Nacional, long the heart of the Somocista regime within Nicaragua, became the most coddled ally of the United States within the Central American region. The creation of the Central American Defense Council (CONDECA) in 1963 gave the commander of the Guardia Nacional of Nicaragua an unrivaled position of influence in the entire region, as well as within Nicaragua. The commander of the Guardia after 1956 was Anastasio Somoza Debayle, Somoza García's younger son. «Tachito» lacked his father's sense of balance and his brother's political skills. These deficiencies together with boundless greed would be his undoing. When Luis Somoza died in 1967, Tachito ran for president in election sheld that same year. He won easily despite public expressions of protest which the Guardia repressed violently, leaving hundreds dead in the streets of Managua in January 1967.

The Johnson administration decided not to protest these activities. It had become so concerned with Vietnam that it did not have the collective energy to engage in a protracted effort to force Somoza to clean upa his act. Latin American policy had come under the control of Assistant Secretary of State Thomas Mann, a career official whose decidedly conservative approach led to the rejection of the pro-active thrust of the Alliance for Progress. Members of the Johnson team felt they had been forced to intervene in the Dominican Republic in 1965 to prevent a chaotic situation out of which groups sympathetic to Castro might emerge. In this context, it did not seem to make any sense to Mann and others to destabilize the Guardia in Nicaragua.

In the course of the Nixon administration, as the war in Vietnam was brought to an end, opposition in the congress and in the public to U.S. support for unpopular and corrupt dictators grew in size and vehemance. Nixon and his chief foreing policy advisor, Henry Kissinger, had little interest in Latin America and began to distance themselves from the more reprehensible of the region's rulers. According to Nixon's formula, the dictators would get only a handshake. A warm embrace would be reserved for the region's democrats, the true friends of the United States.

Under increasing internal and external pressure, Somoza decided to repeat a move used successfully by his father in the 1940s. He called on the Conservatives to join his Liberal party in revamping the political system. The Conservatives, under Fernando Aguero, behaved just like they had under Chamorro in 1947 and 1950: they jumped at the opportunity and signed a pact with Somoza's Liberal party in March 1971 which guaranteed them a share of the seats in the legislature, judgeships and positions on the municipal councils.[27] The deal became known as «Kupia Kumi», the Misquito words for «One single heart» with which Pedro Joaquín Chamorro, the young editor of La Prensa and son of the

27. The text of the legislation is in *La Gaceta/Diario Oficial*, vol. 75, No. 207 (Sept. 11, 1971).

earlier Conservative leader, baptized and ridiculed the agreement. Kupia Kumi was followed by a legislative decision to hold elections in February 1972 for a constitutional convention which would, in turn, choose the theree man junta that would run the country until a new president, elected under the new constitution, took office in January 1974. Somoza resigned from the presidency and turned power over to the junta on which Aguero sat.

In December 1972, an earthquake devastated Managua. Anastasio Somoza Debayle, as Commander of the Guardia, declared himself head of the National Emergency Committee (Coordinador de la Junta de Reconstrucción) to handle relief and reconstruction in the Managua area. He had himself named head of the Committee and brought in the entire cabinet to assist him, thus creating a parallel government structure which had no immediate responsiblity to the governing junta.[28] Aguero, the Conservative member of the junta, resigned in protest, but a more pliant Conservative was named to replace him. U.S. ambassador Turner Shelton, one of Somoza's most fervent defenders, strongly supported request by the Nicaraguan government for emergency aid. Within eight months of the earthquake, the Nicaraguan government had negotiated loans with foreing credit institutions worth approximately $100 milion to finance the cleaning up operations, reconstruct the infrastructure, and reactivate the economy. Other funds were allocated in the national budget itself. And with Somoza back in the presidential office after an unopposed campaing in 1974, the way was prepared for a veritable orgy of corruption and open, cynical manipulation of the system for the enrichment of Somoza Debayle and his cronies beyond anything perpetrated by any previous Nicaraguan ruler. It was as if Somoza had thrown all caution to the wind, defying the domestic opposition, the United States, and the rest of the world to stop him if they dared.

The legitimacy the Somoza dynasty, built up with great care by Somoza García and Luis Somoza, careful to accommodate the sensibilities of the U.S. government and operate within the rules of formal democracy and electoral politics, eroded rapidly in the face of Somoza Debayle's civic depravity. The FSLN's campaign picked up steam after some successful operations in Managua and the interior in 1974 and 1975, while the business community, long the dynasty's major civil bulwark, looked with fear and anger at the rapidly growing empire of the Somozas that became engorged on the reconstruction of Managua. In the United States, concern with human rights violations in all of Latin America emerged as one of the most passionately espoused issues in the Congress. Nicaragua began to get its share of accusations as the Somoza regime responsed to increasing dissidence with brutal tortures and political persecusion. The election of Jimmy Carter in 1986 signaled that U.S. concern for human rights had an advocate in the White House itself.

By the end of 1978, the administration in Washington knew that Somoza's days were numbered unless the U.S. tried to do what it did in 1912 and 1927. But this was out of the question. The struggle against Somoza involved, on the one hand, an enraged populace that had suffered enough corruption, brutality, and injustice, a population that had witnessed enough hypocrisy from its rulers and more than enough repression of its advocates. On the other hand, it involved a

28. See «Decreto de creación del comité de Emergencia Nacional», *La Gaceta/Diario Oficial*, vol. 77, No. 30 (Feb. 10, 1983).

set of countries, in Latin America and Europe, willing to assist in the overthrow of the regime once and for all. If the United States had decided to act on behalf of Somoza, it would have done so completely alone and in defense of a regime which had very little internal support and no international support outside, perhaps, of Paraguay. Not even the military dictatorships in Guatemala and El Salvador were willing to stretch a helping hand to Somoza; they had sufficient problems of their own holding on to power.

The policy debate in the Carter administration over how to handle the collapse of the Somoza regime reflected virtually the same set of priorities and calculations that had infused the policy formulation process since the first intervention in Nicaraguan affairs in 1909: the global perspective of U.S. interests, the presumed responsibilities of the United States in the region, and the likely implications of any decision for the broader foreign policies of the government. Two conjunctural considerations framed the debate: the efficacy of the human rights policy in relations with the Soviet Union, and a determination not to repeat the supposed mistakes made by the Eiseonhower administration in negotiating the end of the Batista regime in Cuba twenty years earlier. These two considerations, together with the fact that the nations of Latin America were more united in their determination to push Somoza from power as soon as possible than they had been on any issue in inter-American politics since the Caribbean legion had urged the United States to take the lead in supporting democratic regimes in the region at the end of the 1950s and the beginning of the 1960s. All of these factors pushed the Carter administration to assume an active role in getting Somoza to leave Nicaragua. The only countervailing force was the insistent warning on the right that failure to support Somoza, a loyal friend in the struggle against communism, would play into the hands of hostile forces. None of these considerations took Nicaragua into account nor attempted to weigh policy options in the light of the legacy of U.S. relations with Nicaragua in the twentieth century. The result war a clear policy put into effect in a hesitant manner with little public notice: the United Stated would not save Somoza nor could it get credit for forcing him from power.[29]

V. Revolution and Democracy after 1979

The overthrow of the Somocista regime in 1979 did not end the debate about democracy in Nicaragua by any means. To the extent that the Sandinista Front for National Liberation took effective control of the new revolutionary state, other groups within the Nicaraguan polity felt left out and began to engage in active opposition to the revolutionary government and its policies. The United States, on the other hand, could not remain indifferent to the course of events in Nicaragua. Under President Carter, the United States government agreed to provide economic assitance (to the private sector primarily) and attempted to engage in a correct dialogue with the new revolutionary govern-

29. For discussion of Carter's policy in Nicaragua, see Anthony Lake, *Somoza Falling. The Nicaragua Dilemma: A Portrait of Washington at Work* (Boston: Houghton Mifflin, 1989); and, on the human rights issue, Lars Schoultz (Princeton: Princeton University Press, 1985).

ment. But events in neighboring El Salvador, where the strength of the insurgent Farabundo Marti National Liberation Front (FMLN) threatened another revolutionary regime in Central America, put the U.S. administration on guard. Nicaragua again became a country within a region where U.S. security concerns overwhelmed any policy considerations about development, reform, or even democracy.

The U.S. election campaign of 1980 dragged Nicaragua back into its traditional role of a geo-strategic issue for U.S. policymakers and politicians. As during the early part of the 20th century, Nicaragua again was reduced to a place on the map that could not be allowed to «fall» into the hands of an extra-continental, hostile power and whose «falling» had nothing or very little to do with internal factors it might have been caused by and could be prevented by external forces alone. The elimination of both the Shah in Iran and Somoza in Nicaragua became an important topic of Ronald Reagan's campaign for the presidency. President Carter stood accused of «losing» those two countries by not doing enough to help their erstwhile leaders and by insisting on a respect for human rights that undermined the old regimes's strength. While Iran probably could not be returned to the fold by the forceful reinstalation of a pro-U.S. regime, Nicaragua, much closer and much more vulnerable to U.S. pressure, seemed an ideal place for Washington to work its will.

As explained in the Sante Fe Memorandum that summarized the Republicans' campaign interest in the hemisphere, Central America was a region under attack. The Soviet Union and its allies had taken advantage of U.S. weakness to penetrate into our very backyard. It was time to strengthen the nation's will. To show the Soviets and the rest of the world that the United States was prepared to reassert its dominance and stop and even reverse the falling dominos, Central America, because of its proximity, would be the ideal place to begin with a quick victory.[30]

The Reagan administration lost little time in putting together a policy towards Central America that sought the military defeat of the FMLN in El Salvador and the overthrow or replacement of the FSLN government in Nicaragua. The second objective was never spelled out publicy in such terms. After all, Washington maintained diplomatic relations with Managua during all the Reagan years and insisted that it only wanted the development of a full-fledged democracy of a Western type in Nicaragua. Still, the extraordinary efforts made by the Reagan administration before Congress to secure funding for the counter- revolutionary forces operating out of Honduras make it clear that the real objective was to achieve some sort of military victory. On the other side, the Sandinista government perceived U.S. objectives in similar terms and proceeded to gear up its forces for a protracted and costly war.

Within this confrontational environment, the space for political expression and competition within Nicaragua became more restricted. The government of Nicaragua had to face both the military attacks of the contras and the severe consequences of the cut-off of U.S. and multilateral aid. The establishment of the military draft proved particularly unpopular, while the economic decline that set in after 1983 made it increasingly difficult to maintain social services

30. Roger Fontaine, et al., «Las relaciones interamericanas», *Cuadernos Semestrales*, No. 9 (1981).

and economic subsidies that constituted the basis of the revolution's redistributive and development policies. Politically, the triumphant revolutionary coalition had begun to break apart by 1982 and those who were never much convinced about the Sandinistas' intentions now saw a chance to make common cause with the United States.

The Sandinistas tried to defuse the growing crisis by seeking a political arrangement with the United States through talks with Washington officials held in Manzanillo, Mexico, during 1984. But these conversations led to nothing; on the contrary, Assistant Secretary of State for Latin American Affairs, Thomas Enders, who thought that a negotiated settlement was possible, was sacked and replaced by Elliot Abrams, a hard-liner who identified totally with President Reagan's beliefs about the inherent evilness of Sandinismo. Within Nicaragua, the Sandinistas attempted a rapprochement with the internal opposition by renewing their promise to hold elections by 1985. Such a promise had been made in 1981 and formed part of the Sandinista pledge to take Nicaragua down the road of pluralist democracy, a mixed economy, and international non-alignment.

Ever since 1981, the Sandinista party had held conversations with the other political parties of Nicaragua in order to reach agreements on the organization of the electoral process. As a result of these contacts, legislation was passed by the Nicaraguan legislature in 1983 and 1984 that set the basis for the holding of elections for president and a constituent assembly in November 1984. The supervision of the electoral process would be in the hands of a five person Supreme Electoral Council with opposition party representation, remarkably similar to arrengements made between the Liberals and the Conservatives during the Somoza years. The participating political parties were defined as contenders for power and would be alloted material resources by the state in order to carry out their campains.[31]

The response to the electoral initiative was mixed. Within Nicaragua, a number of parties decided not to participate, even though they conducted extensive negotiations with the Sandinista Front until only a few weeks before the election itself. One group of opposition parties and business associations, the Coordinadora Democrática, put forth the candidacy of Arturo Cruz, but he dropped out of the race when conversations in Rio de Janeiro with Sandinista representatives broke down. The presidential candidate of the Independent Liberal Party, Virgilio Godoy, also withdrew although many of his party's candidates continued to campaign.

In the cases of both Arturo Cruz and Virgilio Godoy, the United States exercised strong pressure to achieve their withdrawal. By doing so, Washington sought to undermine the legitimacy of the electoral process and of the entire political system. However, seven parties remained in the running, three of them to the right of the Sandinista Front and three to its left. The results gave the Sandinista Front the Presidency of the Republic and three quarters of the seats in the National Assembly in elections which were remarkable for their calm and high voter turn-out. Still, the U.S. government refused to acknowledge that

31. For a general analysis of the 1984 elections in Nicaragua, see the report published by the Latin American Studies Association entitled «The Electoral Process in Nicaragua: Domestic and International Influences» (November 19, 1984).

elections in Nicaragua had produced a legitimate government. The elections themselves were dismissed as «farcical» by Washington. After 1984, the United States increased the pressure on Nicaragua by openly seeking assistance in the Congress for the contra forces, which by now had been indentified as «freedom fighters» and likened to the Founding Fathers of the United States. It was clear that Washington's concern for democracy in Nicaragua was a function of its desire to rid itself of the Sandinistas.

The role of democracy in Reagan's Central American policy grew over time. At the outset, it seemed an afterthought or a cynical use of rhetoric to appease domestic liberal critics. By the end of the decade, it was the driving force behind the administration's policy in the hemisphere.[32] The shift must be attributed to a sereis of miscalculations by the administration of U.S. public opinion, of the expression of that opinion through the congress, and of the consistent and stubborn pressure of our European allies. The decline of the Soviet Union, the accommodation of the Sandinistas to their geopolitical reality, and the growing determination of the nations in the region to end the bloodshed also gave democracy greater weight in the policy calcuations of the U.S. government.

The Reagan administration thought it could apply force as it chose in El Salvador in its quest for a quick, uplifting victory. As soon as armed Green Berets were shown on the evening news, the public indicated its bipartisan opposition to any adventure that threatened to escalate out of control – what came to be called the Vietnam syndrome. The congressional counterpart of this phenomenon was the reduction in the executive's leverage over the policy process in the aftermath of the war in Vietnam and Watergate which strengthened the disposition and the capacity of fairly small groups of legislators to question the legitimacy of the executive's policy and its interpretation of events in the region.[33]

The varying interpretations hinged on the relative importance attributed to internal or external factors as causes of the unrest in the region. Reagan and his senior advisers were convinced the problems had external causes and would be solved once those causes were removed. Liberal opposition could be ignored.[34] What could not be ignored was the fact that most of our allies disagreed with the U.S. government's official explanation of what was happening in Central America, rejected its manichean association of the struggle in El Salvador and Nicaragua with their security, and insisted with growing conviction that a negotiated settlement was preferable.[35] In each of these factors, the concept of democracy

32. See the chapter in this volume by Thomas Carothers and his excellent new book, forthcoming.

33. The impact of these factors on U.S. policy has been discussed in my «EEUU y la crisis en Centroamérica: una perspectiva histórica», in Juan Del Aguila, *Realidades y Posibilidades de las Relaciones entre España y América en los Ochenta* (Madrid: ICI, 1984).

34. The debate over U.S. policy has produced a flood of books and articles. For a sample that defines the terms of the debate, see Howard Wiarda, *In Search of Policy: The United States and Latin America* (Washington, DC: AEI, 1984); Richard Fagen, *Forging Peace: The Challenge of Central America* (NY: Basil Blackwell, 1987); Richard E. Feinberg, *Central America: International Dimensions of the Crisis* (NY: Holmes & Meier, 1982); and Robert Wesson, ed., *Communism in Central America and the Caribbean* (Stanford: Hoover Institution Press, 1982).

35. On the European role, see Jordi Solé Tura, et. al., *Las relaciones entre España y América Central (1976-1989)* (Barcelona: AIETI-CIDOB, 1989); Eusebio Mujal-León, *Europe and Central Ame-*

as a goal, as an objective of policy was crucial. In El Salvador, it became important because it was notoriously absent from the concerns of the government we supported there. In Nicaragua, it was important because our support of the contra, with remnants of Somoza's Guardia Nacional prominent in its leadership, seemed inconsistent with the achievement of that goal. In addition, from the very beginning, the Sandinistas appeared sensitive to the power of democracy as a bargaining chip in its dealings with the United States, with the NATO nations, with own opposition, and with the nations of Latin America. All of these factors kept democracy on the table for discussion as a policy goal and kept increasing it as a priority in the policy process.

The increase in the levels of military confrontation in Nicaragua (and El Salvador) also engaged the attention of a number of Latin American countries, four of which came together to form the Contadora Group. The Contadora peace initiative finally put together a draft treaty by the middle of 1986 but the Central American countries, which had participated in the discussions over the draft, never got around to signing. The United States government, which gave formal support to the Contadora initiative, did not like the form which the final draft took, especially because it recognized the existing governments, set limits on foreing troops, arms shipments, and military maneuvers and bases in the region, and demanded an end to economic sanctions (which the United States had imposed on Nicaragua).[36]

Although Contadora was stillborn, it laid the basis for another regional peace initiative introduced by President Oscar Arias of Costa Rica in early 1987. The Arias Plan succeeded to some extent precisely because it was not as ambitious as the Contadora Plan; it centered on the political aspects of the problem (dialogue, amnesties, elections) and left out the military components, which would have affected the United States most directly. Even though Washington described the Arias Plan as «flawed», it was embraced by the other Central American presidents when they met in Guatemala in mid-1987 and took shape in succeeding meetings.

The Arias Plan bore its most immediate and important fruits in the case of Nicaragua. The agreement signed by the government of Nicaragua and the contras (by then formally known as the Nicaraguan Resistance) at Sapoa in March 1988 committed both sides to initiate negotiations for a long-lasting solution that included the freeing of political prisoners in Nicaragua, the disarmament of the contra fighters, and a general amnesty for everyone who had left the country for political reasons. At the same time, support in the U.S. Congress for assistance to the contras waned in the aftermath of the Iran-Contra scandal and President Reagan cut a deal with the Speaker of the House, Jim Wright, that included tacit support for a negotiated settlement to the Nicaraguan war. From that moment on, the prospects for the success of the Arias peace initiative in the cause of Nicaragua looked especially good.

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rica (Washington, DC: CSIS, 1989); and Wolf Grabendorff and Riordan Roett, eds., *Latin America, Western Europe and the United States* (NY: Praeger, 1985).

36. On the Latin American Perspective, see Cristina Elizabal (ed.), *América Latina y la crisis centroamericana: en busca de una solución regional*, Buenos Aires (GEL), 1988; y L.G. Solís, Francisco Rojas, *¿Súbditos o aliados? La política exterior de EEUU y Centroamérica*, San José (El Porvenir), 1988.

The government of Nicaragua also was desperate for an end to the war and the economic sanctions that had destroyed the promises of the revolution in the fields of education, health, and employment. For its part, the Soviet Union made it clear to Nicaragua in October 1988 that further assistance for Nicaragua's development was predicated on a resolution of its differences with the United States. Thus, when the five Central American presidents met in El Salvador in February, 1989, President Daniel Ortega of Nicaragua made specific commitments to assure the complete respect for democratic principles and procedures in his country as part of an overall political settlement. He offered to advance the date of presidential and legislative elections from November to February 1990, he promised to reform electoral legislation to satisfy all the political parties, and he announced that international observers from the United Nations and the Organization of American States would be invited to observe the electoral process from beginning to end. In exchange for these commitments, the Central American presidents promised to put together within ninety days a plan to demobilize the contra forces.

At this time, the U.S. policy towards Nicaragua shifted noticeably. Congress allowed further non-military assistance for the contras on condition the administration pressure contra leaders to return to Nicaragua and participate in the elctoral process. Bush argued that the efforts to democratize the Sandinistas required the armed threat of the contra. But, the events in Eastern Europe made the Soviet menace pale as an argument in congress and the spreading crisis in the Savings and Loan industry made spending money on the contra seem frivolous. To assure «a level playing field», the U.S. government assigned funds for the opposition parties and groups through the National Endowment for Democracy and encouraged private citizens to help out in this new crusade against the Sandinistas. Once a viable opponent to the FSLN was organized in the form of the Unión Nacional Opositora (UNO), Washington did little to hide its electoral preference. The fourteen parties that made up a fractious UNO stretched from the Communists on the left to a faction of the Conservatives on the right but Mrs. Violeta Chamorro, the presidential nominee of UNO, was deemed a strong candidate to face incumbent President Ortega. Mrs. Chamorro was received by President Bush at the White House and she toured a number of U.S. cities with large Nicaraguan emigre populations.

Once the campaign got underway, it became clear that the underlying issue was the United States. The Sandinistas identified Mrs. Chamorro as the candidate of the Bush administration and criticized her willingness to work with contra leaders who had returned to the country. Her promise to end the military draft and dismantle the economic policies of the Sandinista government left her open to the accusation of being a contra herself. Mrs. Chamorro, in turn, accused the Sandinistas of provoking the United States and turning their backs on the Western democracies that had helped them in their struggle against the Somoza dictatorship.

Once committed to the electoral option, it became clear that the Sandinistas would seek a working relationship with the United States to wind down the war and gain access to the credit of the multilateral lending agencies. The same events in Eastern Europe that made them appear less threating to the United States implied a decreasing commitment of the Soviet bloc countries in Nicaragua's development projects and its military defense, making them more vulne-

rable to external pressure. In the case of UNO, its strong ties with the principal business groups of Nicaragua effectively mandated a normalization of relations with the United States in order to gain access to U.S. markets for sugar, beef, and coffee. Business groups also pressured for normalization of relations with Nicaragua's Central American neighbors.

On February 25, 1990, Nicaraguans went to the polls to elect a government which would chart a new course for their country. They had heart campaign speeches, watched television debates, participated in numerous rallies and street demonstrations, and discussed among themselves what the best choices might be. During the entire campaign, the country was invaded by hundreds of observers from the UN and the OAS, as well as numerous private groups and organizations from the United States, Latin America, and Western Europe. Although some argued that Nicaragua's sovereignty was compromised by the very visible role of foreign political actors in the electoral process, such a presence also helped to assure a high level of participation and to legitimize the results both within and outside Nicaragua.

The election of February 25, 1990, proved a turning point in Nicaraguan political development. After ten years of confrontation with the United States, the people of Nicaragua were tired and poverty-stricken. They knew that to end the war and initiate some sort of economic recovery, they had to come to terms with the United States. The Sandinistas had recognized this for some time. The election results left no doubt that Mrs. Chamorro was seen as the political leader with the best credentials to begin a new relationship with Washington. The Nicaraguan people did not turn their backs on the Sandinistas strictly out of ideological convictions. Mrs. Chamorro got over 54 % of the vote to Daniel Ortega's 41 %. In the legislative branch of government, the UNO coalition ended up with 51 seats to 39 for the FSLN.[37]

The results surprised most observers. President Ortega commented after the vote that the Nicaraguans had gone to the polls «with a gun to their heads». It was not the first time they had done so. The transition to democracy will not be easy. The Sandinista Front remains the strongest single political organization within the country, with a solid voting bloc in the Assembly and considerable support among peasants and workers. UNO, on the other hand, was created with a purely electoral objetive. Now that it is in government there is no assurance that it will remain united, even after changing its name from Unión Nacional Opositora to Unión Nacional Organizada. For example, Mrs. Chamorro has no party affiliation of her own nor does she exercise any special authority over the remaining contra forces. Ironically, her government will need the support of the Sandinistas more than from her own political following during the difficult transition from war to peace as the contra forces are demobilized. She will also need the strong economic and financial support of the United States to ensure that her promises of a better future for all Nicaraguans do not remain a purely electoral ploy. The decision in May 1990 by the U.S. congress to reject President Bush's proposal for emergency aid to Nicaragua is not encouraging.

What is really at stake is a new political system for Nicaragua. For the first

37. For complete official results of the ubting, see *Barricada Internacional* (March 10, 1990).

time in the 20th century, all political forces in Nicaragua, large and small, made their case before the Nicaraguan people and sought their votes. For the first time, a democractically elected head of state turned over the office to a democratically elected candidate from the opposition. For the firs time, no one (except the more recalcitrant contra forces) has denied the legitimacy of the new government. The 1990 election in Nicaragua is the closest that country has ever come to practicing the basic principles of pluralist democracy, albeit within the worst possible social and economic conditions and under severe external pressure. If the U.S. government wants to claim credit for promoting democracy in Nicaragua, it should do so with extreme caution.

The United States intervened in Nicaragua politically and militarily at least once in each of the first four decades of this century to set up a democracy, but the end result was nearly half a century of Somocista dictatorship. In the 1980s the United States intervened again in defense of democracy, but the result is a country with a devastated economy and deep social and political divisions. It is tempting to suggest that if democracy does flourish in Nicaragua during the succeeding decades, it will come to pass not because of the United States but more likely in spite of it. The United States has been remarkably unsuccessful in its efforts to implant its special version of pluralist democracy in Nicaragua. So startling is the historical record, that it is tempting to suggest, further, that democracy in Nicaragua will have a better chance if the United States lets it develop on Nicaragua's terms rather than trying to dictate and impose its own version «for export only». But the same historical record suggests that the United States has been a critical actor in Nicaraguan politics for eighty years. There is no reason to believe that it will end that role in the near future. The question which the United States and Nicaragua must face together is how the role of the United States can be made constructive and positive in the effort to create a democratic and just society in Nicaragua. It is a question that will not be easy to answer.