

CHAPTER III

UNITED STATES' POLICY OF LOW INTENSITY CONFLICT AND CONTRA WAR: 1981-1990

On 25 February 1990 Senora Violeta Chamorro of the Union Opositora Nicaraguense (UNO) was elected as the President of Nicaragua, inflicting a stunning defeat to the much fancied Frente Sandinista de Liberación Nacional (FSLN) led by Daniel Ortega.¹ In Washington the victory of Violeta Chamorro was seen as a vindication of the policies of President Ronald Reagan.

Nicaragua voted for peace and an end to the hardships they had to undergo at the hands of the United States supported counterrevolutionary forces and the embargo imposed by the United States. In reality the Reagan Administration was more concerned with the presence of Soviet Union and Cuba in the Central American region than with human rights, democracy or improving the lives of ordinary citizens and removing the Sandinista Government of National Reconstruction, which came to power on 19 July 1979.² This Chapter re-looks at the strategy of Low-Intensity Conflict waged by the United States and the United States supported counterrevolutionary forces under the policy framework of the Reagan Doctrine, against the Marxist-Sandinista Government of National Reconstruction led by Daniel Ortega.

The Reagan Administration had come to power deploring the Marxist takeover of Nicaragua and was committed to the termination of all aid to Nicaragua. The Republic Platform also supported the efforts of the Nicaraguans to establish a free and independent government.³ President Reagan's Secretary of State Alexander Haig told the President that this war "you can win" and told a Congressional Committee that Central America was

¹ For The Details To The Run Up To The Elections And Violeta Chamorro's Campaign See Arutro Cruz Jr. And Mark Falcoff, *Who Won Nicaragua?*, Commentary, Volume 89, No 5, May 1990, Pp. 31-38. See Also *Showdown In Nicaragua*, US News And World Report, February 26 1990, Pp. 40-41, And Thomas W. Walker, *The Sandinist Victory In Nicaragua*, Current History, Volume 78, No 454, February 1980, Pp. 57-61, 84.

² See Richard.R.Fagen, *Dateline Nicaragua: The End Of The Affair*, Foreign Policy, (Carnegie Endowment for International Peace, Washington DC.) , No 36, Fall 1979, Pp. 178-191.

³ For The *Republican Party Platform: 1980* See, Congressional Quarterly: *Guide To United States Elections*, (Second Edition, Washington DC, Congressional Quarterly Inc, 1985), p. 141.

an area of vital interest to the United States and that it will not flounder as it did in Vietnam.⁴ The Reagan Administration rested its case for the intervention in Nicaragua on four core issues, which were the cause of the division between the United States and Sandinista and threatened to engulf the Central American region into a major war. The core issues were 1. Intervention and support to the leftist Farabundo Marti Liberacion Front (FMLN) of El Salvador fighting an insurgency against the right-wing government; 2. Militarisation of Nicaragua society; 3. Nicaraguan alliance with the Soviet Union and Cuba and 4. Deepening of the Marxist ideology in the country.

Post-revolutionary Nicaragua was admittedly very apprehensive of the Reagan Administration in the context of the Republican Party Platform upon which the new administration won the mandate. Initially the Sandinistas included moderate elements in its Government of National Reconstruction and the Council of State and halted all executions of the members of the National Guardia. However the United States demanded the National Guardia be preserved and brought into the government, was unequivocally rejected by the Sandinistas. The National Guardia was an empty shell, the officers were lazy from corruption and had a proven record of brutalizing women, children and unarmed men. As a foreign mercenary fighting for the Somozas described the National Guardsmen "There was nothing gutsy about those guys, They ran like rats",⁵ to describe the flight of the National Guardsmen in the wake of the Sandinista revolution. Also top leaders flew to Havana on the invitation of the President of Cuba Fidel Castro to attend the Non-Aligned Movement Conference. These moves by the Sandinistas made them a suspect in the eyes of the United States. The Nicaraguans supported self-determination in Afghanistan and joined with other Non-Aligned countries in refusing to vote in favour of the resolution condemning the Soviet invasion in Afghanistan.

⁴ *Excerpts From Testimony By Haig*, New York Times, March 28, 1984.

⁵ Quoted In Walter La Feber, *Inevitable Revolutions: The United States In Central America*, (New York, Norton, 1983), p. 237.

The election of Ronald Reagan in November 1980, and his taking over as the President of United States on 21 January 1981 signaled a new policy. During this period there was the increasing polarization of the Nicaraguan polity and society on ideological lines. The regrouping of the Somozaist National Guardia members and the moderate opposition in Miami, Honduras and Costa Rican borders set the stage for the launching of the covert warfare against Sandinista Government of National Reconstruction in Nicaragua and the battle lines were drawn with the Sandinista government of Nicaragua.

Covert War Against Nicaragua

Covert activity against the Sandinistas began in 1978 itself when the reign of Anastasio Somoza Debayle was destined to end and the Carter Administration sensed a Sandinista -led front victory. President Jimmy Carter in 1978 signed an authorization, which provided covert aid to the Central Intelligence Agency (CIA) to support the democratic moderate elements in the Nicaragua society in order to preempt a Sandinista victory, which however did not succeed.⁶ The Ronald Reagan Administration, which took office on 21 January 1981, continued its predecessor's policy of providing covert aid to the Nicaragua exiles, who had fled to Miami and other parts of the United States. To achieve this objective of overthrowing the Sandinista regime the United States enlisted the support of friendly states like Argentina, Costa Rica, El Salvador, Guatemala and Honduras. The first Secretary of State Alexander Haig wanted to send two signals abroad that the time of unrestricted adventuring in the Third World by the Soviet Union was over. Secondly United States relations with the states in the world would be governed by their government's friendship with the United States rather than its respect for Human Rights, a clear break from the policy followed by the Jimmy Carter Administration.⁷

⁶ *A Secret War For Nicaragua*, Newsweek (Newsweek Inc, New York) Volume 100, 8 November 1982, p. 44.

⁷ Alexander Haig Jr, *Caveat: Realism And Reagan's Foreign Policy*, (New York, Macmillan, 1984), p. 126.

To support the charges that the Sandinistas were supporting the insurgents in El Salvador, and also to justify the United States aid to the contras, the Secretary of State Alexander Haig on 23 February 1981 released a White Paper which showed the arms flows to the El Salvadoran rebels from Nicaragua. This White Paper was released after the Final Offensive launched by the FMLN guerrillas in January 1981.⁸ But this White Paper failed to provide any hard evidence and proved to be source of embarrassment to the Reagan Administration. In February Alexander Haig announced that he was stopping the disbursement of the remaining \$15 million aid to Nicaragua and \$10 million in wheat supplies to Nicaragua for a month to ensure that the arms flows stopped.⁹ By April 1981 the State Department announced that the arms movement had ceased yet the propaganda and other support activities to the Salvadoran guerrillas had still continued.¹⁰

Yet on 1 April 1981 the State Department announced that it was terminating all aid to Nicaragua, which included the \$15 million in undisbursed funds from the \$75 million sanctioned during the Carter Administration, in keeping with the promises made in the Republican Party Platform of 1980.¹¹ All these had major repercussions on the Nicaragua economy as they had to tighten their belts. Aid to the private sector was dropped. Incentives for foreign investors disappeared. States controls and nationalization spread and inflation and unemployment rose. The Marxists-Leninists pushed for rapid decentralization. Increasing communization of the revolution had its own political fallout as the moderates in the Junta, the Government of National Reconstruction such as Arutro Cruz, respected banker and former ambassador to the United States who had joined the

⁸ United States Department Of State, *Communist Interference In El Salvador*, 23 February 1981, Special Report No 80, (Washington DC, Department Of State, Bureau Of Public Affairs).

⁹ Walter Lafeber, *Inevitable Revolutions*, *Supra* Note, 5, p. 294.

¹⁰ *Id.*,

¹¹ *American Foreign Policy, Current Documents 1981*, (Washington DC, Department Of State, 1984), p. 1298.

Junta upon the resignation of Violeta Chamorro, and Alfonso Robelo Callejas, himself resigned his post.

On 9 March 1981 President Ronald Reagan signed a Presidential Finding authorizing the CIA to undertake covert actions in Central America to interdict arms trafficking to the Marxist guerrillas in El Salvador.¹² An amount of \$19.5 million was provided to the CIA to expand the clandestine operations and assistance to the moderate opposition in Nicaragua.¹³ In May 1981 the CIA provided \$50,000 as seed money to the Argentine military officials to support the counterrevolutionaries. Argentine support to the contra cause stemmed out of the Sandinista sympathy to the Monteneros, a terrorist group in Argentina.¹⁴ This support to the counterrevolutionaries lasted until 1982. When the war over the Falklands-Malvinas islands broke out between Great Britain and Argentina, the United States had supported Great Britain, which angered the Argentineans. This made the irate Argentineans ceased their association with the contra cause. Training camps were set up in Miami and other places to train Nicaragua paramilitary groups in Florida, California and the Southern United States.¹⁵ These activities were in "violation of the neutrality act and subject to prosecution".¹⁶

CIA Director William Casey appointed Duan Clarridge, a counterrevolutionary expert, to oversee the operations in Nicaragua.¹⁷ A Restricted Inter-Agency Group comprised of the Assistant Secretary of State for Inter-American Affairs Thomas O. Enders, General Paul Gorman of the Department of Defense, Commander of the Southern Command stationed at Panama. Lt. Oliver North representing the National Security Council, and Duan Clarridge of the CIA were appointed to supervise the operations against

¹² Robert Pastor, *Condemned To Repetition: The United States And Nicaragua: With A New Epilogue*, (Princeton, Princeton University Press, 1988), p. 237.

¹³ Washington Post, 8 May 1983.

¹⁴ Christopher Dickey: *With The Contras: A Reporter In The Wilds Of Nicaragua*, (New York, Simon And Schuster, 1986), Pp. 51-55. And Shirley Christian, *Nicaragua: Revolution In The Family*, (New York, Random House, 1985), p. 198.

¹⁵ Eddie Adams, *Exiles Rehearse For The Day They Hope Will Come*, Parade Magazine, March 15 1981, p. 4-6.

¹⁶ *Ibid.* , P. 6

¹⁷ New York Times 18 January 1984.

the Sandinistas. On 23 November 1981 President Reagan signed the National Security Directive 17 directing the CIA to build a 500-man paramilitary force collaborating with the foreign governments and foster a broad opposition front to the Sandinistas.¹⁸ On 1 December 1981 CIA Director William Casey informed the Congressional Oversight Committee that the CIA'S paramilitary role would be restricted. No Americans would be involved in the covert activities, no economic targets would be attacked and the primary targets would be the Cuban support structure in Nicaragua and to interdict arms supplies to the Salvadoran guerrillas.¹⁹

The Counterrevolutionaries.²⁰

Support for the Contras were the most in the Departments of Jinotega, Esteli, Nueva Segovia, Madriz, Esteli, Zelaya and Matagalpa. These were remote regions that were cut off from mainland Nicaragua by thick forests, mountains and grasslands. Two main fronts opened up in the northern and the southern borders of Nicaragua. From the northern front operated the Frente Democratica Nacional (FDN), whose directorate was made up of the widow of the slain businessman Jorge Salazar Lucia Salazar, Alfonso Robelo Callejas, Edgar Chamorro, Indalecio Rodriguez former Rector of the Central American University, Enrique Bermudez, a colonel in the National Guardia and Marco Zeledon and Adolfo Calero. The FDN was formed in Guatemala City on 10 August 1981 when the outfit named September 15 Legion and the Miami-based Union Democratica Nicaraguense (UDN) agreed to merge into one outfit. The FDN was in the words of former spokesperson nothing but executioners of the CIA orders. In December the CIA organized a civil directorate for the FDN and in October 1983 selected Adolfo Calero to be FDN chairman and spokesperson.²¹

¹⁸ *Us Said To Plan 2 CIA Actions In Latin America*, New York Times, March 14 1982, *A Secret War For Nicaragua*, Newsweek, *Supra* Note 6, Pp. 42-49.

¹⁹ Washington Post, 8 May 1983.

²⁰ For One Of The Best Descriptions Of The Counterrevolutionaries See, Peter Kornbluh, *Nicaragua: The Price Of Intervention*, (Washington DC, Institute For Policy Analysis, 1987), Pp. 25-46.

²¹ United States Department Of State, *Nicaragua: A Threat To Peace In Central America*, April 12 1983 Current Policy No 476

The second front operated from Costa Rica, which went by the name of Alianza Revolucionaria Democratica (ARDE). This contra group included former Sandinista Junta leader Alfonso Robelo, Miskito Indian leader Brooklyn Rivera, anti-Somoza fighter Fernando Negro Chamorro, and Eden Pastora, leader of the Sandinista revolution and later the Vice-Minister of Defense in the Government of National Reconstruction. This Contra organization had more credibility as it was composed of anti-Somoza elements.²² The FDN and ARDE in their 13 January 1983 and 2 February 1983 proposal respectively called for the elections to fulfill the promises made in the revolutionary period.

By April 1984 the CIA was funneling \$400,000 a month to the ARDE fighting from based in Costa Rica. When Eden Pastora refused the CIA demand that he merge his organization with the FDN to present a united front against the Sandinistas, he refused on the grounds that alliance with the group made up of predominantly Somozaist elements would undermine his credibility as a nationalist if his CIA ties were revealed. On 30 May 1984 after an attempt was made to assassinate Eden Pastora carried out allegedly by the Anti-Castro Cubans acting with the FDN half of the ARDE members along with Alfonso Robelo joined the FDN. Isolated and demoralized Eden Pastora announced that he retired from Contra activity and returned to his former pre revolutionary occupation as a shark fisherman.²³

The Miskito ethnic Indian communities who represented about 5% of the population formed into MISURASATA, the new indigenous mass organization of the Miskito, Sumu, Rama Indian communities and were given political legitimacy in the Council of State. But relations with the Sandinistas FSLN were confrontational from the very beginning. Its leaders Brooklyn Rivera and Steadman Fagoth that over the issues of religious freedom, bilingual education and the comunization of the Atlantic Coast region broke off from the Council of State and joined with the Nicaraguan Democratic Front

²² *Ibid.*

²³ Washington Post, May 30, 1986.

led MISURASATA. MISURASATA was renamed MISURA and was completely integrated with the Nicaraguan Democratic Front. Brooklyn Rivera broke up with the FDN and formed his own organization called MISURASATA, which he later on affiliated with the other contra organization the Revolutionary Democratic Alliance (ARDE). However these ethnic Amerindians faced a whole lot of human rights violations, and were also internally displaced due to the escalation of contra attacks and the forcible evacuation from the war zones into resettlement camps in 1982 thus alienating them from the Sandinista government and resulted in their moving towards the contras.²⁴ These issues will be examined in the later chapters.

On 12 March 1982 the State Department document not only described Cuban and Nicaraguan arms and training support to the Salvadoran guerrillas and also accused Nicaragua of providing support to the insurgent forces in Guatemala, Honduras and Costa Rica.²⁵ On 23 March 1983 United States Representative to the United Nations revealed before the Security Council that in 1981 itself Nicaragua had delivered 200 tons of arms shipments to the Salvadoran rebels and were directing guerrilla actions from command and control structures located near the borders. The Papalonia Airfield was used to airlift arms supplies to the Salvadoran guerrillas for the January 1981 Final Offensive.²⁶ It was of course maintained that Nicaragua did force some leaders of the Farabundo Marti Liberacion Nacional guerrilla organization out of the country but the sophisticated command and control structure and other infrastructure had remained intact.

The covert war went through three important stages, 1. Creation of a surrogate army in the form of the counterrevolutionary forces; 2. CIA direct attacks on Nicaraguan targets and 3. The National Security-sponsored

²⁴ Phillippe Bourgois, *Nicaragua's Ethnic Minorities In The Revolution*, Monthly Review (Monthly Review, New York), Volume 36, No 8, January 1985, Pp. 22-44.

²⁵ United States Department Of State, *Cuban Support For Terrorism And Insurgency In The Western Hemisphere*, March 12, 1982, Current Policy No 376

²⁶ *Somocismo And Sandinismo Turn Out To Be Unlike Each Other*. Address By The United States Permanent Representative To The United Nations, Jeane Kirkpatrick, 23 March 1983, In *American Foreign Policy, Current Documents, 1983*, (Washington DC, Department Of State, 1984), p. 1291.

campaign to maintain the funding to the contras when Congress via the Boland Amendment in December 1982 imposed a ban on further funding of the contras. The United State diplomat summarized the whole purpose of the contra war. He said "If they (contras) took Managua wonderful, If not, the idea was that the Sandinistas would react one of the two ways. Either they 'd liberalize and stop exporting their revolution, which is fine and dandy, or they'd tighten up alienate their own people, their international support and their backers in the United States in the long run making themselves more vulnerable. In a way, that one was even better- or so the idea went".²⁷ In a scenario presented to the Congressional Intelligence Committees, by the Assistant Secretary of State Thomas Enders and CIA Director William Casey, the contras would launch a "pincer-style assault picking up more and more popular support which will produce desertions in the Nicaraguan military all setting the stage for a drive on Managua that forces the government out of power".²⁸

On the field United States military personal trained FDN task force commanders at the Lepatrique base outside of Tegucigalpa in Honduras. United States army engineers constructed a logistical command post in El Aguacate and Jamastran to manage war effort. The United States trained FDN contras launched attacks on targets in Nicaragua. In December 1982, March, August and October 1983 the National Democratic Front mounted an offensive on Northern Nicaraguan villages but were driven back by the Sandinista Popular Army units.²⁹ In December 1983 the National Security Council proposed escalation of operations on ports, power plants, bridges, and other installations, which were given presidential approval.³⁰ These terrorist attacks will be discussed in the chapter on international humanitarian law violations in Nicaragua as also attacks on civilians. As CIA Director

²⁷ Quoted In Alan Nairn, *Endgame: A Special Report On The US Military Strategy In Central America*, NACLA Report On The Americas (North American Congress on Latin America, New York), Volume 18, May - June 1984, p.29.

²⁸ New York Times, May 23 1983.

²⁹ *Ibid.* p. 28.

³⁰ Washing Post April 11, 1984.

William Casey remarked on 13 March 1982 "It is much easier and much less expensive to support an insurgency than it is for us and our friends to resist one. It takes relatively few people and little support to disrupt the internal peace and economic stability of a small nation".³¹ In June 1984 the city of Ocotal was the target of the contras. To disseminate training to the contras the CIA released two important manuals, The Freedom Fighter Manual left behind after the attack on Ocotal provided information on tactics of terrorism,³² The ninety-page booklet Psychological Operations in Guerrilla Warfare, prescribed many extreme forms of terrorism to be distributed to the FDN troops.³³

By 1983 it became clear that the contras were not making any decisive victories on the field and that they needed additional support on the battlefield. The CIA stepped in to take over some of the operations on the field. As the report submitted to the Congressional Oversight Committees in the Fall of 1983 by the CIA this report concluded that "there are no circumstances under which a force of US-backed rebels can achieve military or political victory over the leftist Sandinista government". Between September 1983 and April 1984 the CIA conducted 22 attacks on vital installations in Nicaragua and ordered the FDN and ARDE to take credit for these operations. The CIA supplemented its own agents with the specially trained force of Unilaterally Controlled Latino Assets (UCLAs) recruited from El Salvador, Chile, Honduras, Argentina, Ecuador and Bolivia.³⁴ These assets received training from the United States Special Forces stationed in Panama. Nevertheless after the mining of Nicaraguan harbours and the discovery of CIA role in the operations the United States Congress banned on 8 December 1982 by the Boland Amendment.³⁵ The prohibition on contra aid

³¹ Washington Post, May 8, 1983.

³² Quoted In Peter Kornbluh, *The Covert War*, *Supra* Note 20, p.27

³³ *The CIA's Nicaraguan Manual: Psychological Operations In Guerrilla Warfare*, (New York, Vintage Books, 1985).

³⁴ Gillian Brown, *The Pentagon Republic*, 1985, Insite Production Documentary, in Peter Kornbluh, *Nicaragua: The Price of Intervention*, *Supra* Note 20, and p. 47.

³⁵ *American Foreign Policy, Current Documents*. 1982, (Washington, DC, Department Of State, 1985), p. 1495.

was further extended through the Boland-Zablocki Amendment on 10 October 1984, to halt all further aid to the contras fighting the Sandinista government in Nicaragua.³⁶ Till then the Congress was willing to look the other way but after this incident the Democratic-controlled Congress was not willing to let the Reagan Administration get away with blatant violation of international laws and norms

Surrogate Supply Network³⁷ And The Iran-Contra Affair

Once the ban on aid to the Nicaraguan Contras was in place the wheels of the surrogate supply network was put in place and the second track was adopted. This plan called for the enlisting of the third countries like Israel, Saudi Arabia, Brunei and Guatemala to support the contras with financial support.³⁸ President Ronald Reagan approved of the National Security plan to create a surrogate supply network to provide training and funds, and armaments to the contras if the Congress refused to back the contra war. This Plan called for Lt Col. Oliver North, aide of the National Security Adviser Robert Macfarlane to work through the intermediaries to keep the contras afloat financially, materially and militarily.³⁹ Circumventing the Congressional ban on contra aid the team comprising of Oliver North, Assistant Secretary of State for Inter- American Affairs Elliott Abrams, and Alan Fliers the director of the CIA's Central American Task Force oversaw the operations code named Project Democracy.⁴⁰ A key National Security contact General John .K. Singlaub met with Oliver North once a month to discuss the FDN needs for funds and to coordinate the domestic fund raising efforts in the United States.⁴¹ Retired Major General Richard V. Secord supervised the aquisition of

³⁶ William Leogrande, *The Contras And Congress*. W. Walker Ed., *Reagan Versus The Sandinistas: The Undeclared War On Nicaragua*, (Boulder, Colo., Westview Press, 1987), p.206.

³⁷ For The Surrogate Supply Network See, Peter Kornbluh, and *Nicaragua: The Price Of Intervention*, *Supra* Note 20, and Pp.61-92.

³⁸ The Senate Select Committee On Intelligence, *Report On Preliminary Inquiry*, January 29, 1987, p.29

³⁹ Associated Press, June 10, 1986 And Robert Perry And Brian Barger, *Reagan's Shadow CIA*, *The New Republic*, (The New Republic, Washington DC), November 24, 1986.

⁴⁰ Associated Press, January 14, 1987.

⁴¹ Associated Press, June 10, 1986.

arms and the contra re supply missions and purchased hundreds of tons of grenades, explosives, rifles and bullets in Portugal. CIA owned air charter company Southern Air Transport Company was the main conduit to airship the consignments to Central America.⁴²

A whole array of front organizations were involved in the deception and a part of the surrogate supply network.⁴³ Established right-wing organizations like the Christian Broadcasting Corporation, the Unification Church, the Veterans of Foreign Wars, Citizens For a Better America, Refugee Relief International, the Nicaraguan Freedom Fund and the World Anti-Communist League headed by John Singlaub the funds towards the contra war were organized. Along with these organizations the paramilitary groups like the Soldier of Fortune and the Civilian Military Assistance contributed to the contra cause. By the year 1985 more than \$50million had flowed to the contras,⁴⁴ and by 1986 \$10 million-\$30 million more had been added to the amounts that flowed to the contras with the diversion of the profits made from the clandestine arms sales to Iran, with the discovery of the diversion of these amounts in November 1986. 1986 was the year of critical importance to the Reagan Administration as the year of the Iran-Contra scandal, which almost brought down the Reagan Presidency. In 1984 members of the Islamic Holy War, a terrorist group having its links with Ayatollah Khomeini's Iran Kidnapped six Americans and held them hostages in Beirut, Lebanon.

On 5 October 1986 the Nicaraguan government shot down a C-123 cargo plane. One of the crewmembers Eugene Hasenfus who was captured by the Nicaraguan armed forces told the press that the United States officials in Honduras and El Salvador were involved in clandestine supplies to the contras. This charge was vehemently denied by Assistant Secretary of State,

⁴² Wall Street Journal, January 2, 1987, And Washington Post, January 17, 1987.

⁴³ New York Times, December 6, 1986, And Washington Post, December 7, 1986.

⁴⁴ Peter Kornbluh, *The Covert War*, In Thomas Walker, Ed., *Reagan Versus The Sandinistas*, *Supra* Note 36, p 32.

Elliott Abrams.⁴⁵ This incident blew the lid off the clandestine, surrogate arms supply operations, that was being conducted by the officials in the United States government, overriding the Congressional prohibition on contra aid. On 3 November 1986 the Lebanese weekly magazine *Al Shiraa* revealed that in May 1986 the former National Security Adviser Robert Macfarlane had visited Teheran in an attempt to bring about a new relationship between the United States and Iran, a country the State Department had termed a terrorist state with which it would have no relationship. Also on the agenda was the United States delegation offered to sell arms to the Iranians for securing the release of the American Hostages held in Beirut.⁴⁶ On 4 November 1986 the Speaker of the Iranian Parliament Hojatolislam Hashemi Rafsanjani confirmed that an American delegation had made a secret mission to Teheran in May.⁴⁷

However on 7 November 1986 Secretary of State George Shultz in a statement stated that he opposed any negotiating with the terrorists for the release of the hostages.⁴⁸ On 12 November 1986 President Reagan in his meeting with the Congressional leaders acknowledged for the first time that the Administration had sent military supplies to Iran,⁴⁹ and on 13 November 1986 in a nationally televised address he stressed that he authorized a small supply of arms to Iran but not as a trade-off for the hostages. This arms deal was done to establish a better relationship with Iran, which occupied a strategic influence in the Islamic world.⁵⁰

⁴⁵ David Shipler, *US Again Denies A Nicaraguan Role*, New York Times, 16 October 1986, p. 4., Stephen Engleberg, *Supply Upsurge To Contras Reported*, New York Times, 12 October, 1986, p. 6.

⁴⁶ Sara Robertson Ed., *Chronology Of The Iran-Contra Affair*, In *Foreign Affairs Chronology*, (New York, Foreign Affairs, 1990), p. 248, See Also Bob Woodward, *Veil: The Secret Wars Of The CIA*, (New York, Simon And Schuster, 1987), Pp. 484-485,

⁴⁷ *Id.*,

⁴⁸ *Id.*,

⁴⁹ John Felton, *Reagan Tries To Put Out Fire On The Iran Dealings*, Congressional Quarterly Weekly Report (Congressional Quarterly Inc., Washington DC), Volume 44, No 46, 15 November 1986, and Pp. 2883-2884.

⁵⁰ *Public Papers Of The Presidents Of The United States: Ronald Reagan 1986, Book II, 28 June-31 December 1986*, (Washington DC, United States Government Printing Office, 1989), PP. 1546-1548, Also In New York Times, 14 November 1986, p. 1.

Commenting on the arms-for-hostages trade of Senator Barry Goldwater (Republican-Arizona) called this "sending arms was a dreadful mistake".⁵¹ While Senator Robert Bryd termed this deal as a "major foreign relations blunder".⁵² President Reagan on 17 November 1986 stated that he had no plans to continue the United States arms shipment to Iran, as he welcomed the released hostages Terry Waite and Benjamin Weir.⁵³ On 19 November 1986 President Reagan in a news conference that he had nothing to do with the shipment of arms to the Iranians.⁵⁴ On 21 November 1986 the Congress was briefed formally for the first time on the Iranian mission in a closed-door hearings of the House and Senate Select Committees on Intelligence. Representative Jim Wright (Democrat-Texas) informed the reporters that \$12 million was paid by Iran for anti-tank missiles and that the money had been deposited in Swiss banks.

President Reagan in a Televised press conference on 25 November 1986 stated that he was not fully informed of the activities made in the connection with the arms shipments to Iran.⁵⁵ On the same Attorney General Edwin Meese III revealed that the \$10-30 million in payments made by Iran in 1986 for the arms were diverted by Lt. Col. Oliver North to the contras fighting the Sandinista government in Nicaragua, and also that the only person who knew of the whole messy affair was Oliver North, an aide in the National Security Council, in charge of establishing the surrogate supply network ever since the October 1984 ban on Contra aid vide the Boland Amendment.⁵⁶ On the same day President Reagan announced the resignation of National Security Adviser John Poindexter and Lt Col Oliver North.⁵⁷

⁵¹ *Chronology Have The Iran Contra Affair*, *Supra* Note 46, p. 196.

⁵² Congressional Quarterly Weekly Report, 15 November 1986, *Supra* Note 49, p. 2884.

⁵³ *Public Papers Of The Presidents: Ronald Reagan 1986*, Pp. 1657-1675, Also Quoted In Larry Speakes and Robert Pack, *Speaking Out: Inside The Reagan White House*, (New York, Charles Scribner's Sons, 1988), P. 280.

⁵⁴ *Id.*, See Also Congressional Quarterly Weekly Report, Volume 44, No 47, 22 November 1986, Pp. 2947-2951.

⁵⁵ *Ibid.* Pp. 1587-1588.

⁵⁶ *American Foreign Policy. Current Documents, 1986*, (Washington DC, Department Of State, 1987), Pp. 776-786.

⁵⁷ *White House Press Release*, November 25, 1986 In Weekly Compilation Of Presidential Documents, Volume 22, No 48, December 1, 1986, Pp. 1604-1605.

On 26 November 1986 President Reagan announced the appointment of the a three member commission headed by former Senator John Tower, along with former National Security Adviser Brent Scowcroft and former Secretary of State Edmund Muskie as its members.⁵⁸ On 1 December 1986 President Reagan issued the Executive Order creating the President 's Special Review Board called the Tower Commission.⁵⁹ This Commission released its report on 26 February 1987.⁶⁰ The Tower Commission reported that Oliver North, a junior staff member of the national Security Council had organized and directed a vast covert operation outside the government which included retired military officials, arms smugglers, former intelligence officials. This operation was to assist the contras during the period of Congressional ban on contra aid.⁶¹ On 6 January 1987 the Senate and on 7 January 1987 the House set up individual Select Committees. The two committees agreed to conduct a joint investigation. More than 300, 000 documents were reviewed and over 500 witnesses were interviewed. On 18 November 1987 the Congressional Committees issued a joint report.⁶² On 27 January 1987 President Reagan admitted in his State of the Union Address that his administration officials made serious mistakes.⁶³

What unraveled during the course of the investigations could be stated to be bizarre to say the least. A whole host of principal players in this drama ranging from the President himself to John Poindexter to Oliver North,

⁵⁸ *American Foreign Policy. Current Documents. 1986*, (Washington. DC, Department Of State, 1987), p. 777.

⁵⁹ Weekly Compilation Of Presidential Documents, Volume 22, No 49, December 8, 1986, Pp. 1611-1612.

⁶⁰ John Tower, Edmund Muskie, And Brent Scowcroft, *Report Of The President 's Special Review Board*, February 26, 1987, (Washington DC, United States Government Printing Office, 1987).

⁶¹ Ibid. Pp. 51-66.

⁶² *Text Of The Report, See, Report Of The Congressional Committees Investigating The Iran-Contra Affair, With Supplemental Minority And Additional Views, US Senate Select Committee On Secret Military Assistance To Iran And The Nicaraguan Opposition And The US House Of Representatives, Select Committee To Investigate Covert Arms Transactions With Iran*, One Hundredth Congress, First Session, Senate Report No-100-216/ House Report No 100-433, (Washington, 1987).

⁶³ Weekly Compilation Of Presidential Documents, Volume 23, No 4, February 2, 1987, Pp. 59-65, See Also Congressional Quarterly Weekly Report, Volume 45, No 5, 31 January 1987, Pp. 198-199, 202-203.

Richard. V. Secord. to the Vice-president George Bush, Director of the CIA William Casey, to Secretary of State George Shultz testified before the Tower Commission and the Joint Congressional Select Committees. Shredding of important documents which could have proven the guilt of the concerned people, use of third countries like Brunei, Saudi Arabia, Israel, Taiwan, South Korea, use of middlemen dealers of arms like Adnan Khashoggi, and Manucher Gorbaniyar, secret Swiss bank accounts maintained by the Nicaraguan Resistance kept unraveling and the role of President Reagan in this whole affair was the cynosure of all attention.⁶⁴

Ultimately the Tower Commission and the Congressional Select Commission concluded that John Poindexter and Oliver North conducted the entire Iran- Contra Affair without the involvement of the President. President Reagan testified before the Tower Commission on 20 February 1987 and categorically stated that he could not recall any such authorization of the arms sales to Iran and its subsequent diversion to the Nicaraguan contras.⁶⁵ President Reagan in his Address to the Nation on 4 March 1987 admitted that what began as a strategic opening to Iran deteriorated into trading arms for hostages.⁶⁶ It was revealed that senior US officials had requested \$32 million from the Saudi royal family, \$10 million from the Sultan of Brunei, and \$2 million from Taiwan. When President Reagan was asked as to why the feudal kingdoms of Saudi Arabia, and Brunei and the Taiwanese dictatorship were approached he replied that they shared United States concerns and feelings of democracy.⁶⁷

What was revealed was a circumventing of legal requirement of notifying of the Congressional Intelligence Committees, and the bypassing of the CIA in undertaking these covert operations and the actions were

⁶⁴ For The Role Of President Reagan In The Iran-Contra Affair, See, Wilbur Udel, *The Reagan Presidency: An Actor's Finest Performance*, (New York, Hippocrene Books, 1992), Pp. 237-260.

⁶⁵ Frank. J. Smist, *Congress Oversees The United States Intelligence Community 1947-1989*, (Knoxville, The University Of Tennessee Press, 1990), p. 263.

⁶⁶ Weekly Compilation Of Presidential Documents, March 9, 1987, Pp.219-222.

⁶⁷ On Taiwan's Help See, New York Times, 16 May 1987, p. 6, Gerald M. Boyd, *Reagan Denies Asking Saudis For Contra Aid*, New York Times, 13 May 1987, p. 10.

undertaken outside the specific authorization of presidential findings and the use of third parties like foreign governments and private parties. In a brief summary it was a complete breakdown of the Rule of Law by the Reagan Administration. As Senator Inouye observed when he compared the Iran-Contra Affair to the Watergate Scandal that brought the Nixon Presidency he said, "Watergate was about a botched burglary, a campaign of dirty tricks and an attempted cover-up of those misdeeds. It was a political scandal of major proportions to be sure, but solely that: a domestic political scandal; In contrast the Iran-Contra Affair is a international event that has consequences that go beyond our shores. It involves the constitutional relationship between the executive and the legislative branches in the shaping of foreign policy, the credibility of that policy, our relations with other countries, the actions of our intelligence service and some of America 's most closely held national security secrets".⁶⁸ The Iran Contra Affair revealed a shadow government operating without public knowledge or with Congressional approval, laws not faithfully executed, a chief executive who had little knowledge of and less control over the actions of his subordinates.

After six years of fighting and more than \$130m in aid to the contras yet they were not able to achieve any remarkable success on the battlefield apart from small ambushes. Reports of contra mismanagement of the aid and corruption in the ranks of the contras and the tales of drug trafficking appeared in the press. On the political front the internal squabbling among the three contra leaders Alfonso Robelo, Arutro Cruz and Adolfo Calero of the Union Opositora Nicaraguense (UNO) produced cracks in the civilian leadership which ultimately brought about the breakup of the FDN. A house Select Committee on Intelligence evaluation stated "The Nicaraguan resistance remains without a political infrastructure inside Nicaragua or a clear political message to give to the Nicaraguan people. It has never developed urban support. In fact years of United States assistance have not produced an insurgency capable of sustaining itself among the population in

⁶⁸ *Congress Oversees The Intelligence Community*, *Supra* Note 65, p. 262

Nicaragua".⁶⁹ Nevertheless the United States continued to press for assistance to the contra cause and the CIA planned to revive its Unilaterally Controlled Latino Assets (UCLAS) and began anew its direct involvement in the war effort.

Military Encirclement Of Nicaragua.⁷⁰

Pressures on the Sandinista government was initiated by sending military aid to friendly countries like El Salvador, Honduras and Costa Rica the external fronts of the low-intensity conflict in Nicaragua. Military advisers were sent to these countries and joint military exercises were conducted with the Honduran military and naval forces and these countries were heavily funded militarily by the United States. Honduras and Costa Rica were the main fronts, the external rearguard for the counterrevolution and conducting paramilitary operations. Honduras, Uncle Sam's typical Banana Republic was converted into a garrison state and Costa Rica, which did not have a standing army, was equipped with military aid to maintain a small force. United States operated from its bases in Guantanamo Bay in Cuba, Panama Canal Zone and Roosevelt Roads in Puerto Rico. With nearly 15,000 troops stationed in the Central American and the Caribbean region: United States proceeded to strengthen the military capabilities of the Honduran army.⁷¹ In May 1982 the Honduran government received \$21m in military aid to upgrade its Palmerola and Goloson airbases for the United States to use as transit, search, to rescue and to conduct reconnaissance operations over Nicaragua.⁷²

To put pressure on Nicaragua friendly states in the region, which were antagonistic to the Sandinista regime, were given military aid to shore up their defenses against alleged Sandinista invasion. El Salvador on 24 March 1981

⁶⁹ *United States House Permanent Select Committee On Intelligence: Adverse Report*, 12 March 1986, Pp. 5-6, Also Quoted In Peter Kornbluh, *Nicaragua: The Price Of Intervention*, Supra Note 20, P. 205.

⁷⁰ See Eva Gold, *Military Encirclement*, In Thomas Walker, Ed., *Reagan Versus The Sandinistas: The Undeclared War On Nicaragua*, Supra Note 36, Pp. 39-56.

⁷¹ *Defense 81. Special Almanac Issue*, (Arlington, Virginia, American Forces Information Services, September 1981) Pp. 22- 23.

⁷² *United States Activities In Honduras*, (Mimeograph), American Embassy, Tegucigalpa, 27 March 1985.

received \$63m economic assistance for the Fiscal Year 1981.⁷³ During the year 1985 Honduras was provided \$147.5million in economic support funds.⁷⁴ To El Salvador the United States earmarked \$79, 600,000 for the Fiscal Year 1987.⁷⁵ United States aid to Honduras concentrated on training and basic equipment. Military aid for the Fiscal Year 1983 was \$41million, in Fiscal Year 1985 was \$ 62.5 million which concentrated on training, helicopters, fixed-wing transport and communications aircraft, naval equipment and patrol boats, vehicles, medical equipment, radar communications equipment, ammunition spare parts.⁷⁶ A Regional Military Training Center (RMTC) was established in Honduras in June 1983 to impart training to the military from friendly countries in the Central American region.⁷⁷

United States apart from providing economic and military aid to Honduras and El Salvador conducted a series of joint military exercises with Honduras. The first of these ventures was termed Halycon Vista, which was held in the month of October 1981, to detect and intercept hostile coastal incursions into the Honduran waters.⁷⁸ In July 1982 the Combined Movement was conducted which lasted up to four weeks. The larger exercises were termed Ahuas Tara, or the Big Pine I, which took place in February 1983. 4,000 Honduran and 1600 American troops participated and repelled an imaginary Red Army belonging to a country called Corinto (Corinto being a port city of Nicaragua). Ten US C-130 cargo planes and 13 helicopters and 2 United States naval landing aircraft participated in this exercises. A second big series of exercises Ahuas Tara II involved 12,000 American soldiers including 70 United States Special Operations Forces, 2,100 marines and 2

⁷³ *Additional Assistance To El Salvador, Statement Issued By The Department Of State*, 24 March, 1982 Department Of State Bulletin, Volume 81, May 1981, p. 72.

⁷⁴ *Joint Declaration Issued By The Governments Of United States And Honduras*, May 21, 1985, in *American Foreign Policy. Current Documents, 1985* (Washington. DC, Department Of State, 1986). Pp.1006-1007.

⁷⁵ *International Security And Development Cooperation Act Have*, August 8, 1985, *American Foreign Policy Current Documents: 1985*, (Washington DC, Department Of State, 1986), p. 1025.

⁷⁶ *U. S. Central American Policy At The Crossroads*, May 2, 1984, Department Of State Current Policy No 572, p. 5.

⁷⁷ *Ibid.*

⁷⁸ The SOUTHCOM News (Panama City) 23 October 1981.

Pacific battleships. The cost of the operation was put at \$76.9m and ended on 8 February 1984. Other joint exercises were Ocean Ventura (April 1984), Big Pine III (January-April 1985) Universal Trek 88 (April-March 1985) and Solid Shield (May 1987).⁷⁹ These military exercises were meant to demonstrate the United States military presence and power to the Nicaraguans in the Central American region. It was singularly meant to send a direct message to the Sandinistas that it would not hesitate to intervene if the Sandinista government did not conform to the principles of democracy, political pluralism and adherence to human rights.

These military maneuvers and the deployment of United States forces heightened tensions between Nicaragua and Honduras and created a fear psychosis in the minds of the Nicaraguans that an invasion of its territory by the joint United States and Honduran forces was imminent. This resulted in galvanizing the entire nation to make preparations for a United States invasion and the country's population was seen to be making preparations in form of digging trenches, air raid shelters and underground bunkers and also storing the necessary foodstuffs to counter any possible invasion.⁸⁰ Demonstration of United States might was had when the United States forces invaded a tiny nation Grenada in October 1983 on the pretext of protecting the American citizens in that country, when a civil war broke out in Grenada. Symbolically this invasion meant that the United States would use force in the Western Hemisphere if necessary. President Reagan himself had stated that the United States would invade Nicaragua "If they dropped a bomb on the White House, I might get mad,"⁸¹ and order an invasion, an option which was kept open, a stick to beat the Nicaraguans and make them toe the US line.

⁷⁹ These Military Exercises Are In Peter Kornbluh, *Nicaragua: The Price Of Intervention: Reagan's Wars Against The Sandinistas*, *Supra* Note 20, p. 139-153.

⁸⁰ Alan White, *The Morass: United States Intervention In Central America*, (New York, Harper And Row, 1984), p. 65.

⁸¹ *Transcript Of President Reagan's Press Conference, 23 February 1982, American Foreign Policy. Current Documents, 1982* (Washington. DC, Department Of State, 1985), p. 1378.

Economic Aggression On Nicaragua

Reagan Administration adopted punitive measures to impede Nicaragua's capacity to generate the hard currency necessary to import the basic commodities and to provide the social services, which was the base of its revolutionary order. In short to prevent Nicaragua from firmly putting itself back on the rails of reconstruction and rehabilitation and economic development after the revolutionary war against the regime of Anastasio Somoza Debayle, who had left the country reeling under a massive foreign debt of \$1.5 billion. As we had seen in the earlier chapter the Carter Administration provided an Emergency Aid to the beleaguered country for the express purpose of relief and rehabilitation to the strife-torn nation with a whole lot of conditions attached to the emergency aid. A bristling Nicaraguan Government of National Reconstruction proceeded to expand trade relations with the Soviet Union and signed a series of trade agreements with the Soviet Union amounting to the value of \$100 million to develop the sectors of Agriculture, power generating, transporting and communications. In September 1980 the Junta agreed to reschedule the \$600 million of foreign debt piled up by the Somoza regime for payment over a period of 12 years. The Sandinistas were aware of the reality that if they had to stay afloat they had to tie themselves to the multilateral lending agencies.

But with the taking over of the reins of Administration by the Republican Ronald Reagan the issue of the Sandinista support to the Salvadoran guerrillas arose. The Reagan Administration announced in January 1981 that he was stopping the \$15 million in undisbursed funds headed for Nicaragua and \$10 million in wheat supplies, with a rider that the Sandinistas halt all arms and other support to the Salvadoran Guerrillas. Despite all evidence pointing to the contrary the Reagan Administration formally cut off all aid to Nicaragua on 1 April 1981.⁸² This was in keeping with

⁸² *Assistance To Nicaragua, Statement Issued By The Department Of State*, 1 April 1981, *American Foreign Policy Current Documents, 1981*, (Washington DC, Department Of State, 1984), p. 1298.

the promise made in the Republican Party Platform of 1980, which sought to terminate all aid to the Marxist Sandinista regime.

Economic pressures and aggression as an instrument of policy and low-intensity conflict was mounted on the hapless country to destabilize the economy and make it scream. This was done so that the revolution loses its legitimacy and the support base of the Sandinistas would erode and the people would shift their allegiance to the counterrevolutionary effort. In early 1981 the Department of Agriculture rescheduled the shipping of Nicaraguan sugar to the United States, which resulted in a six-month delay.⁸³ On 10 May 1983 a 90% cut in sugar quota in exports to the United States from Nicaragua was reduced, an amount 58,000 tons to 6000 tons cut was announced.⁸⁴ The Reagan Administration inflicted a final blow when it announced a formal embargo on 1 May 1985, which effectively cut formal trade and commercial relations and the closing of the most important and major market for Nicaragua products.⁸⁵

At the multilateral level in 1982 the United States pressurized the World Bank, which had in its country report praised the Sandinistas for their economic progress and its credit worthiness. It had termed Nicaragua as a sound investment proposition, made the World Bank alter its favourable report and give a negative report.⁸⁶ United States opposed an International Development Bank loan to Nicaragua on the grounds that the Sandinistas were pursuing inappropriate macro economic policies.⁸⁷ Nicaragua's sugar exports to the United States earned \$15.6 in foreign exchange. Other exports to the United States in 1982 included beef worth \$32 million, shellfish \$14.5

⁸³ Richard Sholk, *U.S. Economic Aggression Against Nicaragua*, XI International Congress Of The Latin American Studies Association (LASA) (University of Pittsburgh, Pittsburgh, PA.) 29 September 1983, P. 4, Walter La Feber, *Inevitable Revolutions*, *Supra* Note 5, p. 294.

⁸⁴ *White House Press Release*, 10 May 1983, *American Foreign Policy Current Documents*, 1983, (Washington. DC, Department Of State, 1985), p. 1323.

⁸⁵ *Economic Sanctions Against Nicaragua: Executive Order No. 12513*, Issued By President Reagan, 1 May 1981, Department Of State Bulletin, Volume 85, No 2100, July 1985, Pp. 74-75.

⁸⁶ *Nicaragua Supported For \$30 Million Loan*, New York Times, 3 February 1983,

⁸⁷ *U. S. Using IDB Muscle Against Sandinistas*, Washington Report On The Hemisphere, 6 September 1983, p.1.

million and bananas worth \$9.5 million, which was not banned by the United States.⁸⁸ Nicaragua trade with the United States during 1980-1983 dropped from 32.5 percent to 18.5 percent and the value of exports to the United States dropped from \$214 million in 1980 to \$58.1 million in the year 1984.⁸⁹ Politicization of multilateral lending agencies and their processes led to severe criticism from the United States allies such as Great Britain and France.⁹⁰

Damages to the country's infrastructure due to the low-intensity conflict and the contra war was enormous and cost the country \$100 million a year and during the years 1979-1984 the total material costs of the damaged inflicted by the Contras was estimated at \$1 billion.⁹¹ Severe import restrictions fell in production and its activities, chronic shortages in basic medicines and medical supplies, and essential goods and services were the order of the day in Nicaragua. Shortages in economic and financial resources and the hard currency needed to undertake economic development made inflation rates soar. Austerity measures were introduced; bread lines began to appear as a result of rationing of essential commodities. External debt, which stood at \$1.5 billion in 1979, reached \$3.8 billion by 1983.⁹² Meat exports fell from \$57 million pounds (1976-1977 average) to \$32 million pounds.⁹³ As the Minister of Interior Tomas Borge put it "To make war is relatively simple. But to carry on after victory to make war against poverty and backwardness and egotism and bureaucracy is something else".⁹⁴

⁸⁸ New York Times 1 May 1983 p.6

⁸⁹ Sylvia Maxfield And Richard Sholk, *External Constraints*, In Thomas Walker Ed., *Nicaragua In Revolution* (New York, Praeger, 1982).

⁹⁰ David Seigal And Tom Spaulding With Peter Kornbluh, *Outcast Among Allies: The International Costs Of Reagan's Wars Against Nicaragua*. Institute For Policy Studies. Issue Paper (Washington, DC, Institute For Policy Studies, November 1985)

⁹¹ Josef Goldblat And Victor Millan, *Conflict And Conflict Resolution In Central America*, Bulletin For Peace Proposals (Military Policy Research, Oxford, England), Volume 15, No 4, 1984, and Pp. 1-12.

⁹² United Nations Economic Commission For Latin America And The Caribbean, "Preliminary Report Of The Latin American Economy", 1986, Santiago, Chile, December 1983, p.64.

⁹³ Inter-American Development Bank, *Economic Report: Nicaragua*, Des-13, July 1983, p.19

⁹⁴ Interview with Tomas Borge, Playboy, September 1983, p.21.

President Reagan in a bid to deflect the criticism over his policy in the Central American region and the Caribbean announced his major economic policy in this vital region on 24 February 1982. Termed the Caribbean Basin Initiative it sought to accelerate the trade and economic development in the region. This Initiative also emphasized the vital importance of the Central American and the Caribbean region.⁹⁵ As President Reagan put it "The Country of El Salvador, for example is nearer to Texas than Texas is to Massachusetts. The Caribbean region is a vital strategic and commercial artery for the United States "as most of the trade, imported oil and strategic materials pass through the Panama Canal or the Gulf of Mexico."⁹⁶ President Reagan on 18 July 1983 appointed former Secretary of State Henry Kissinger to head the Bipartisan Commission to review the United States policy on Central America. On 11 January 1984 the Bipartisan Commission submitted its report denouncing the Soviet-Cuban involvement in the Central American region and recommended increased military aid to El Salvador and called for an \$8 billion in aid for the region spread over a five- year period.⁹⁷

Increasing Military Buildup Of Nicaragua

As the economy slipped further Nicaragua had to increase the size of its armed forces as the contra war escalated in its intensity. Escalating contra attacks, heightened tensions in the Central American region due to the military buildup in Honduras and Costa Rica, the United States military exercises with Honduras and its massive troop deployment in the Central American region. These developments entitled massive diversion of chronically short funds from social, economic, medical and health sectors and educational development programs. Increasing military expenditures put impossible burdens on the economic and social structures and pressures on the fragile political system, already torn asunder by internal fissures and the

⁹⁵ *Address By President Reagan, Before The Permanent Council Of The Organization Of American States, February 24, 1982, American Foreign Policy Current Documents: 1982, (Washington DC, Department Of State, 1985), Pp. 1381-1387.*

⁹⁶ *Ibid.*

⁹⁷ *The Report Of The President's National Bipartisan Commission On Central America, (New York, Macmillan, 1984).*

alienation of critical support to the new revolutionary order. Also the massive military buildup meant that the people who were otherwise involved in development programs would not be available for undertaking such works as they were diverted to the war effort. The Sandinista Military Doctrine to counter the United States pressure rested on a two-pronged strategy. These two strategies aimed at 1. Armed forces and weaponry should be adequate to defend Nicaraguan sovereignty and 2. Incorporation of the entire population into a multi-tiered defense structures as a part of the process of creating a people's army.

Nicaragua's armed forces comprised of a small army called the Sandinista Peoples Army (EPS). A mass-based Sandinista people Militia (MPS) that was inaugurated on 21 February 1980 supplemented the EPS and by 19 July 1981 had 10,000 volunteers. In the Sandinista Peoples Militia, military activities were carried by Reserve Infantry Battalions (BIRs. These were special militia comprised of students, professionals and workers from urban areas. These volunteers were mobilized on a 3-4 month combat duties in the war zones such as Jinotega, Esteli, Ocotal, Miskito Coast and the Zelaya Departments. These BIRs were complemented with the people organizing themselves into Civil Defense Communities (CDS).⁹⁸ In 1984 the national conscription stood at 48,000 personnel on active duty. The military arsenal of Nicaragua consisted of heavy tanks, assault helicopters, 1000 tanks, armoured personnel carriers, mobile rocket launchers, heavy artillery and hand weapons. Thirty Nicaraguans were trained in Bulgaria to fly MIG jets.⁹⁹ The London-based International Institute for Strategic Studies reported that during 1984 there were 60,000 regular armed forces including 12,000 reservists and a militia of 40,000 civilians with small weapons and little military training (an increase over the army of 47,000 with 25,000 reservists

⁹⁸ See Carlos .M. Vilas *The Mass Organizations In Nicaragua: Current Problematic And Perspectives For The Future*, Monthly Review, Volume 38, No 6, November 1986, Pp. 20-31.

⁹⁹ *United States Department Of State: Background Paper: Nicaragua's Military Buildup And Support For Central American Subversion*, (Washington DC, Department Of State, 1984), Pp. 8-11.

and a militia of 30,000 in 1983).¹⁰⁰ By 1986 the regular armed forces on armed duty had risen to 72,000.¹⁰¹ Alan Riding correspondent of New York Times reported that Nicaragua planned to build a 200,000 strong reserve force in its paramilitary organizations.¹⁰²

President Daniel Ortega acknowledged that Nicaragua was spending 40% of its budget on military expenditure. Such massive defense expenditure converted Nicaragua into a garrison state and the military Junta having a final say in the policy matters thus undermining the civilian leadership. Tomas Borge, the Minister of the Interior stated that Nicaragua wanted to build a small army "We cannot afford anything more than that. We would prefer to buy tractors instead of tanks".¹⁰³ The size of the armed forces increased from 5000 in July 1979 to 15,000 in 1980, 31,000 in 1981, 88,000 in 1983, and 119,000 in 1985.¹⁰⁴ From 3 tanks in 1979 to 50 in 1983, from 2 anti-aircraft guns and no missile launchers and in 1979 to 150 anti aircraft guns and 30 missile launchers in 1983.¹⁰⁵ With Soviet Union and Cuban support the Nicaraguans built the most powerful army in all of Central America. The Contras strength was estimated at 5000-12,000 fighters in late 1983, to 10,000 to 20,000 by 1985.¹⁰⁶ The Sandinista military build-up had preceded the war against the Contras but was accelerated because of the increasing contra attacks. The October 1983 invasion of Grenada by the United States had the desired effect on the Sandinistas. Roger Fontaine a Latin American expert in the National Security Council wrote "In a virtual panic Managua among other things closed down the Salvadoran guerrilla command and

¹⁰⁰ *International Institute For Strategic Studies. The Military Balance: 1983-1984*, (London, International Institute For Strategic Studies, 1983), p. 112, And *Military Balance: 1984-1985*, (London, 1985), Pp. 123-124.

¹⁰¹ *International Institute For Strategic Studies. The Military Balance: 1986-1987*, (London, Garden City, Press 1986), Pp. 191, 215.

¹⁰² Alan .P. Riding *Fearful Nicaraguans Building 200,000 Strong Militia*, New York Times, 20 February 1981.

¹⁰³ Robert Suro, *Nicaragua Wants Arms To Avoid Any Hint Of Secret Soviet Ties, Sandinista Says*, Washington Star, 13 August 1979.

¹⁰⁴ *President Reagan's Report To The Congress*, 16 April 1985, Survival (Survival Inc, London), Volume 27, No 5, September/ October 1985, Pp. 244-245.

¹⁰⁵ Robert Pastor, *Condemned To Repetition*, *Supra* Note 12, Pp.254-246.

¹⁰⁶ *Ibid.* 246.

control center in Nicaragua and sent most of the FMLN/FDR leadership packing".¹⁰⁷

In September 1983 President submitted a second Presidential Finding which authorized "material support and guidance to the Nicaraguan resistance groups to put pressure on the Nicaraguan government to enter into negotiations with its neighbours and putting pressure on the Sandinistas and their allies to cease provision of arms, training, command and control facilities and sanctuary to leftist guerrillas in El Salvador".¹⁰⁸ United States constructed several air fields in the south of Honduras to support the Contras .But all these moves had a reverse effect on the Sandinistas as their prophecies appeared fulfilled, the imperialists are at their doorstep. The House Intelligence Committee concluded "Inflicting a bloody nose on nations achieves a purpose no different than with individuals. It tends to instill a deep desire to return the favour. The Sandinistas are no different. Their policies have not softened, they have hardened".¹⁰⁹

The Sandinista Soviet Union-Cuban Connection

The Sandinista connection to the Soviet Union and Cuba was a cause for concern to the United States. In its perception this was a clear affront to the hallowed Monroe Doctrine, which was articulated way back on 23 December 1823 by the fifth president of the United States James Monroe. The Reagan Doctrine put new life into the fifth president's words. In the early meetings of the National Security Council in 1981 the Secretary of State Alexander Haig counseled a determined show of American will and power to counter the spread of communism and Nicaraguan-backed communist movement in Central America.¹¹⁰ He ordered the State Department Adviser Robert Macfarlane to draw and Options paper entitled Taking the War to

¹⁰⁷ Roger Fontaine, *Choices On Nicaragua*, Global Affairs, Volume 1, Summer 1986, p. 113.

¹⁰⁸ Congressional Record, 4 April, 1984, p. 3766,

¹⁰⁹ *US. House Of Representatives Permanent Committee On Intelligence*, "Report 98-122: Amendment To The Intelligence Authorization Act For The Fiscal Year 1983", May 1983, Pp. 10-11, See Also Robert Pastor, *Condemned To Repetition*, *Supra* Note 12, p 245.

¹¹⁰ Alexander Haig, *Caveat: Realism, Reagan And American Foreign Policy*, *Supra* Note 7, p. 126.

Nicaragua which advocated open use of force against the Cuban ships and planes, which implied going to the source of all problems in Central America.¹¹¹ This proposal was shot down by the Vice- President George Bush, Secretary of Defense Casper Weinberger and the Joint Chiefs of Staff on the grounds that an attack on Cuba would conjure images of another Vietnam, divert resources from strategic battlefields in Europe and the Middle East and jeopardize the Reagan Administration's efforts to garner vital Congressional support for its domestic and foreign policy agenda.¹¹²

The Cuban president Fidel Castro's support to the Sandinista movement was present throughout the revolution period. In the post-revolutionary period Fidel Castro had advised the Sandinistas to follow a pragmatic policy and to tone down the revolutionary thrust of the anti-Somoza movement in order to secure the vital international support and to secure the legitimacy it required to function in the global arena.¹¹³ According to the Reagan Administration the Cuban strategy in Central America and the Caribbean was to establish a Cuban-style Marxist- Leninist dictatorship by arming, training and directing extremists in guerrilla warfare and in economic sabotage.¹¹⁴ Reagan administration claimed that during the period 1979-1982 Nicaragua received an estimated \$125 million in military equipment and supplies from the Soviet Union including artillery, anti-aircraft weapons, assault helicopters, rocket launchers and patrol boats. Military pilots and crews received training in Bulgaria and other East European locations. United States estimated that by 1983 there were 2000 Cubans, 50 Soviet Union personnel. 35 East Germans and 50 members were from the Palestine Liberation Organization (PLO) and personnel from Libya.¹¹⁵ Cuba in the first

¹¹¹ Los Angeles Times, 3 March 1983.

¹¹² Alexander Haig, *Caveat*, *Supra* Note 7, Pp. 129-130.

¹¹³ *Department Of State And Department Of Defense, The Soviet Cuban Connection In Central America And The Caribbean*, (Washington, DC. Government Printing Office, March 1985), p. 6.

¹¹⁴ *President Reagan's Caribbean Basin Initiative*, 24 February 1984, United States Department Of State, Current Policy No 370, p. 5.

¹¹⁵ *Nicaragua" A Threat To Peace In Central America*, Statement By Thomas.O.Enders Assistant Secretary Of State For Inter-American Affairs Before The Senate Foreign Relations

week of the Sandinista revolution sent in 100 military and security personnel and advisers to help the Sandinistas organize the military and security set up.¹¹⁶ This was in addition to the 50 who had taken part in the revolution in Nicaragua.¹¹⁷ By 1984 the number of Cubans in Nicaragua rose to 9000 out of which 3000 were military or security personnel attached to the Nicaraguan armed forces, internal security and the intelligence organizations.¹¹⁸

In April 1983 when the Brazilian officials searched four Libyan planes bound to Nicaragua they discovered that the planes were loaded with weapons and military equipment.¹¹⁹ Brazilian officials found that the arms were of United States and Soviet make including missiles, a dismantled Czechoslovakian plane and five tons of bombs and grenades.¹²⁰ In another instance Costa Rican authorities discovered 100 tons of detonators in a hidden compartment of a Panama freighter headed to Nicaragua.¹²¹ Miguel Bolanos, a defector who had worked in the Nicaraguan counter intelligence in 1983 states that there were 2800-3000 Cubans in the Department of State Security along with 40-50 East Germans and 20-25 Bulgarians.¹²²

Tomas Borge the Minister of Interior refuted all such claims and stated that the personnel from Cuba were teachers and doctors and not military personnel as claimed by the Reagan administration.¹²³ In 1979 there were 200 Cuban military advisers in Nicaragua and it went up by 600 in 1980 and by 1982 the number of Cuban military and security personnel rose up to

Committee, 12 April 1983, United States Department Of State Current Policy No 476, 12 April 1983, p. 1.

¹¹⁶ *Department Of State And Department Of Defense, The Nicaragua Military Buildup, Supra* Note 99, p. 29.

¹¹⁷ Jiri Valenta And Virginia Valenta, *Sandinistas In Power, Problems Of Communism* (Washington DC), September - October 1985, p.23.

¹¹⁸ *Department Of State And Department Of Defense, The Soviet -Cuban Connection, Supra* Note 113, P. 27.

¹¹⁹ *Brazil Stops Libyan Plan For Nicaragua*, Washington Post, 20 April 1983.

¹²⁰ Warren Hoge, *Old United States Weapons Found On A Libyan Plane*, New York Times, 25 April 1983.

¹²¹ *Costa Rica Intercepts Arms For Nicaragua*, New York Times, April 28, 1982.

¹²² Dan Oberdorfer And Joanne Omang, *Nicaragua Bares Plans To Discredit Foes*, Washington Post, 19 June 1983.

¹²³ Claudia Dreifus, *Interview With Tomas Borge*, The Sandinistas, Playboy, September 1983, P. 190.

1500-2000. Soviet Bloc military assistance totaled \$5 million in 1980, \$45 million in 1981, \$90 million in 1982, \$115million in 1983, and \$250 million in 1984. 100 military personnel were sent to Bulgaria to acquire pilot and mechanical training for the sophisticated MIG aircraft. Military deliveries comprised of T-55 tanks, PT-76 light amphibious tanks, multiple rocket launchers, heavy artillery, helicopters (including MI-24 hind assault helicopters in 1984), transport aircraft, 200 armoured vehicles, patrol boats, and radar and air defense equipment.¹²⁴

United States government estimated that in the peak year of Soviet Union's deliveries to Nicaragua stood at \$550 million in 1986 and the estimated amount of Soviet deliveries were at \$500 million annually.¹²⁵ And by the year 1986 the Nicaraguan military possessed around 75, 000 active duty armed forces and security forces and another 44,000 in inactive reserve and unmobilized militia.¹²⁶ By the time the conflict seemed to be at its end the Nicaraguan military forces had 152 tanks, 237 other armoured vehicles, 549 Surface to Air missile launchers (reloadable), 772 Air Defense tanks, 370 anti-tank guns, 961 artillery/ mortars/ rocket launchers, 62 helicopters, including 12 MI-267 Hind D Flying tanks, 45 MI-8/17 HIP Combat transport vehicles, 18 fixed wing aircraft, 600 trucks, 8 patrol boats, 8 minesweepers, 4 communications intercept facilities, 252,000 rifles, 4,300 light machine guns, 3,850 grenade launchers.¹²⁷ All these militarization was justified on the grounds of military necessity arising out of the ongoing contra war and the low intensity conflict by the United States.

All these at the cost of development and entailed a massive diversion of resources from social and economic development. President Daniel Ortega and the Minister of Interior Tomas Borge's links with Moscow and their

¹²⁴ *President Reagan's Report To The Congress On Nicaragua*, 16 April 1985. In *Survival*, Volume 27, No 5 September 1985, p.244.

¹²⁵ *Soviet Arms Shipments To Nicaragua Increased Last Year*, The Washington Times, 28 February 1989, p.A.10.

¹²⁶ *The Challenge Of Democracy In Central America*, (Washington DC. Department Of State And Department Of Defense, October 1986), p. 22.

¹²⁷ *Soviet Bloc Military Equipment Supplies To Nicaragua: July 1979-October 1988* (Washington DC, Department Of Defense, 1988), Pp. 1-2.

frequent visits to the Soviet Union heightened tensions, hardened stances in the Reagan Administration circles and contributed to the breaches between the United States and Nicaragua and did not allay any apprehensions in the minds of the Policy makers at the Capitol Hill. Nicaragua's identification with the PLO, Libya strongman Col. Muammar Gaddafi compelled the United States to treat Nicaragua as a rouge state. That Building support in the Non-Aligned Movement with its ideological emphasis on anti-imperialism, anti-colonialism and anti-neocolonialism and the links with the Soviet Bloc was to buttress opposition to the counterrevolutionary movement was more often lost to the policy makers in the United States.

Sandinista Totalitarian Ideology

The Sandinista Government totalitarian ideology in the minds of the Reagan Administration was a continuous source of tension between the United States and Nicaragua. The FSLN in its revolutionary phase had incorporated all strands of the political ideological spectrum under a broad umbrella organization.¹²⁸ The exigencies of the revolution dictated that the Frente Sandinista de Liberacion Nacional adopt a moderate stance of policy and deny its Marxist- Leninists origins.¹²⁹ Sandinistas founder Calos Fonseca Amador had visited Moscow in 1958 and in his booklet A Nicaragua in Moscow had praised the Soviet Union for its religious and press freedom.¹³⁰ In a May 11 1969 message to the Nicaraguan students Carlos Fonseca states "Any peoples action that is not backed by the rifles of the guerrillas is doomed to failure".¹³¹ In 1972 in a message to the Twenty-Fourth Congress of the Communist Party of the Soviet Union (CPSU) he had said, "The ideals of the immortal Lenin founder of the CPSU are a guiding star in the struggle

¹²⁸ Douglas. W. Payne, *The Mantos Of Sandinista Deception*, Strategic Review (United States Strategic Institute, Washington DC.), Volume 13, No 2, Spring 1985, Pp. 9-20.

¹²⁹ Alan Riding, *Nicaragua Rebels Deny Marxist Aim*, New York Times, 26 October 1977. Karen De Young, *Sandinistas Disclaim Marxism, Nicaraguan Rebels Reject Cuban Model*, Washington Post, 16 October 1978.

¹³⁰ Reprinted In David Nolan, *FSLN. The Ideology Of The Sandinistas And The Nicaraguan Revolution*, (Miami, Florida, Institute Of Inter- American Studies, 1980), Pp.16, 20,44.

¹³¹ 1970 *Yearbook On International Communist Affairs*, (Stanford, California, Hoover Institution Press, 1972), p. 453.

which the revolutionaries of our country are waging with the aim of overthrowing the reactionary regime".¹³² The FSLN was proud of the fact that they were "bringing to the masses socialist ideals which were victoriously implemented for the first time in the history of the Soviet Union and termed FSLN as the successor of the Bolshevik October Revolution".¹³³ The Nicaragua Minister for Defense Humberto Ortega had stated that "Marxism-Leninism as a scientific doctrine that guides our vanguard's analytical tool for the understanding its historical process and carrying out the revolution. Our doctrine is Marxism-Leninism".¹³⁴ Acting upon the advice of Fidel Castro the Sandinistas had concealed the Marxist-Leninist orientation and incorporated all streams of the people across the ideological/political spectrum.¹³⁵

According to the United States expert Cuban approach to the revolutionaries who are not in power is consistently to urge the formation of the widest possible alliance of the left, not excluding alienated persons in the moderate center with the purpose of building a successful revolutionary force.¹³⁶ The FSLN had described itself as a political-military organization, whose objective is the seizure of political power through the destruction of the bureaucratic and military apparatus of the dictatorship and the establishment of the revolutionary government based on a worker-peasant alliance and the support of all the anti-imperialistic patriotic forces of the country.¹³⁷ In 1978 it had indicated that it had united all "progressive sectors of the society from the proletariat to the Catholic Church" wage the revolution.¹³⁸ The FSLN on 4 May

¹³² Lynn Rathiff, *Nicaragua*, In Richard Starr Ed., *1972 Yearbook On International Communist Affairs*, (Stanford, California, Hoover Institution Press, 1976), p. 401.

¹³³ *Ibid.*

¹³⁴ *Speech To The Closing Session Of The Meeting With The Specialists*, La Prensa, (Managua), 27 October 1981, Pp. 16-19.

¹³⁵ *Department Of State And Department Of Defense, The Soviet -Cuban Connection*, *Supra* Note 113, p.6.

¹³⁶ *The US And Cuba*, Address By Kenneth. N.Strong, Jr., Director Of The Office Of Cuban Affairs, 17 December, 1984, United States Department Of State, Current Policy No 646, p.3.

¹³⁷ Tri Continental (Havana) March- April 1970 quoted In Lynn Rathliff, *Nicaragua*, In Richard Starr, Ed., *1971 Yearbook On International Communist Affairs*, (Stanford, California, Hoover Institution Press, 1971), p. 468.

¹³⁸ John.J.Tierney, Jr., *Nicaragua*, In Richard Starr Ed, *1976 Yearbook On International Communist Affairs*, (Stanford, California, Hoover Institution Press, 1976), p.506.

1977 in its Political-Military Platform emphasized that the Front's goals were guided by Marxism-Leninism as a part of the worldwide proletarian cause".¹³⁹ The Minimum Program of Action called for higher wages, better working conditions and more social services, freedom of speech, organization and religion was guaranteed in the Program of Action.¹⁴⁰ As we had seen in the previous chapter after the revolution the FSLN consolidated its position and moved to the left resulting in the resignation of the moderate members of the Government of National Reconstruction over the radicalization of the government and the shift to the extreme left of the political/ideological spectrum.¹⁴¹ FSLN support and its alliance with the leftist revolutions elsewhere was a matter of concern to the United States.

During the Non-Aligned Summit in September 1979 in Havana Commandante Daniel Ortega defended the liberation struggles and denounced the United States imperialism and asked aid to consolidate the Sandinista revolution.¹⁴² In March 1980 Daniel Ortega met with Maurice Bishop, head of the Peoples Revolutionary Government and leader of the leftist New Jewel Movement of Grenada, Michael Manley, Prime Minister of Jamaica. All three leaders known for their radical views committed themselves to aid other revolutions. After condemning the Yankee imperialism Daniel Ortega presented Maurice Bishop with a Soviet made Kalashnikov automatic rifle.¹⁴³ Nicaragua provided support and facilities to other separatist groups such as the Palestine liberation Organization (PLO), members of the Irish Republican Army (IRA), terrorist groups like Basque ETA of Spain, the German Baader Meinhoff gang, M-19 group which

¹³⁹ David Nolan, *FSLN, The Ideology Of The Sandinistas*, *Supra* Note 130, p. 78. It called for a minimum program of Government aimed at attracting broad support for action against the Somoza regime through the avoidance of leftist rhetoric, a creation of the broad anti-Somoza front including the bourgeoisie democratic opposition groups with a strong standing army which would give the FSLN control of the post-war government

¹⁴⁰ *Ibid.* Pp. 89-90.

¹⁴¹ Nicaragua. *A Revolution Stumbles*, *Economist* (London), 10 May 1980, p. 22.

¹⁴² Karen De Young, *Nicaragua Gets Cheers At Non-Aligned Summit*, *Washington Post*, 7 September 1979.

¹⁴³ Gilbert.A.Lewthwaithe, *3 Leftist Chiefs Pledge Unity In Caribbean*, *Baltimore Sun*, 4 March 1980.

naturally made them suspect in the eyes of the United States.¹⁴⁴ In February 1985 the Italian Prime Minister Bettino Craxi charged that the 44 Red Brigade terrorists were in Managua, the capital of Nicaragua.¹⁴⁵

The Nicaraguan government was also implicated in the 6 November 1985 seizure of the Palace of Justice in Bogota, which had resulted in 100 deaths including 11 Supreme Court judges. Arms found used in the operation were traced to the arms given to the Sandinistas by Venezuela to be used against the Somozas National Guardia. Incensed over this discovery the Colombian government in 1985 withdrew its ambassador from Nicaragua and snapped its ties with the country.¹⁴⁶ However the Sandinista Government rejected the charges.¹⁴⁷ Humberto Belli in his book *Nicaragua. Christians Under Fire* charged the Sandinistas with mishandling of the religious issue and charged that the ideology of the Sandinistas was antithetical to the Catholic Church and its tenets.¹⁴⁸ The Sandinistas were also accused of anti-Semitism and the repression against the Jewish population in Nicaragua.¹⁴⁹

Propaganda Warfare Against Nicaragua

Propaganda as a tool and an instrument of low-intensity conflict has been advocated by the governments fighting insurgencies and as a counterinsurgency strategy from times immemorial. Psychological operations have been a part and parcel of covert operations and have run alongside military, economic and political operations. Demonizing the target regime, massive disinformation campaigns, undermining the legitimacy of the regime in question, terrorizing the population in the target state and demoralizing the people through prolonged warfare and destabilizing the country, has been the

¹⁴⁴ *United States Department Of State: The Sandinistas And Middle-Eastern Radicals*, (Washington DC, United States Government Printing Office, August 1985), p.13.

¹⁴⁵ *Terrorism's Western Branch*, Washington Times, 16 May 1986.

¹⁴⁶ *Nicaraguan Arms Found In Colombia*, Washington Post, 5 January 1986,

¹⁴⁷ *Sandinistas Reject Colombian Charge They Armed Rebels*, Washington Times, 6 January 1986.

¹⁴⁸ Humberto Belli, *Christians Under Fire*, Quoted In Betsy Cohn And Patricia Hynds, *The Manipulation Of The Religious Issue*, In Thomas W. Walker, Ed., *Reagan Versus The Sandinistas*, *Supra* Note 36, p. 106.

¹⁴⁹ Joshua Muravchik, *Sandinista Anti- Semitism And Its Apologists*, Commentary (American Jewish Committee, New York), Volume 82, No 3, September 1986, Pp. 25-29.

efforts made by the United States in Latin America ever since the Cold War with the Soviet Union began. The fear of communist and Soviet penetration has been the overriding concern in the United States policy considerations. Such psychological operations have run their gamut in Guatemala 1953-1954, in Cuba since 1959, in Dominican Republic in 1965, Chile in 1973. In Nicaragua the ultimate objective was the removal of the Sandinista regime led by Daniel Ortega. As President Ronald Reagan himself categorically put it on 21 February 1985, that he wanted to "see the Sandinista regime removed in the sense of its present structure unless it would cry Uncle".¹⁵⁰ In a low-intensity conflict according to John Waghelstein a military theorist "the only territory you want to hold is the six inches between the ears of the peasants".¹⁵¹ The Committee of Santa Fe put it in a policy perspective when in 1980 it stated "The United States must seize the ideological initiative. The war is for the minds of mankind".¹⁵² Carpet bombing the public with anti-Communist propaganda, creating a war fear psychosis a crisis of national security, disinformation campaigns against revolutionary regimes and insurgent forces are a part of the low-intensity conflicts central effort.

The propaganda ministry in the United States comprised of national Security Council (NSC), the United States Information Agency, with assistance from the Central Intelligence Agency (CIA), the Department of State, the Pentagon. The White house propaganda ministry comprised of the White House Office of Public Liaison, which was renamed as the Office of Public Diplomacy in 1984.¹⁵³ This Office of Public Diplomacy was given direct access to the Oval Office. The Department of State Coordinator for Public

¹⁵⁰ *President Reagan's Press Conference Of 21 February 1985*, In Department Of State Bulletin, Volume 86, No 2097, April 1985, p.11.

¹⁵¹ Col. John.D. Waghelstein, *Low Intensity Conflict In The Post -Vietnam Period*, Address Delivered At The American Enterprise Institute, 16 January 1985. Quoted in William Robinson and Kent Norsworthy, *David and Goliath: Washington's War Against Nicaragua*, (London, Zed Books, 1987), p. 27.

¹⁵² The Committee Of Santa Fe, *A New Inter-American Security For The Eighties*, (Santa Fe, Council for Inter-American Security, 1980), p. 32.

¹⁵³ Stuart M. Butler, Michael Senner And Bruce Weirod, Ed., *Mandate For Leadership II: Continuing The Conservative Revolution*, (Washington Dc, The Heritage Foundation, 1984), Pp. 264-265.

Policy on Latin America was Otto J. Reich a right-wing ideologue was appointed as the director of the Office of Public Diplomacy and the Office was charged with the perception management operations. As one Washington source said, "Nearly everything saying the Sandinistas are bad guys comes out of Reich's office".¹⁵⁴

The chief executive, President Reagan himself, led the propaganda war. For the President the Sandinistas rule in Nicaragua was a "Communist reign of terror and that the Nicaraguans were living in a totalitarian dungeon".¹⁵⁵ The Contras were freedom fighters and they were a moral equivalent of the Founding fathers of the United States and the brave warriors of the French Resistance.¹⁵⁶ President Ronald Reagan was so taken up by the contra cause and was so intense that it went to the extent of describing himself as a contra too.¹⁵⁷ Addressing Congress on 27 1983 President Reagan asked "If Central America were to fall what would be the consequences for our position in Asia and Europe and for alliances such as NATO? Our credibility would collapse, our alliances would crumble".¹⁵⁸ The Henry Kissinger Report expressed the same logic when it argued that the "triumph of hostile forces in what the Soviets call the strategic rear of the United States would be read as a sign of US impotence".¹⁵⁹

According to President Reagan failure to support the contras would "send the unmistakable signal that the greatest power in the world is unwilling and incapable of stopping communist aggression in our own backyard".¹⁶⁰ A

¹⁵⁴ Miami Herald, 14 May 1985.

¹⁵⁵ Address Of President Reagan Before The White House Outreach Working Group, 19 July 1984, in *American Foreign Policy, Current Documents 1984*, (Washington, Dc, Department Of State, 1986), Pp. 1079-1080.

¹⁵⁶ Address Of President Reagan At The Conservative Political Action Conference, 1 March 11, 1985, in *Weekly Compilation Of Presidential Documents*, 11 March 1985, Pp. 243-246.

¹⁵⁷ President Reagan speech describing him as a Contra, Quoted In Lou Cannon, *President Reagan: The Role Of A Lifetime*, (New York, Simon And Schuster, 1991), p. 334.

¹⁵⁸ Address Of President Reagan On Central America, Before The Joint Session Of The Congress, April 27, 1983, In Ronald Reagan, *Speaking My Mind: Selected Speeches*, (New York, Simon And Schuster, 1989), Pp. 145-160.

¹⁵⁹ *The National Bipartisan Commission On Central America*, *Supra* Note 97, p. 111.

¹⁶⁰ *President Reagan's Radio Address To The Nation*, 30 March 1985, Department Of State Bulletin, Volume 85, No 2099, June 1985, p. 12.

White House Outreach Group was set up to mobilize public opinion against the communist penetration of Central America. This Group hosted weekly and monthly forums where representatives from the United States government to the conservative caucus to the young Americans for Freedom, Council for Inter-American Security and the Accuracy for Media participated. The Office of Public Diplomacy waged its psychological operations in a number of ways. Members of the administration presented policies before civic groups, Rotary Clubs, and university groups by manipulation of the data available on Nicaragua.

This propaganda war was fought on three grounds, 1. Nicaragua was the source and the kingpin of destabilization and subversion in the Central American region; 2. Sandinista military buildup threatened the security of the Central American region and 3. Sandinistas had transformed Nicaragua into a totalitarian state. A White Paper entitled *Revolution Beyond Our Borders: Sandinista Intervention in Central America*, was released in September 1985 by the Department of State charged the Sandinistas of exporting revolution to Central America.¹⁶¹ This title *Revolution Beyond Our Borders* was in reality taken out of context from a speech made by the Nicaraguan interior minister Tomas Borge and was twisted out of context and presented to the audiences in the United States. Tomas Borge had stated, "Our revolution goes beyond our borders. Our revolution was always internationalist from the moment Sandino fought in La Segovia. With Sandino were internationalists from all over the world".¹⁶² Of course the 1984 Elections were termed as a 'Soviet style sham' and the Government of National Reconstruction led by President Daniel Ortega was not the legitimate representative of the Nicaraguan people.¹⁶³ This was despite the international observer groups sent to

¹⁶¹ *Revolution Beyond Our Borders: Sandinista In Central America*, Department Of State Bulletin, Special Report No 132, September 1985.

¹⁶² Quoted In Wayne.S.Smith, *Lies About Nicaragua*, Foreign Policy (Carnegie Endowment for International Peace, Washington. DC), No 67, Summer 1987, P.89.

¹⁶³ Robert Pastor, *Condemned To Repetition*, *Supra* Note 12, p. 248.

Nicaragua to monitor the elections reported that the election process was free and fair, a fact that was lost to the Reagan Administration.

According to Abraham Brumberg the former editor in chief of the State Department's journal *Problems of Communism* remarked that "A country that elects an Assembly a third of whose members are strongly and vocally anti-communist whose economy (60%) is in private hands, that allows freedom of travel and that prescribes no legal sanctions on political dissent or in the fields of literature and the arts, is not the exactly the very model of modern Leninist-Totalitarianism".¹⁶⁴ The censorship issue and the prohibitions on the opposition newspaper *La Prensa* were flogged to death in the Administration circles. Any cursory look at the news reports in this newspaper would discover that censorship was necessary as the *La Prensa* was nothing more than the mouth piece of the Reagan Administration and it became essential that it had to be censored and also shut down from time to time. Any news paper that focused more on the country that was attacking the country where the paper was located and was publishing news which was biased towards the regime of its own country had to be suppressed by invoking the national interests. The same treatment would have been meted out to the newspapers if they had covered the policies and the viewpoints of the North Vietnam more than the United States Administration during the Vietnam conflict.

The propaganda war launched by the Reagan Administration according to the Vice-President of Nicaragua Sergio Ramirez enumerated in a Speech to the students of the School of Journalism in the University of Central America (UNAN) in Leon in May 1985. He stated the Reagan Administration's case rested on 1. Nicaragua has pursued a totalitarian system; 2. Nicaragua is a base for Soviet penetration in Central America to challenge the United States national security interests; 3. Central America is a fertile field for East-West struggle; 4. Nicaragua is attempting revolution beyond its borders and plans to export its revolution in the Central American region and 5. Its excessive militarism shows the expansionist designs in the

¹⁶⁴ Reported In Washington Post, 19 January 1985.

Central American region.¹⁶⁵ In short it meant the Sandinista government is a rouge state and must be dispensed with, no matter what the means employed and any methods were justified to remove the Sandinista regime from power.

The United States Army Psychological Operations in Guerrilla Warfare Manual defines psychological operations as "the planned use of propaganda and other psychological actions to influence the opinions, attitudes, emotions, and the behaviour of hostile foreign groups in such a way as to support the achievement of national (US) objectives".¹⁶⁶ As Tomas Borge, Minister for Internal Security put it on 15 August 1985 "We must see this war in its real context in its entirety. It spans all realms from the guns, which assassinate and the slander and the dirty lies, which poison, to the war, which is fought out in the minds of men. It is this aspect of the war that worries us the most".¹⁶⁷ The White House while pledging its support for a diplomatic resolution of the conflict all the while kept calling the Sandinistas genocidal, Murder Inc, a Cancer in the Western Hemisphere.¹⁶⁸

Inside the United States the harassment of grassroots workers, network of churches, labour unions, activists and academicians who were opposing the Reagan Administration policies in Nicaragua were not spared.¹⁶⁹ As New York Times columnist Anthony Lewis put it "You can almost hear the voice of Senator McCarthy at Wheeler, West Virginia 36 years ago this month... But there is something more insidious about the Reagan smear campaign. Joe McCarthy was an outsider. The people running this operation

¹⁶⁵ Foreign Broadcast Information Service (News Bank Inc., New Canaan, Connecticut), 21 May 1985, p.11

¹⁶⁶ Quoted In William Robinson And Kent Norsworthy, *David And Goliath*, *Supra* Note 151, p.195.

¹⁶⁷ *Ibid.* p.193.

¹⁶⁸ See Eldon Kenworthy, *Selling The Policy*, In Thomas Walker, *Reagan Versus The Sandinistas*, *Supra* Note 36 Pp.159-181.

¹⁶⁹ See Margaret. E. Leahy, *The Harassment Of Nicaraguanistas And Fellow Travelers*, In *Ibid.* For An Understanding Of The Opinions Of The International Travelers Who Visited Nicaragua, See Paul Hollander, *and Anti-Americanism: Critiques At Home And Abroad 1965-1990*, (New York, Oxford University Press, 1992), Pp. 259-306.

hold positions in the United States government".¹⁷⁰ The media in the United States also played its role in the dissemination of false and biased opinions of the Reagan administration and in the disinformation campaign launched by the United States against the Sandinista government of Nicaragua.¹⁷¹

Internal Front

For many of the bourgeoisie class Somoza had been a hindrance to a part of their class but the Sandinista revolution represented a threat to the entire class, which is what explains the capitalist class joining the anti-Sandinista counterrevolution. As a part of the propaganda war the Catholic Church that has traditionally been a centre of power in the Latin American nations, led by Archbishop Obando Y Bravo, later Cardinal was roped in to unleash the blitzkrieg against the Sandinistas. Former Contra leader Edgar Chamorro recalled during the World Court Testimony that the CIA had paid for the book written by Humberto Belli entitled *Christians Under Fire*. To mobilize the Nicaraguan people by exploiting their religious sentiments and beliefs when Pope John Paul II visited Nicaragua in March 1983 and to Central America this visit marked the beginning of the crusade of the Catholic Church against liberation theology.

Pope John Paul conducted a Mass in Managua which was attended by 700,000 people who then went on to unleash a blistering attack on the so-called popular Churches set up by the Sandinistas. When the Nicaraguans wanted the Pope to conduct a prayer for those Civilians who were victims of the contra attacks the Pope refused to consider the request.¹⁷² This brought about protests from the Nicaraguans. *La Prensa* was one of the key instruments of the internal front, a launch pad used by the Reagan administration for its disinformation campaigns and served as the critical liaison between the armed resistance or the contras and the internal front. *La*

¹⁷⁰ Anthony Lewis, *A Fear And Intimidation Campaign*, *Patriot Ledger* (The Patriot Ledger, Boston MA.), February 25, 1986, p.20.

¹⁷¹ See Jack Spence, *The U.S. Media Covering Over Nicaragua*, In Thomas Walker. Ed., *Reagan Versus The Sandinistas*, *Supra* Note 36,

¹⁷² See William Robinson And Kent Norsworthy, *David And Goliath*, *Supra* Note 151, p. 213.

Prensa was led by the son of the assassinated publisher Pedro Joaquin Chamorro, Pedro Joaquin Chamorro.¹⁷³

Clever use of photographs juxtaposed with eye-catching slogans and complete distortion of events and speeches were the ploys used by the newspaper La Prensa. As the CIA definition puts it "disinformation as black propaganda. According to Ralph McGhee, a CIA analyst for 25 years stated, "where necessary circumstances or proofs are lacking to support United States intervention the CIA creates the appropriate situations or else invents them".¹⁷⁴ Other organizations that formed the internal rearguard in the counterrevolution in Nicaragua were the Superior Council for Private Enterprise (COSEP) the largest trade organization led by Alfonso Robelo. In September 1981 the Agency for International Development (AID) donated \$1million to COSEP for leadership development according to the United States Embassy Bulletin released in Managua on 30 September 1981. In August 1982 the Sandinista government prohibited COSEP from receiving a \$5.1million grant approved by the United States Congress, which the State Department had described as a "symbol of political and moral support for the Nicaraguans discontented with the Sandinista regime".¹⁷⁵ A whole set of organizations such as the Social Christian Party (PSC), the Nicaraguan Conservative Party (PSD).¹⁷⁶ The two trade unions Federation of Trade Union Unity (CUS (affiliated to the International Confederation of Free Trade Unions (ICFTCU) and the Nicaragua Federation of Workers (CTN) continued to function due to their receiving a large amount of foreign funds.¹⁷⁷

From 1981-1983 the Archdiocese of Managua received \$600,000 of the funds from the Agency for International Development (AID) and the

¹⁷³ See Jamie Chamorro, *How The La Prensa Was Silenced*, Commentary, Volume 83, No 1, January 1987, Pp. 39-44, And Violeta Chamorro, *The Death Of La Prensa*, Foreign Affairs, Volume 65, No 2, Winter 1986/1987, Pp. 383-386.

¹⁷⁴ Ralph Mc Ghee, *Foreign Policy By Forgery*, The Nation, 11 April 1981.

¹⁷⁵ Tom Barry, Beth Wood, And Deb Preusch, *Dollars And Dictators: A Guide To Central America*, (Albuquerque, The Resource Center, 1982), Pp. 26-27.

¹⁷⁶ William Robinson And Kent Norsworthy, *David And Goliath*, *Supra* Note 151, p 201.

¹⁷⁷ *Ministry Of Labour, 1983 Report* (Managua, Center For Labor Studies, 1983).

Catholic Relief Services (CRS).¹⁷⁸ These funds were used to organize programs through the Managua-based Archdiocese Social Programs Commission (COPROSA), a parochial Council formed by Obando Bravo in the early 1980s.¹⁷⁹

Another private conduit for the funding of the contras was the National Endowment for Democracy (NED) created in 1983. There was no Congressional oversight over its operations. According to its Statute it cannot fund foreign institutions directly, hence it relied on the intermediaries like Friends of the Democratic Center in Central America (PRODEMCA) formed in November 1984, to channel the funds. It provided funds for the Permanent Commission of Human Rights to the tune of \$50,000; an ally of the Nicaragua Democratica Coordinaria led by Alfonso Robelo, which is dedicated to denouncing the violations of the human rights and other abuses by the Sandinistas.¹⁸⁰ On 14 March 1981 Alfonso Robelo's CDN organized a mass demonstration in the southern town of Nandaime, When the throngs of Sandinista supporters prevented the demonstrations the ensuing confrontation turned violent. La Prensa described the incident as "Nicaragua's return to the law of the jungle".¹⁸¹ In January 1982 the State Security discovered a plot to blow up Nicaragua's only oil refinery and cement factory.¹⁸² After the blowing up of bridges in March 1982 in Nueva Segovia and Chinandega the Sandinista government imposed a State of Emergency. But before that the government passed the Social and Economic Emergency Law, which prohibited the publication of false and destabilizing news.¹⁸³

The contras the Nicaragua Democratic Front operating from Honduras and the ARDE operating from Costa Rica were scattered outfits. These organizations separately could not make an impact especially after the

¹⁷⁸ Cited In William Robinson And Kent Norsworthy, *David And Goliath*, *Supra* Note 151, p. 217

¹⁷⁹ *Ibid.* 216.

¹⁸⁰ *Ibid.* Pp. 218-219.

¹⁸¹ *Ibid.* p. 218.

¹⁸² *Ibid.* p. 220.

¹⁸³ *Id.*,

November 4, 1984 elections, which deprived the contras of the most important reason i.e. the Sandinistas, do not represent the legitimate interests of the Nicaraguan people. Hence there was an increasing call for national reconciliation and the unification of all the contra groups into one efficient organization was the theme

Congress And The Contras.¹⁸⁴

The Reagan Administration had to battle the United States Congress over the issue of aid to the Counter revolutionaries or the contras. The Reagan Administration lobbied hard in the Congress for the contra aid and to keep the contra war afloat. Liberal members of the Republican Party such as Representative Edward Boland of Massachusetts and the Democratic members of the Congress used the mechanisms at their disposal of withholding appropriations of funds and attaching conditions for the effective utilization of the funds allocated. Congressional opposition to contra aid and to Reagan Administration contra policy was on both ends and means. The Congress for one rejected the goal of overthrowing the Sandinista regime and its support to the Contras. Covert operations have traditionally never remained covert. Representative Edward Boland (Democrat-Massachusetts) epitomized the Congressional opposition to the Reagan Administration policy in Nicaragua.

The blowing up of the bridges in Nueva Segovia and Chinandega in March 1982 by the contras prompted the liberals Senator Michael Barnes (Democrat-Maryland) and Senator Christopher Dodd (Democrat-Connecticut) and Senator Paul Tsongas (Democrat-Massachusetts), to call for an end to military and paramilitary actions by the contras against the Sandinista regime. Michael Barnes had stated "Doing a Bay of Pigs number on Sandinistas would push them further towards Cuba and the Soviet Union".¹⁸⁵ To halt all covert funding of the contra organizations in Nicaragua Representative

¹⁸⁴ For A Detailed And Comprehensive Analysis Of The Reagan Administration Battles With The Congress See, Cynthia.J. Arnson, *Crossroads: Congress, The Reagan Administration And Central America*, (New York, Pantheon Books, 1989).

¹⁸⁵ Congressional Record, 15 March 1982, p. H 864-865.

Edward Boland (Democrat-Massachusetts) sponsored an Amendment, named after him called the Boland Amendment prohibiting covert aid to the contras. Which was passed in the House of Representatives on 8 December 1982 by a vote of 411-0 in favour of the amendment. The Boland Amendment established a legal norm that the United States government was not to undertake any measures to overthrow the Sandinista Government of Nicaragua from power.¹⁸⁶ The CIA was also brought under the scrutiny of the Congressional Oversight Committees under the terms of the Boland Amendment. On 27 April 1983 President Reagan called for an extraordinary joint session of the two Houses of the Congress, quoted the lines from President Harry Truman doctrine and railed against the Soviet-Cuban menace and asked for a comprehensive \$600 million aid to Central America.¹⁸⁷ The Boland-Zablocki Amendment co-sponsored by Edward Boland and the House Foreign Affairs Committee Chairman Clement Zablocki (Democratic-Wisconsin), tabled on 27 July 1983, not only cut off covert aid to the contras, but also requested an \$80 million aid to help friendly Central American government to be used to interdict the smuggling of arms from Nicaragua.¹⁸⁸ This Bill passed the House on 28 July 1983 228-195 in favour of the House Resolution No 2760.¹⁸⁹ As the Representative Howard Wolfe (Democratic-Michigan) member of the Foreign Affairs Committee put it "None of us (Congress) wants Central America to be a base for covert operations in our hemisphere. Yet none of us wants Central America to become another Vietnam either".¹⁹⁰ The Congress decision to ban covert funding of the contras was motivated by increased military maneuvers On 2 November 1983 under a compromise agreement on Defense Appropriations (PL-98-212) the

¹⁸⁶ Congressional Record, 8 December 1982, p. H9156-9157.

¹⁸⁷ *President Reagan's Address On Central America, Before A Joint Session Of The Congress*, 27 April 1983, In Ronald Reagan, *Speaking My Mind*, *Supra* Note 158, Pp. 145-160.

¹⁸⁸ Congressional Record, 27 July 1983, Pp. H5721-5762 And Congressional Record, 28 July 1983, Pp. H5819-5881.

¹⁸⁹ *Ibid.*

¹⁹⁰ Ellen Hume, *Congress Mood Shift On Latin America Aid*, Los Angeles Times, 16 May 1983.

Congress provided \$24m for the covert war in Nicaragua.¹⁹¹ The House Intelligence Authorization for the Fiscal Year 1985 (HR 5399) passed the House on 2 August 1984 by a vote 294-118 with the same ban on contra aid as in the Fiscal Year Appropriation 1985.¹⁹² The Senate approved President Reagan's request for a \$24 million in non-lethal aid to the contras for the Fiscal Year 1985.¹⁹³ Although the \$24 million was approved to aid the contras the funds could be released only until after 28 February 1985.

On 3 April 1985 President Reagan made a special request to the Congress for the release of the \$14 million and promised to expend it on food and medicine, i.e. non-lethal aid.¹⁹⁴ Senate released the amount on the same day by voting 53-46 vide. Senate J Resolution 106.¹⁹⁵ This aid was released upon President Reagan proposed a peace plan calling for negotiations and a declaration of cease-fire between the Sandinistas and the contras. To undercut President Reagan's peace plan that might erode majority opinion against the funding of the contras, the liberal Democrats Michael Barnes (Democratic- Maryland) Chairman of the Western Hemisphere (formerly the Inter-American Affairs) Sub committee and Lee Hamilton (Democratic-Indiana) Chairman of the Intelligence Committee sponsored the Barnes-Hamilton proposal. This proposal provided \$10 million for the International Red Cross and the United Nations High Commissioner for Refugees and a \$4 million to help bolster the regional Contadora peace plan which was set in motion in September 1983.¹⁹⁶ This Resolution failed to secure approval. The Republicans proposed another alternative sponsored by the House minority leaders to provide \$14million in non-lethal aid to the contras to be

¹⁹¹ US Congress, *House Select Permanent Committee On Intelligence, Compilation Of Intelligence Laws And Related Laws And Executive Orders Of Interest To The National Intelligence Community*, July 1985 99th Cong., 1st Session (Washington DC, US Government Printing Office, 1985), p.345.

¹⁹² See William Leo Grande, *The Contras And The Congress*, In Thomas. W. Walker, Ed., *Reagan Versus The Sandinistas*, *Supra* Note 36, Pp.208.

¹⁹³ *Id.*,

¹⁹⁴ *Reagan Agrees To Compromise On Contra Aid*, Congressional Quarterly Weekly Report, Volume 42, No 40, April 20, 1984. Pp. 707-714.

¹⁹⁵ Congressional Record, April 23, 1985, Pp. S 4527-46-24.

¹⁹⁶ William Leogrande, *The Contras And The Congress*, *Supra* Note 36, p. 209.

administered by the Agency for International Development rather than the CIA. Termed humanitarian aid was a misnomer as it included uniforms, jeeps and aircraft. This Substitute proposal was also defeated in the House by a vote of 215-213. The final Resolution to release the \$14 million in non-lethal aid was defeated in the House 248-180 by the HJ Resolution 239 on 24 April 1985. Despite strong pressure from the White House.¹⁹⁷

The day after the vote on 28 April 1985 President Daniel Ortega in a move considered to be the biggest folly that he had committed, paid a visit to the Soviet Union and on 29 April 1985 signed a Soviet-Nicaraguan Cooperation pact. This trip was termed a political disaster for the opponents of contra aid. Reagan's charges that the Sandinistas were Communists and Soviet puppets were proved right with the ill-timed visit of President Daniel Ortega. Congressmen who had until now had opposed the aid to the contras felt betrayed by this action of the Sandinistas. An irate Senate on 6 June 1985 adopted 55-42 an Amendment to the State Department Authorization sponsored by Sam Nunn (Democratic- Georgia) which provided \$27million in non-lethal aid, termed Humanitarian Aid, during the Fiscal Year 1985 and 1986.¹⁹⁸ On 13 June 1985 President Reagan signed the foreign aid bill authorizing \$27 million for the rebels in Nicaragua. This amount of \$27 million in non-lethal aid was approved after negotiations between the Republican leadership in the Senate, and the Conservative Democrats headed by Senator Dave McCurdy (Democratic-Oklahoma).¹⁹⁹ Senator Dave McCurdy also received a letter from President Reagan, which undertook not to remove the Sandinista Government, and also committed to remove the Somocistas and the violators of human rights from the contra ranks.²⁰⁰ The Michael Barnes and Lee Hamilton proposal to channel the \$14 million in refugee and

¹⁹⁷ Congressional Record, 23 April 1985, Pp. H2310-2428 And Congressional Record, April 24, 1985, Pp. H2442-2492.

¹⁹⁸ Congressional Record, June 6, 1985, Pp. S 57587-57648, Congressional Record, June 7, 1985, Pp. S 7726-S7759.

¹⁹⁹ William Leogrande, *The Contras And Congress*, *Supra* Note 36, p.212

²⁰⁰ *Id.*,

international relief agencies failed to pass the muster by a vote of 254-174.²⁰¹ The \$27 million in non-lethal aid by the Congress in June 1985 was extended only until 31 March 1986 and to obtain additional funding President Reagan had to return to the Congress for approval.²⁰²

On 25 February 1986 the Reagan Administration submitted to Congress a request of a \$100 million aid to the Contras for the second half of the Fiscal Year 1986 and all of the Fiscal Year 1987.²⁰³ The Reagan Administration went all out with this request.²⁰⁴ President Reagan campaigned vociferously on a nation-wide television address seeking Congressional approval and the necessary votes.²⁰⁵ The Southern Democrats opposing the contra aid were portrayed as allies of Moscow and as going soft on the issue of Communism. The White House Communications Director Patrick Buchanan mounted this campaign.²⁰⁶ The Democrats fought back accusing President Reagan and his administration of McCarthyism. Senator Nancy Kassenbaum (Republican-Kansas) supporter of the contra aid took the Reagan Administration to task for abandoning reasoned and rational debate.²⁰⁷ Reagan administration drummed up every charge they could possibly think of accusing the Sandinistas of anti-Semitism to drug smuggling. Newspapers felt compelled to run these stories without assessing their accuracy or inaccuracy as they felt writing the truth and the reality in Nicaragua would make them look as going soft on the issue of Communism.²⁰⁸ The \$100 million aid package was defeated in the House

²⁰¹ *Id.*,

²⁰² *Public Law 99-83 International Security And Cooperation Act Of August 8, 1985 Section 722(P) And In public law 99-85 Supplemental Appropriations Act Of August 15 1985 Section 106.*

²⁰³ Bernard Weinraub, *Reagan Will Seek \$100 Million In Aid For The Contras*, New York Times, January 22, 1986.

²⁰⁴ Gerald.M.Boyd, *Reagan Plans All Out Efforts To Win Aid For The Contras*, New York Times, 2 March 1986.

²⁰⁵ Weekly Compilation Of Presidential Documents, Volume 22, No 9, 3 March 1986, Pp. 266-272.

²⁰⁶ Patrick.J.Buchanan, *The Contras Need Our Help*, Washington Post, March 5, 1986.

²⁰⁷ Congressional Record, March 6, 1986, Pp. S2125-2126.

²⁰⁸ Joanne Omang *Claims On Contras In Dispute* L, Washington Post March 18, 1986, Gregory Nokes, *Reagan Contra Aid Blitz Raises Questions Of Truth*, Miami Herald, March 21, 1986.

222-210 inflicting a major blow and a major political defeat to the Reagan Administration considering the attention and the presidential prestige the administration had invested.²⁰⁹

This was because the parallel negotiations were on to resolve the conflict through peaceful means *vide* the regional initiatives by the Contadora group consisting of Mexico, Venezuela, Colombia and Panama. The foreign ministers of the Contadora group came to Washington to urge an end to all aid for the contras and the resumption of bilateral talks with the Sandinistas. But the Reagan Administration rebuffed them. Even the Congress realized that the administration policy was incompatible with the Contadora process, which emphasized peaceful negotiated settlement to the conflict in Central America as also with the regional policies of the Latin American nations.²¹⁰ However when the Sandinistas made impressive gains on the battlefield by 1986 the United States Senate on 26-27 March 1986 passed the administration request for a \$100 million aid to the counterrevolutionaries by a margin of 53-47.²¹¹ On 12 August 1986 Senate passed the contra aid bill for \$100 million by a vote of 53-47.²¹²

President Reagan 's victory in the Congress rested on the tried and tested themes of anti- communism, Sandinistas were Marxists-Leninists, puppets of Havana and Moscow, who continued to export their revolution to their neighbours which would have resulted in the classic case of toppling Dominoes south of the Panamanian border and north of Texas.²¹³ All these were far from reality and as the Congress discovered the Contras had misappropriated the \$27million in aid given to them in 1985. The General Accounting Office stated on 11 June 1986 that it found that over half of the \$27million that was given to the contras could not be accounted for. The

²⁰⁹ Congressional Record, 20 March 1986, Pp. H1444-H1493.

²¹⁰ Robert.J.McCartney, *Latin Mood Shifts Against Washington*, Washington Post, March 17, 1986.

²¹¹ Congressional Record, 26 March 1986, Pp. S 3454-3492, Congressional Record, March 27, 1986, Pp. S3564-3693.

²¹² Congressional Record, August 11, 1986, Pp. S 11175-11235, August 12, 1986, Pp. S11335-11413, August 13, 1986, Pp. S 114526-11526.

²¹³ William Leogrande, *The Contras And Congress*, Supra Note 36, p. 222.

Office said that the humanitarian aid was funneled to the Honduran military or had been siphoned off.²¹⁴

The press supplemented the discovery with the news of contra corruption, drug smuggling and gun running.²¹⁵ In the post-1986 period the contras were faced with internal contradictions and by them the bilateral talks had completely broken down and it was left to the Central American and the Latin American states to find a peaceful resolution to the conflict in Nicaragua. On 30 and 31 March 1988 the United States House of Representatives and the Senate respectively approve a \$47 million aid package of humanitarian aid to the Nicaraguan contras.²¹⁶ However President George Bush and Congressional leaders, in a Bipartisan Accord, on 24 March 1989 agreed to a contra aid package of \$4.5 million non-lethal humanitarian aid per month to keep the pressure on the Sandinista Government to adhere to the Esquipulas Peace process. This aid was to last until February 1990 when the Nicaraguan elections were scheduled.²¹⁷ In the same year on 4 and 17 October 1989 the measures calling for \$9 million in aid to bolster the political opposition in Nicaragua to face the February elections passed the United States House of Representatives and the Senate respectively.²¹⁸ This effectively abandoned the Reagan objective of ousting the Sandinista government by military force and also to protect himself from the right-wing charges that he had abandoned the brave freedom fighters of Nicaraguan Resistance.²¹⁹

²¹⁴ *General Accounting Office Report*, In Congressional Record, June 26, 1986, Pp. H4258-4259, See Also Congressional Quarterly Weekly Report, Volume 44, No 50, June 29, 1986, p. 3048.

²¹⁵ *Contra Aid: Tracing Where The Money Went*, Congressional Quarterly Weekly Report, Volume 44, No 21, May 24, 1986, Pp. 1166-1168, William Buzenburg, *Who Got The \$27 Million Intended For The Contras*, New York Times, June 19, 1986. *Supplying Contras Big Business In Honduras*, Los Angeles Times, May 9, 1986.

²¹⁶ *Foreign Affairs Chronology*, 1988, *Supra* Note 46, p. 360

²¹⁷ See *Public Papers Of The Presidents Of The United States: George Bush; 1989, Book I, 20 January - 20 June 1989*, (Washington DC, United States Government Printing Office, 1990), Pp. 306-310.

²¹⁸ *Foreign Affairs Chronology*, 1989, *Supra* Note 46, p. 403.

²¹⁹ Colin Campbell And Bert A. Rockman, *The Bush Presidency: First Appraisals*, (Chatham, NJ. Chatham House Publishers Inc., 1991), P. 165.

Roads To Peace In Nicaragua

Right from 1981 the Reagan administration had followed a Dual-Track policy in waging the low intensity conflict against the Sandinista Government of National Reconstruction led by Daniel Ortega. While it sponsored the counterrevolutionaries on the battlefield, it kept up the lines of diplomacy open and the pretense of attempting to bring about a negotiated settlement to the problem. The hardliners like President Reagan, CIA Director William Casey, National Security Adviser William Clark, Secretary of Defense Casper Weinberger, the Permanent Representative to the United Nations Jean Kirkpatrick, Assistant Secretary of State for Inter- American Affairs Elliott Abrams, were the key players in the Reagan team who rejected negotiated settlement and mutual accommodation with the Sandinista regime. The key officials of the Administration, who favoured a diplomatic track, were Secretary of State George Shultz who took over from Alexander Haig in 1983, as also Assistant Secretary of State for Inter-American Affairs Thomas Enders, Special negotiators to Central America Harry Shlaudeman and Philip Habib and former ambassador to Nicaragua Anthony Quainton. These officials preferred to pressurize the Sandinistas into accommodating United States security concerns and also accepting political reform.²²⁰ The New York Times dubbed the faction of the Reagan Administration as the war party that had successfully blocked any diplomatic settlement that required co-existence between Washington and Managua.²²¹ The Reagan Administration pursued expansive rollback of communism aimed at eliminating rather than containing the Sandinista regime in Nicaragua.²²²

²²⁰ For Bureaucratic Differences See Roy Gutman, *Banana Diplomacy: The Making Of American Policy In Nicaragua*, (New York, Simon And Schuster, 1988), Barry Rubin, *Reagan Administration Policy Making And Central America: Anatomy Of Conflict*, (New York, Pergamon, 1984), Pp. 299-318, Constantine Menges, *Inside The National Security Council: The True Story Of The Making And Unmaking Of Reagan's Foreign Policy*, (New York, Simon And Schuster, 1988).

²²¹ *It Takes Two To Contadora*, New York Times, 22 May 1981.

²²² William Leogrande, *Rollback Or Containment? The United States, Nicaragua And The Search For Peace In Central America*, International Security (Center for Science and International Affairs, The MIT Press, Harvard Mass.), Volume 11, No 2, Fall 1986, Pp. 89-120.

Bilateral Negotiations Track.

The Reagan administration attempted to pressurize the Sandinista regime adhere to the principles of democratic pluralism, human rights and an end to the export of the revolution in the Western Hemisphere. The first bilateral diplomatic exchange was initiated by the Assistant Secretary of State for Inter- American Affairs Thomas.O.Enders having a series of meetings during August-October 1981 itself with the Nicaraguan leaders in Managua. Two main themes were discussed. Nicaragua was to 1. Cease all support to the guerrillas of the Farabundo Marti Liberation Front in El Salvador, and 2. Halt the military build-up, which was assuming threatening proportions in the Central American region. United States offered to sign a non-aggression pact with Nicaragua under the 1948 Rio Treaty and United States agreed to close down all training camps for the Nicaraguan exiles in the United States and also agreed to restore economic assistance to Nicaragua.²²³ When the Halycon Vista military Exercises with Honduras began in October 1981 the diplomatic exchange was called off. The hard liners in the Reagan Administration portrayed the United States policy in such imperial language that incited Sandinista sentiments. Arutro Cruz, then one of the Junta members and a moderate leader who was also the president of the Central American Bank and later Ambassador to the United States called the United States demands as "conditions of a victorious power".²²⁴

On the urgings of the Mexican President Lopez Portillo a second round of talks were initiated in December 1983 at St. Lucia between the Nicaraguan Foreign Minister Miguel. D.Escoto and the United States Secretary of State Alexander Haig where the issues of Sandinista support to the Salvadoran guerrillas and the Sandinista military build up were raised. A new demand of

²²³ Dan Oberdorfer, *United States In Secret Dialogue Sought Rapprochement With Nicaragua*, Washington Post, 10 December 1984, Thomas.O.Enders, *Nicaragua: A Threat To Peace In Central America*, Department Of State Bulletin, Volume 83, No 2075, June 1983, p. 77

²²⁴ Quoted In Roy Gutman, *Nicaragua: America's Diplomatic Charade*, Foreign Policy, No 56, Fall 1984, Pp. 3-4.

the issue of political freedom was added to the talks.²²⁵ President Lopez Portillo of Mexico on 21 February 1982 urged the United States and Nicaragua to ease the three knots of tension in the region. These were 1. The war in El Salvador; 2. The conflict between the United States and Nicaragua and 3. the relations between Cuba and the United States. President Lopez Portillo emphasized that it would be a gigantic mistake for the United States to militarily intervene in Central America and called on Washington to end the use of its force in the region and call a halt to training of Nicaragua exiles in the United States. He called for the disbanding of the contras and also advocated United States entering into a non-aggression pact with Nicaragua and Nicaragua with its Central American neighbours.²²⁶ At the same time the leaders of the Congress sent President Reagan a letter and urged him to accept the Mexican proposal. Both sides agreed to open the dialogue to settle contentious issues.²²⁷ The issues of the presence of foreign advisers, the aid to the guerrillas in El Salvador and the Nicaraguan military buildup were the most contentious issues.²²⁸ In early 1981 President Reagan deputed Ambassador-at-Large Vernon Walters to Havana to hold preliminary talks with Fidel Castro to go to the source of all the problems in the Central American region. However both sides were highly unreceptive of any diplomatic initiatives.²²⁹

²²⁵ *US -Nicaraguan Relations: Meeting Between Secretary Of State Haig And Nicaraguan Foreign Minister Miguel D'escoto, Transcript Of The Briefing By The Secretary Of State Alexander Haig*, St. Lucia, 2 December 1981, In *American Foreign Policy. Current Documents 1981*, (Washington DC, Department Of State, 1984), Pp. 1364-1366.

²²⁶ *Address By Mexican President Lopez Portillo*, Managua, 21 February 1982, In *Foreign Broadcast Information Service, Latin American Daily Report*, February 22, 1982, Pp. P6-P8. Alan.P.Riding, *Lopez Portillo Urges Talks On Region*, New York Times, 22 February 1982.

²²⁷ Alan.P.Riding, *Nicaragua Ready To Talk With The United States*, New York Times, 23 March 1982, *United States Said To Agree To Hold Direct Talks On Disputes*, New York Times 24 March 1982, Barbara Gossette, *Nicaragua Accepts US. Plan For Talks On Reconciliation*, New York Times, 15 April 1982.

²²⁸ Mary Vanderlaan, *Nicaragua: Revolution And Foreign Policy*, (Boulder, Colo., Westview Press, 1986), p.357.

²²⁹ Wayne.S.Smith, *Dateline Havana: Myopic Diplomacy*, Foreign Policy, No 48, Fall 1982 Pp. 157-174.

In the wake of the United States invasion of Grenada in October 1983 the Nicaraguan government undertook measures unilaterally for the fear of a possible invasion of its country by the United States. It 1. asked the Salvadoran guerrilla leaders to leave the country; 2. Sent home 1000 Cuban civilians; 3. Eased the press censorship in Nicaragua; 4. Opened the dialogue with the Church hierarchy; 5. Released 300 Miskito Indians held for political reasons and 6. Offered Amnesty to all the Contras except their leaders.²³⁰ Assistant Secretary of State Langhorne Motley charged the Nicaraguan government of "engaging in a campaign of deception to avoid real accommodation and not being sincere in their efforts to find a negotiated settlement to the problem and questioned the motives of the Sandinista government."²³¹ During the Mining of Nicaraguan harbours and the CIA role was revealed in April 1984, and the public outcry and the Congressional condemnation was at its peak the Reagan administration undertook damage control measures Secretary of State George Shultz went to Managua on 1 June 1984 and met up with Commandante Daniel Ortega. This was to strengthen the regional initiative the Contadora Peace Process that was initiated by the Latin American countries in September 1983 (more of this regional initiative in the next section of this chapter).²³² The talks between the United States Special Negotiator Harry Schlaudeman and Nicaraguan Vice-Foreign minister Victor Tinoco, at Manzanillo in Mexico in late June 1984, did not make any headway, as by then the objective of the United States had become clear with President Reagan himself publicly states his intention was

²³⁰ Robert. S.Greenberger, *Nicaragua Offers Amnesty To Stime Critics As A Part Of The Plan To Hold Elections In 1985*, Wall Street Journal, 5 December 1983.

²³¹ Langhorne Motley, *Is Peace Possible In Central America?* Department Of State Bulletin, Volume 84, No 2084, March 1984, p. 68.

²³² Joanne Omang, *Shultz Meets With Ortega In Managua*, Washington Post, 2 June 1984. Four issues occupied center stage in the talks. These were 1. End to support to the Salvadoran guerrillas; 2. Reduction of the size of the Nicaraguan armed forces; 3. End the presence of Cuban and Soviet military personnel and 4. Democratization of the Nicaragua political process.

to remove the Nicaraguan government in its present structure and force the Sandinista government out of power.²³³

In March 1986 President Reagan appointed Ambassador Philip Habib as his new envoy to Central America to bolster the administration's credibility on the Capitol Hill. This was the time when the Contadora peace process was on Ambassador Philip Habib had misrepresented the Contadora Accord and in his letter to Representative Jim Slattery (Democratic-Kansas) that he United States would end support to the Contras from the date of the signing of the Contadora agreement.²³⁴ This Letter caused a furor in the Administration circled with Representative Jack Kempe (Republican-New York) and Representative Jesse Helms (Republican-North Carolina) calling for the ouster of Philip Habib. The Reagan administration repudiated the Philip letter and categorically stated that the aid the Nicaraguan contras would continue until the Nicaraguan government implemented the provisions of the Contadora agreement.²³⁵ The Reagan administration portrayed the United States policy as a two-track approach integrating coercion with the diplomatic initiatives.²³⁶ In reality the United States and the Reagan administration officials including the President himself were not serious in negotiating with the Sandinistas. All the talks that had been held so far until 1986 was nothing more than a eyewash and a mere public relations exercise to lull the United States public and the other Latin American states into believing the honorable intentions of the United States and intransigence of the Nicaraguans. It was left to the other nations of Latin America and the Central American nations to find a regional settlement to the ongoing conflict

²³³ *President Reagan's Press Conference*, 21 February 1985, In *American Foreign Policy: Current Documents: 1985*, (Washington, DC, Department Of State, 1986), Pp. 966-967.

²³⁴ *United States Position On The Contadora Draft Agreement And The Nicaraguan Resistance*, 11 April 1986, In *American Foreign Policy. Current Documents, 1986*, (Washington DC, Department Of State, 1987), Pp. 762-763.

²³⁵ *Central American Negotiations And US Policy Statement Read By President 'S Principal Deputy Press Secretary, Larry Speakes*, and 22 May 1986, In *American Foreign Policy. Current Documents 1986*, (Washington DC, Department Of State, 1987), Pp. 764. Joanne Omang, *Habib Called Wrong. Imprecise In Letter On US - Latin America Policy*, Washington Post, 24 May 1986.

²³⁶ Joanne Omang, *US Affirms Desire For Latin Peace Pact*, Washington Post 23 May 1986.

in Central America, which assumed threatening proportions and was having a spillover effect on the other Latin American nations.

Contadora Peace Process.

In the summer of 1982 when the rumours of a Nicaraguan - Honduran war was running rife due to the escalation of attacks by the forces of the Nicaraguan Democratic Front (FDN) from the Honduran bases. This began the process of the multi-lateral initiatives to find a peaceful and a negotiated resolution to the conflict in Central America, to end the destabilizing and disruptive conflict, which was threatening to engulf the whole of the Central American region. Presidents' Luis Herrera Campins of Venezuela and Lopez Portillo of Mexico appealed to President Robert Suazo of Honduras and Daniel Ortega, Nicaraguan Junta Leader and President Reagan to take swift action to avert the outbreak of a regional conflict. President Reagan replied in the affirmative and stated that his administration aimed to promote democracy in the region.²³⁷

Beginning in January 1983 after a series of consultations among the Latin American heads of state, the Foreign ministers of the states of Colombia, Mexico, Panama and Venezuela met on the island of Contadora on 8-9 January 1983 off the Panama's Pacific Coast. This meeting issued a *Communique* stating that the "direct or indirect foreign interference or any other factors that intensify Central American conflict must be swiftly eliminated".²³⁸ In April 1983 the Contadora foreign ministers met with their Central American counterparts. In July 1983 the Contadora heads of state met in Cancun in Mexico and addressed a declaration to the Central American countries, the United States, Cuba. This declaration stressed the

²³⁷ Joanne Omang And John Goshko, *House Members Urge Reagan To Negotiate In Central America*, Washington Post 7 October 1982.

²³⁸ Foreign Broadcast Information Service, VI (Latin America) 10 January 1983, Pp. N1-N3.

need to eliminate foreign bases, end hostilities and reduce the size of the armaments.²³⁹ The Contadora Document of Objectives consisting of 21 Points was agreed upon by the meeting of the Contadora and the Central American foreign ministers on 9 September 1983. These 21 Points became the basis of all subsequent peace proposals.²⁴⁰ Fidel Castro the Cuban supreme leader also announced his support to the Contadora peace process.²⁴¹ On 20 April 1984 the Contadora foreign ministers held a joint meeting with the foreign ministers of the Central American states to set the rules for negotiations. In May 1984 the Commission was set up by the Contadora nations, which initiated the process of drafting the proposals. Nicaragua on 21 September 1984 announced that it would sign the Contadora agreement.

But the United States in alliance with its Central American allies such as Costa Rica, Guatemala and Honduras backtracked and sought revision of the agreement to strengthen the provisions for internal democracy, security measures and the procedures for verification and its enforcement. The contentious issues over which the United States had its reservations were the prohibition on military exercises and the withdrawal of foreign military advisers and the bases from the Central American region. On 7-9 September 1984 in the Meeting of the Contadora nations in Panama City, the revised version of the draft treaty was circulated.²⁴² In the 20 October 1984 in the meeting of the Central American nations in Tegucigalpa, Honduras convened at the behest of the United States the controversial portion of the Contadora draft was deleted which was the ban on military exercises in the Central

²³⁹ Ambler .H. Moss Jr., *Peace In Central America?* Survival Volume 32, No 5, September/October 1990, Pp.425-426.

²⁴⁰ *Contadora Document Of Objectives*, 9 September 1983, In *American Foreign Policy: Current Documents, 1983*, (Washington, DC, Department Of State, 1985), Pp. 1355-1356.

²⁴¹ *Fidel Castro On Central America*, Cuba Update (Center for Cuban Studies, New York), Volume4, No 4, August 1983

²⁴² *Contadora Act On Peace And Cooperation In Central America (Revised Version)*, Delivered By The Contadora Foreign Ministers To The Central American Foreign Ministers At The Seventh Joint Meeting Held On 7 September 1984 At Panama City.

American region.²⁴³ United States objections to the Contadora treaty were on the issues of the expulsion of military advisers from the region, which meant that the United States would have to dismantle all its military bases from the region. It was asked to pull out all its troops from the region apart from halting all aid to the Contras as well as suspend all its military aid programs to its allies in Central America. A Contadora Support group was also formed by the Lima Group, consisting of Argentina, Brazil, Peru and Uruguay, in August 1985. This group was formed to counter-balance the pressures from the United States.²⁴⁴

Nicaraguan President Daniel Ortega in a letter to the President of the Contadora group wrote on 11 November 1985 "The interventionist and aggressive policy of the United States government is playing the central role in the Central American crisis. Given this it is not possible to finding a lasting solution to the prevailing conflict unless the United States government agrees to serious and detailed commitments to halt its illegal conduct".²⁴⁵ On 7 September 1984 in the Panama City meet of the foreign ministers the Contadora Act for Peace and Cooperation in Central America was presented. This was similar to the Document of Objectives of 9 September 1983 and added the provision of outside inspection by the Verification and Control Commission to investigate possible violations of the Contadora Treaty.²⁴⁶ Secretary of State George Shultz stated that the acceptance of the treaty was conditioned upon Nicaragua agreeing to the demands of reduction of arms and troops levels.²⁴⁷ Immediately the Nicaraguan President Daniel Ortega

²⁴³ *Contadora Act On Peace And Cooperation In Central America - As Revised*, At The Meeting Of The Central American Ministers For Foreign Affairs, Tegucigalpa, 20 October 1984,

²⁴⁴ Ambler.H.Moss Jr., *Peace In Central America?* *Supra* Note 239, p.426.

²⁴⁵ Quoted In William Goodfellow, *The Diplomatic Front*, In Thomas .W. Walker, *Reagan Versus The Sandinistas*, *Supra* Note 36, p 149.

²⁴⁶ *Contadora Act On Peace And Cooperation In Central America (Revised Version)*, Delivered By The Contadora Foreign Ministers To The Central American Foreign Ministers At The Seventh Joint Meeting Held On 7 September 1984 At Panama City.

²⁴⁷ William Goodfellow, *The Diplomatic Front*, *Supra* Note 245, p. 149.

wrote to the Contadora group stating the willingness of Nicaragua to sign the Contadora treaty.²⁴⁸

An important development took place when Vinicio Cerezo an exiled Social Christian Democrat took over as the President of Guatemala in January 1986 and Oscar Arias took over as the new President of Costa Rica. President Oscar Arias declared his country's neutrality in the ongoing conflict in Central America and closed down the Southern front for the contras, a radical departure in the Costa Rican policy. These measures brought a deep respect towards President Oscar Arias from the Nicaraguan President Daniel Ortega. On 12 January 1986 the Contadora and the Support Group met in Carabadella, Venezuela and asked President Reagan to ease the contra policy and renew bilateral talks with Nicaragua.²⁴⁹ Nevertheless when in February 1986 when the United States Congress approved a \$100 million for the Contras hopes of finding a negotiated solution to the conflict began to fade away. In May 1986 the Central American presidents met in Esquipulas, Guatemala to support the Contadora and to find a way to break the deadlock over the contentious issues, which had plagued the Contadora peace process.²⁵⁰ The final draft was submitted to the Central American states and to all the concerned parties on 6 June 1986.²⁵¹ On 20 June 1986 the Nicaraguan government in a statement agreed to sign the final new Contadora Treaty.²⁵² However President Reagan on 24 June 1986 stated that he would support any agreement, which would bring about real democracy to Nicaragua. Thus linking up Nicaragua making internal changes in its polity

²⁴⁸ *Id.*,

²⁴⁹ *Declaration Issued By The Minister Of Foreign Affairs Of The Contadora And The Support Group*, Carabadella, Venezuela, January 12, 1986, In *American Foreign Policy, Current Documents*. 1986, (Washington DC, Department Of State, 1987), Pp. 728-730.

²⁵⁰ *Declaration Issued By The Central American Presidents*, Esquipulas, Guatemala, May 25, 1986, In *American Foreign Policy. Current Documents, 1986* (Washington, DC, Department Of State, 1987) Pp. 764-766.

²⁵¹ *Ibid.* Pp. 766- 768.

²⁵² Bruce Bagley, *Contadora: The Failure Of Diplomacy*, *Journal Of Inter-American Studies And World Affairs* (*Journal of Inter-American Studies and World Affairs*, Rutgers University, New Brunswick), Volume 28, Fall, 1986, Pp. 19-21.

with the United States and its allies signing the Contadora treaty.²⁵³ The United States allies in the Central American region Costa Rica, Guatemala and Honduras rejected the treaty thus putting an end to the efforts of the Contadora and the Support Group.

Once the Contadora Peace Process broke down the Central American countries took matters into their own hands. President Oscar Arias of Costa Rica unveiled his plan on 15 February 1987 termed as the Arias Peace Plan. This Plan called for immediate cease-fire in Guatemala, El Salvador, and Nicaragua. talks with the unarmed opposition in the Central American countries facing insurgencies, a halt to the aid to the insurgents, amnesty for the insurgents who wanted to surrender, full observation of all democratic process and civil rights, and the revival of the Central American Parliament.²⁵⁴

Nicaragua initially had condemned the plan but when it heard that the United States had reservations about it, then it evinced some interest.²⁵⁵ For his efforts the Nobel Prize Committee announced on 13 October 1987 the award of the Nobel Peace Prize to the President of Costa Rica Oscar Arias. On 7 August 1987 the Central American states met in Guatemala City and signed the Esquipulas II accord which was formally called the Procedure to Establish a Firm and Lasting Peace in Central America.²⁵⁶ President Reagan welcomed this Arias Peace Agreement on 8 August 1987 as a vehicle for ushering in reconciliation between the warring parties, democracy and respect for political and civil rights of the Central American people.²⁵⁷

²⁵³ Weekly Compilation Of Presidential Documents, Volume 22, No 26, 30 June 1986, Pp. 866-869.

²⁵⁴ Robert Pastor, *Condemned To Repetition*, *Supra* Note 12, Pp. 253-254.

²⁵⁵ Stephen Kinzer, *Nicaragua Warms To Latest Peace Plan*, New York Times, 22 February 1987, p. 10.

²⁵⁶ *Procedures For The Establishing Firm And Lasting Peace In Central America*. Signed By The Presidents Of The Five Central American Governments, Guatemala City, 7 August 1987, In *American Foreign Policy. Current Documents. 1987*, (Washington DC, Department Of State, 1988), Pp. 749-753.

²⁵⁷ Weekly Compilation Of Presidential Documents. Volume 22, No 32, 17 August 1987, p. 918.

To undercut the Arias peace Agreement President Reagan unveiled a Reagan-Wright Peace initiative on 5 August 1987, sponsored by the Speaker of the House of Representatives Jim Wright and President Reagan. This Reagan-Wright plan proposed that there should be no Soviet, Cuban or Communist bases in Nicaragua. Nicaragua should not pose any military threat to its Central American neighbours and that Nicaragua respect basic human rights including political rights, free speech, press, religious liberty and a regularly established system of free elections.²⁵⁸ But by this time the Central American Presidents were already on the path towards ending the conflict in the region themselves the Reagan-Wright peace plan failed to make any impact. The Central American countries again met in San Jose, Costa Rica on 15-16 January 1988 and issued a joint declaration committing them to the process of finding peace in Nicaragua.²⁵⁹ But the troubles in Nicaragua began after the signing of the Esquipulas II Accord by the Central American countries. The Sandinista Peoples Army (EPS) suppressed a peaceful demonstration sponsored by the Nicaraguan Democratic Coordinator and the Movement of Mothers of Political Prisoners in Managua. The police who arrested the important opposition leaders like the director of the Permanent Commission for the Protection of Human Rights Lino Hernandez and Alberto Saborio of the Nicaraguan Bar Association beat up the marchers.²⁶⁰

Nicaraguan President Daniel Ortega in this crucial meeting agreed to negotiate directly with the members of the Nicaraguan Resistance, end the state of siege and hold national and municipal elections. This was the breakthrough, which the Nicaraguans were looking for, as until then the Sandinista government was unwilling to have direct negotiations with the

²⁵⁸ *Wright - Reagan Peace Plan, Bipartisan Plan For Peace And Democracy In Nicaragua* Proposed By The United States, 5 August, 1987, In *American Foreign Policy. Current Documents. 1987*, (Washington, DC, Department Of State, 1988), Pp. 748-749.

²⁵⁹ *Joint Declaration By The Presidents Of Central America*, San Jose, Costa Rica, January 16 1988, In *American Foreign Policy. Current Documents. 1988*, (Washington, DC, Department Of State, 1989), Pp.714-715.

²⁶⁰ Department Of State Statement, In *Department Of State Bulletin*, Volume 87, No 2127, October 1988, p. 59.

Nicaraguan Resistance or the contras, as they did not want to accord the status of legitimacy to the contras. Meanwhile the counter revolutionary organization underwent a transformation. All the contra organizations the Nicaraguan Democratic Front and the Alianza Democratica united into the Unified Nicaraguan Opposition on 12 June 1985 headed by a triumvirate Adolfo Calero, Arutro Cruz and Alfonso Robelo and announced a common plan of Action.²⁶¹ This unification was done to give a democratic front to the contra movement and was done as the Congress (House) voted for \$ 27million in contra aid request of the Reagan Administration. However the Unified Nicaraguan Opposition (UNO) face internal problems.

On the day the President Oscar Arias unveiled his Peace plan the Unified Nicaraguan Opposition (UNO) split due to the resignation of Adolfo Calero and on March 9 1987 Arutro Cruz resigned his position in the UNO. In May 1987 the UNO was replaced by an umbrella organization the Nicaraguan Resistance with which the Sandinista government in the San Jose Summit Meeting agreed to negotiate. On January 28 1988 the Sandinista government and the representatives from the Nicaraguan Resistance met for the first time since the counter-revolution began. Under the auspices of the organization of American States, Nicaraguan Cardinal Obando Y Bravo who headed the Nicaraguan National Reconciliation Commission a cease-fire was worked out between the Sandinista Government and the Nicaraguan Resistance. The cease-fire agreement was signed on 23 March 1988 at Sapoa Nicaragua. This agreement gave the contras the much-needed recognition by the Nicaraguan Government as the legitimate opposition in the country.²⁶² In the San Salvador meeting of the Central American presidents on 13-14 February 1989 President Daniel Ortega agreed to hold the National and the Municipal elections not later than 25 February 1990. He agreed to demobilization and a

²⁶¹ See The Formation Of The Unified Nicaraguan Opposition, In William.I.Robinson And Kent Norsworthy, *David And Goliath*, *Supra* Note 151, Pp. 317-319.

²⁶² *Preliminary Cease Fire Agreement Between The Nicaraguan Democratic Resistance And The Government Of Nicaragua*, Sapoa, Nicaragua, 23 March 1988, in *American Foreign*

repatriation plan for the contras and their families under the auspices of the United Nations.²⁶³ In the Tela, Honduras meeting held on 7 August 1989 the ground was prepared for the International Commission of Support and Verification to visit the contra bases in Honduras and began the process of repatriating the contras and their families as agreed by the Sapoa Agreement of 1988.²⁶⁴

On 30 September 1989 the Nicaraguan Resistance chose Violeta Chamorro, the publisher of the newspaper La Prensa to be its Presidential candidate. However despite the ceasefire agreement between the Sandinista Government and the Contras skirmishes between them was the order of the day. On 10-11 December 1989 at the San Jose Summit the Central American Presidents stressed the need for peaceful negotiations to the end the conflict in the region.²⁶⁵ Also President Daniel Ortega mounted a scathing criticism on the contras for not honouring the cease-fire agreements and threatened to start the military operations against the contras. In this meeting it was agreed to request the United Nations to send an Observer Group to aid in the dismantling of the contra bases located in Honduras. On 7 November 1989 the United Nations Security Council in a unanimously approved the creation of the United Nations Observer Force for Central America (ONUCA) to monitor the Arias Peace Accords and the cease-fire accords that called for the demobilization of the rebel forces throughout the region.²⁶⁶

The incoming administration of George Bush in January 1989 showed increasing inclination for finding reconciliation in Nicaragua. As promised the elections to the Presidential, parliamentary and municipal bodies were held on 25 February 1990. These elections were conducted under the supervision

Policy. Current Documents. 1988, (Washington DC, Department Of State, 1989), Pp. 446-447.

²⁶³ *Joint Declaration Of The Central American Presidents*, Adopted In El Tesoro, El Salvador. February 14, 1989, Department Of State Bulletin, Volume 89, No 2147, June 1989, Pp. 58-59.

²⁶⁴ Ambler.H.Moss. Jr. *Peace In Central America? Supra* Note 239, p. 428.

²⁶⁵ *Id.*,

²⁶⁶ *Ibid.* Pp. 428- 429.

of the Supreme Electoral Tribunal, United Nations observer teams and the teams from the Organization of American States along with the Council of Freely Elected Heads of State organized by the former President of the United States Jimmy Carter at Atlanta in 1986. 90% of the electorate went to polls and voted out the Sandinista Government of Daniel Ortega.²⁶⁷ On 26 February 1990 President Daniel Ortega held a press meeting and in a Statesman like gesture conceded defeat to the United Nicaraguan Opposition candidate Violeta Chamorro. On 28 February 1990 a transition team was put in place to ensure the smooth transfer of power on 25 April 1990. President George Bush called for the end of all hostilities and also stated that there was no need for any military aid to the counter-revolution.²⁶⁸ Vice-President Dan Quayle met with the contra leaders in Washington and urged them to demobilize before the inauguration of Violeta Chamorro to enable a peaceful transfer of power. President George Bush announced the lifting of the Economic Sanctions on Nicaragua in force since May 1985. Aid from the Bush Administration depended on the Nicaragua abandonment of the International Court of justice Judgment of 27 June 1986 as much as the \$17 billion in reparation won by Nicaragua.²⁶⁹ As Violeta Chamorro was the United States candidate for the Presidency it was possible for the Bush Administration to use the lever of aid and the lifting of the economic sanctions to pressurize the Chamorro government to forgo its claim to the reparations awarded to it by the World Court. On 25 April 1990 the outgoing President Daniel Ortega handed over the Presidential Sash to the new President of Nicaragua Violeta Chamorro in a smooth transfer of power. As Lawrence Burns of the Liberal Council on Hemispheric Affairs on 26 February 1990 put

²⁶⁷ *Nicaragua's Sandinista Government Defeated by Opposition in Major Election Upset*, Facts on File, Volume 50, No 2571, 2 March 1990, Pp. 133-135, *Statement On The Election Of Violeta Chamorro As The President Of Nicaragua*, 26 February 1990. *Public Papers Of The Presidents Of United States. George Bush: 1990. Volume 1*, (Washington DC, United States Government Printing Office, 1991), p. 277.

²⁶⁸ *Message To The Congress Reporting On The Economic Sanctions Against Nicaragua*, May 1, 1990, *Ibid.* Pp. 599-600.

²⁶⁹ Mark Uhlig, *US Urges Nicaragua To Forgive Legal Claim*, New York Times, 30 September 1990.

it, "I am filled with an inner rage that the corner bully won over the little guy. The Sandinistas had the right to win, to rule a country that was not being visited by an extraordinary array of negative factors".²⁷⁰

After a decade of bloodshed and a loss of 30,000 people it was a single day of voting which decided and altered the destiny of this tiny country and finally succeeded in ending the fratricidal slaughter in Nicaragua. The defeat of the Frente Sandinista de Liberacion Nacional was attributed to the over confidence of the leaders who had ignored the ground realities in Nicaragua. It was the reality of the fact that the Sandinistas still controlled all the major sectors of the economy and the society that the Violeta Chamorro government worked out a compromise with the FSLN whereby the Nicaraguan armed forces continued to be headed by the Sandinista leader General Humberto Ortega. Over this issue and the non-implementation of the market reforms by the Violeta Chamorro government, the problems associated with the return of the property expropriated by the Sandinistas, a \$ 300 million, which was promised by the George Bush Administration, was held up due to the displeasure of the Bush administration.²⁷¹ This act of the new government brought forth a stream of protests and criticism from many quarters. This smooth transfer of power from the Sandinista government to the new government of Violeta Chamorro belied all doubts that the Marxist government would not give up power so easily and without a fight. Also the tired Nicaraguans voted for the establishment of peace and opted for a more democratic Nicaragua which would ensure adherence to human rights, democracy and economic development and growth which had stagnated due to the decade long conflict which had seen covert warfare, brutal attacks on the development process and economic embargoes. Hence the vote was for national reconciliation and a return to normal life for the ordinary Nicaraguans who had borne the brunt of the Low intensity conflict.

²⁷⁰ Facts on File, 2 March 1990, *Supra* Note 267, p. 135.

²⁷¹ Michael J, Kryzanek, *Leaders, Leadership And US Policy In Latin America*, (Boulder, Colo., Westview Press, 1992), P. 205.