

# The social upheaval in Nicaragua and the struggle against imperialism and the national bourgeoisie

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After a month of protests sparked by draconian pension cuts mandated by the International Monetary Fund (IMF) in Nicaragua, the Inter-American Commission on Human Rights announced in its preliminary report that there have been 76 killed and more than 800 injured from “indiscriminate” use of live bullets and other repressive methods by the state forces and “para-police” shock groups. Dozens of others are missing.

As the government of the Sandinista Front for National Liberation (FSLN) shows the true face of “left” nationalism by trying to drown in blood the protests against austerity, anger and protests have continued to mount across the country.

On Tuesday, Nicaragua’s National Episcopal Conference, the Catholic bishops who have mediated the talks between the government, the business chambers and the right-wing opposition announced that this “national dialog” had been suspended. The announcement came hours after Nicaragua Foreign Minister Denis Moncada declared that the 40-point agenda submitted for discussion amounted to an attempted coup against the government.

Last Friday, a weekend “truce” was reached behind closed doors as part of this “national dialog.” Student leaders agreed to remove roadblocks in return for the “withdrawal of police and pro-government shock forces” from the streets. On Saturday and Sunday, in the largest protests so far, tens and perhaps hundreds of thousands joined marches and caravans of cars and bikes across the country.

On Saturday night, the government broke the truce agreement by mobilizing several busloads of police who were caught on video shooting volleys of rubber and live bullets and cannisters with shrapnel against a peaceful picket of students at the National Agrarian University (UNA) in Managua, leaving at least eight injured. In response, roadblocks reappeared on some of the main arteries of the country on Sunday.

As part of a global resurgence of the class struggle since the beginning of the year, the monthlong social convulsion in Nicaragua is only the initial expression of the deep social anger against more than three decades of deepening inequality and austerity imposed by both the FSLN and the right-wing “opposition.”

Frightened, the local bourgeoisie is increasingly calling for the resignation of President Daniel Ortega, and his wife and vice-president, Rosario Murillo, to be followed by snap elections. Seeing the dramatic speed with which working-class opposition to the FSLN administration is spreading, the ruling class is nevertheless divided about how to channel the protests behind the “national dialog” in order to continue its austerity regime.

The Inter-American Commission on Human Rights (IACHR), which works at the behest of US foreign policy, has been allowed to “investigate” the repression since last Thursday and has participated in the “national dialog,” which is also supported by the UN.

The US corporate media and legislators have significantly reduced their commentary on Nicaragua after being alarmed at the breadth of the first week of protests. This suggests that Washington’s approach toward Nicaragua—one of continued pressure upon, but ultimately confidence in, Ortega, reflected in initial calls limited to asking Ortega to stop the repression and accept term limits and eventually leave power—could be undergoing a significant reformulation.

At the same time, the Spanish daily *El País* reported “speculation in the country” about the military’s attitude toward growing demands within the ruling elite to oust Ortega. A military spokesperson last week said the army will not obey orders to “repress” the protests, except for the protection of “vital” infrastructure.

## What produced the social upheaval?

On April 18, the Social Security Institute (INSS) announced an executive order cutting existing pensions by 5 percent (11 percent for future ones) and increasing the amount that workers and employers have to pay into the fund. The following day, retirees and students in León and Managua took to the streets with indignation and were immediately attacked by Sandinista Youth shock groups. During the following days and weeks, protests erupted among workers and youth in all major cities, including traditional FSLN strongholds, and were heavily repressed by the government.

Ortega suspended the pension reform on April 22 and agreed to negotiate, but the protests and the repression continued to escalate. On Thursday, Ortega and Murillo arrived at the Catholic seminary for the “National Dialog,” escorted by 21 police cars carrying at least 100 police, two helicopters, and police squads on motorcycles, with protesters on every corner yelling “Murderers!”

During his intervention, Ortega dismissed out-of-hand calls by students to stop the repression and step down. Without really condemning the act, he referred to the killing of 60 and injuring of thousands of unarmed protesters in Gaza by the Israel Defense Forces virtually as an appeal to Washington and other major powers to give him the same blank check for repression.

He sought to instill fear by threatening that 160,000 workers would lose their jobs due to the protests, and that he was prepared for a civil war to stay in power. Finally, Ortega expressed hope that the dialog and the IACHR visit could provide a veneer of “justice,” but his declarations angered the students and the meeting was broken up amid shouts.

Several church and business leaders are now asking for Ortega’s

removal. Last Thursday, denouncing the FSLN government for “worsening” the situation and warning that “the country is already coming to a halt,” Michael Healy, president of the agricultural employers’ chamber and one of the leaders of the business council COSEP, which accounts for about half of Nicaragua’s GDP, called for a “new transitional government to impose order and after that call for free elections.”

The same day, Fitch Ratings, a Wall Street credit agency, reported that the economy is decelerating due to the crisis, “calling into question the continuation of the government until 2021,” adding that snap elections will likely be held.

More importantly, a drastic political shift is occurring among Nicaraguan workers. Seventy-eight percent of those polled May 5-15 by CID Gallup think the government is guiding the country in the wrong direction, compared to 35 percent in January, while 51 percent have “no hope” that Daniel Ortega will fulfill his promises to students, namely to end the repression.

The growing anger over inequality and continued attacks against democratic and social rights has reached an inflection point. About 200 Nicaraguans have more than \$30 million in wealth, with two banker billionaires owning as much as 30 percent of the country’s GDP, while close to 85 percent of wage earners have an income “insufficient to keep an average-sized household out of poverty,” according to the UN Economic Commission for Latin America and the Caribbean.

One of those killed in the protests, Álvaro Gómez, a 23-year-old screen printer in a free trade zone and a university student, left work early to join the protests on April 20. He received a gunshot wound to his chest, according to witnesses. His father, a math teacher who lost his leg in 1987 as a volunteer soldier for the Sandinista army, was notified that night of a Facebook image of his dead son. When speaking to journalists, he expressed a deep sentiment of betrayal that is now becoming generalized: “I joined the fight [civil war] because they were telling me that the Somozas were the owners of Nicaragua, the rich. Now, in this country, the owners of Nicaragua are the Ortega-Murillo family.”

In 2007, the FSLN returned to power after organizing large protests against the free trade agreement with the US (CAFTA). While mixing religious appeals with demagogic attacks against US imperialism, Ortega chose as his running mate Jaime Morales Carazo, founder of the BANIC financial group and former chief representative of the US-backed Contra terrorist army. On November 2006, president-elect Ortega was already telling George W. Bush’s assistant secretary of state that the FSLN actually supported and would “work” with CAFTA because unity in the Americas depends on the “will of powerful countries, such as the United States,” according to a diplomatic cable released by WikiLeaks.

After the financial crisis of 2007, the FSLN government, Nicaraguan employers and the large trade union federations signed an Emergency Economic and Labor Agreement to deepen the exploitation in free trade zones, which were greatly expanded under CAFTA. Within the framework of “establishing labor conditions that guarantee the opportunity to preserve investments and jobs,” minimum salaries, which are paid to most workers at the free trade zones, were set at about US\$195 per month in 2010—already the lowest rate in the region. Last year, the unions boasted that the renewed agreement included yearly 8.5 percent nominal increases until 2022, when the minimum salary will still be US\$196.

SOUTHCOM, titled “Nicaraguan Military Culture,” was published last year with the patent aim of exploring the possibilities of turning the Nicaraguan military into a US political instrument against the FSLN. It found that, after the FSLN lost power, the Nicaraguan military was reduced from almost 100,000 troops to 9,000 by 2006. After formal military relations were reestablished with the US in 2000, Nicaragua even sent troops to support the US occupation of Iraq. “US-Nicaraguan military-to-military relations have remained strong, albeit limited,” the document states.

The authors complain bitterly, however, that Ortega has sought over the last decade to regain control of the army through methods characterized as “anti-US posturing” and greater dependency on Russia as Nicaragua’s top arms supplier. The authors claim Russia “is seeking to make Nicaragua its geostrategic epicenter in Latin America ... a primary threat to US influence in the region.”

In a US Senate hearing last year, Adm. Kurt Tidd, chief of the US Southern Command, which oversees Pentagon’s operations in Central and South America, advised escalating efforts to tackle Russian, Chinese and Iranian influence in all of Latin America, “especially Moscow’s renewed focus on Nicaragua.” US officials have also expressed strong opposition to the interoceanic canal concession handed to China in southern Nicaragua.

As US imperialism prepares to undermine Russian and Chinese influence globally as part of a renewed imperialist repartition of the planet, such conclusions by the Southern Command make clear that not only is Latin America expected to be an exclusive supplier of materials for US war production, as in the Second World War [1], but that it will be part of the global battlefield.

All signs suggest that Ortega has no principled concerns about embracing the US military drive against Russia and China. Nicaragua recently hosted a visit by a “Friendship Flotilla” of Taiwanese warships. However, the US ruling elite increasingly sees Ortega as a liability for bourgeois rule, whose demagoguery and “anti-US posturing” have worn increasingly thin.

The US corporate media is expressing alarm at the “unexpected uprising” in Nicaragua, but the deep political crises gripping “pink-tide” governments and their right-wing successors represent for imperialism a general breakdown of its penultimate line of defense in the region. As the entire US political establishment is buttressing efforts by the military-intelligence apparatus and Wall Street to consolidate a dictatorship in Washington itself, discussions are certainly underway in US ruling circles about a return to puppet military dictatorships in Nicaragua and the region.

Notes:

1. The destination of Nicaraguan exports changed from 67 percent to the US and 25 percent to Western Europe in 1938 to 91 percent to the US and less than 1 percent to Western Europe by 1944, with production focusing on food staples, minerals, rubber and wood (Source: UN Economic Commission for Latin America).



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