

9 out of 10 Nicaraguans reject threat of US sanctions



● **What sanctions is the US proposing and on what pretext?** On 3 October 2017, the US House of Representatives unanimously approved the Nicaraguan Investment Conditionality Act of 2017, (NICA Act). The threat of the Act becoming law escalated on 22 December 2017 when Senator Ted Cruz, with cross party support, introduced the Act to the Senate.

If approved by the Senate and signed off by President Trump, it would mean that the US would use its influence in international lending institutions to block all loans to Nicaragua from the World Bank, Inter-American Development Bank and other institutions. Running at US\$250 million annually, these loans are being invested in education, social programmes, electrification, roads and other infrastructure initiatives. The Act states that the US would block loans until, to the satisfaction of the US State Department, the Nicaraguan government takes effective steps to 'hold free, fair, and transparent elections overseen by credible domestic and international electoral observers and promote democracy, as well as an independent judicial system and electoral council.'

● **How have Nicaraguans reacted?** The NICA Act has met with near unanimous condemnation in Nicaragua by the government, the National Assembly, trade unions, the private sector, almost all political parties, religious leaders and over 80% of Nicaraguans according to the most recent opinion poll carried out by *M&R Consultores* in December 2017. The same poll indicated that 91.6% of those questioned think that the NICA Act would negatively affect all Nicaraguans, not only the government. In addition, 84.8% believe that that NICA Act would impact negatively both the economy and democracy itself.

'Irrational, offensive, harmful to the human rights of Nicaraguans, and a violation of Nicaragua's sovereignty.' - Nicaraguan government's reaction to the Act

● **What would the impact of the NICA Act be on Nicaragua?** It would create economic instability and reverse the Nicaraguan government's highly successful poverty reduction programmes; those who are most impoverished would suffer the most serious consequences. It could also have an impact on international investment in Nicaragua so critical to the country's development and economic stability. In turn this could mean an economic downturn that is highly likely to have a knock on effect across the region and add to the flow of migrants to the US.

Democratic Texas representative, Vicente Gonzalez in opposing the NICA Act stated: "*Enacting this bill could have serious consequences in the region. My district was ground zero for the last immigration surge and I would like to prevent this from happening again. How can we in good conscience support a measure that would punish the poorest country in Central America?*"

● **Who instigated the Act?** Behind the Act are Republican representatives Albio Sires and Ileana Ros-Lehtinen, Cuban-American politicians notorious for targeting and undermining socialist and left-leaning governments in the Americas. The Act has now been taken up by a cross party grouping of senators led by Republican Ted Cruz.

● **Is the US really concerned about the promotion of the rule of law and democracy?** The Organization of American States (OAS) observer mission to Nicaragua's largely peaceful municipal elections

held on 5 November 2017 highlighted some flaws in the process but pointed out that this would not have changed the outcome. The Nicaraguan government has accepted the criticisms and pledged to work with the OAS to continue to strengthen the institutionality and transparency of its electoral processes.

This contrasts sharply with Honduran elections on 26 November declared so flawed by the OAS observer mission that they have called for new elections. OAS secretary general Luis Almagro described the elections as being of 'very low quality' technically, plagued by irregularities, and lacking integrity.

Despite this deeply flawed process and the deaths of 27 people in subsequent protests, the US State Department announced that 'The Honduran people exercised their democratic rights by taking part in elections on 26 November. The United States looks forward to working with the democratically elected leaders of Honduras.'

● Why would US Congressional representatives and senators want to make Nicaragua so poor that undocumented immigrants would join Guatemalans, Hondurans, and El Salvadoreans making their way to the Mexico – US border? The Act is primarily ideological and has little to do with rationality. A statement by Senator Ted Cruz on 22 December echoes the sentiments of Ronald Reagan in the 1980s alleging that Nicaragua's links with Venezuela and Russia '*raise national security implications not only for the US but for all our allies throughout the western hemisphere.*'

● Why does the Nicaraguan government enjoy such high levels of support?

- According to a poll carried out by *M & R Consultores* in October 2017, President Daniel Ortega had an almost 80% approval rating among Nicaraguans. 77.5% said that he had led Nicaragua correctly, while 77.8% said that the FSLN government gave them hope. The poll also showed that 78.6% of the people believed the government worked for the benefit of the population and 71.5% considered the government 'democratic'.
- The October 2017 World Bank report on Nicaragua concludes that the FSLN government, led by President Ortega since 2007, has achieved a remarkable turnaround in reducing poverty and inequality, raising productivity, diversifying the economy, while promoting greater economic and social stability. This includes free health care and education at all levels, extensive electrification, housing and road building programmes, and support for small family businesses, particularly for women. '*Nicaragua's macroeconomic stability has allowed the country's decision makers to shift from crisis control mode to longer-term, pioneering strategies to fight poverty, particularly in remote rural communities.*' World Bank report October, 2017
- Because Nicaragua is one of the safest countries in Central America, it has become a popular tourist destination with low violence, drug and homicide rates. The US State Department's Nicaragua 2017 Crime and Safety Report concludes that "Nicaragua has low overall reported crime rates" with a reduced homicide rate at 8/100,000 inhabitants. Nicaraguan police and military have prevented drug cartels from gaining a foothold in the country, unlike the other countries of Central America.
- Contrary to US accusations of lack of freedom in Nicaragua, the country has no political prisoners and no censorship of the press. All of the print media and most radio stations are owned by the opposition.