



Violence in Nicaragua: An Update

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Nicaragua has witnessed popular protests against President Daniel Orgeta. The protests, which started on 18th April 2018, were sparked by changes introduced by the government to the social security system. The government, under an executive order, instituted a series of reforms to the Nicaraguan Social Security Institute (INSS), which manages the nation's pension fund, and is teetering on the brink of insolvency. The reforms would increase the amount that employees and employers have to pay into the system, while cutting benefits to elderly pensioners by 5%. (The reforms have since been removed.) This spurred small-scale protests, mostly by pensioners. They were joined by students and later, included people from civil society, business etc. In response, government forces killed some protestors (some estimates claim that more than four hundred people have died, with thousands wounded). This led to demonstrations further spreading on issues of corruption and the authoritarianism of President Orgeta. The protestors also have called for the resignation of President Orgeta. (His term expires in 2021.)

In a region that is known for its violence, Nicaragua has been an exception. This is primarily because the gang culture that plague its neighbours such as El Salvador and Honduras is missing. Nicaragua has placed emphasis on crime prevention, through police reform, community policing, alternative sentencing and social welfare programs. Unlike most countries of the region, it is viewed by the international business community to be safe and stable for investments. However, many point that reforms had slowed after the election of President Orgeta in 2006. His critics claim that, he has undermined civil institutions and limited freedom of speech, ensured that the judiciary and the armed forces are loyal to him and that he also controls the Election Commission. In 2010, the President's Sandinista Party-controlled Supreme Court lifted a ban on consecutive presidential re-election, allowing President Ortega to run again the next year. In 2014, Congress changed the Constitution to lift term limit to allow President Ortega to run for a third successive term in 2016. In this view, the Ortega administration which currently controls all four

branches of government, the military and the national police force has effectively transformed Nicaragua into a one-party state.

In November 2017, protestors, demonstrating against the local elections which were won by the President's Sandinista Party, were detained and six people were killed. This outbreak of violence fuelled suspicions that President Ortega's government may have ties to drug trafficking groups.¹ Although he has accused his opponents of having such connections, there are also long-standing allegations of the involvement of drug money in President Ortega's campaigns. Over the past decade, critics say that President Ortega has manipulated elections, co-opted the Supreme Court and banished opposition lawmakers from Congress. President Ortega has eliminated presidential term limits and named his wife, Rosario Murillo, as Vice President. It is widely believed that he expects his wife to succeed him in the next presidential election, scheduled in 2021, which few critics expect will be fair.²

Senior members of Nicaragua's Catholic Church began mediating peace talks between President Ortega and the student-led protestors in May 2018. However, the peace talks collapsed after government forces opened fire and killed protestors on Nicaragua's Mother's Day. The Church withdrew from peace talks a second time in June 2018, stating that the government failed to honour its part to allow the United Nations Human Rights along with the European Union to monitor the situation on the ground.

The international community has reacted to these developments with the United States imposing sanctions on three Nicaraguan officials with close ties to President Ortega and his wife, Vice President Rosario Murillo, accusing them of corruption and human rights violations. Canada has also condemned the killings and stated that it could pose a security threat to the region. The Organisation of the Americas (OAS) condemned the acts of violence in Nicaragua. It also urged the Government to hold fresh elections.

In the face of the government crackdown, protests have subsided. However, it has led to political unrest and uncertainty. While the violence has stopped on the streets, observers fear that unless the government is open to negotiations with the opposition (which includes student leaders, civil society, farmers, opposition political parties and the Church), the possibility of re-emergence of violence remains. They point to the possibility of a civil war. The Nicaraguan Pro-Human Rights Association, an advocacy group, said that nearly 600 people, mainly opponents to the government, have been kidnapped and that hundreds more were missing and possibly had "disappeared." The government has continued to hunt down and jail opponents, and many observers, including the United Nations, worry that a new antiterrorism law is being used to criminalize members of the opposition, including those protesting peacefully.³

Implications for the Region

Nicaragua seems to be following a regional pattern of demands for governmental accountability. There are similar demands for more transparency through popular protests in Brazil, Argentina and Venezuela.

Over the past few years, President Ortega has consolidated power through constitutional change, control over the judiciary and other independent organisations. He also enjoys the support of the security forces-police and the military. In a region that has in the past removed elected civilian governments to transfer power to military dictatorships, it is feared that Nicaragua may follow the trajectory towards authoritarianism. The political turmoil has also led to an economic slowdown.

The crisis has meant that Nicaragua's real GDP will contract in 2018 due to declining private consumption, exports and investment crisis. While unrest has passed for the moment, it has dealt a long-term blow to investor confidence in Nicaragua, likely reducing the country's access to foreign capital and multilateral financing. Most direct investment into Nicaragua is concentrated in the manufacturing sector. With the country still under sanctions from the United States, and the flight of international capital, it may be difficult for the government to finance investments into the economy with its limited resources. Additionally, repression of protestors and recent reports of land grabs targeting opponents of the Ortega regime will likely reduce people's confidence in the rule of law in the country.⁴

Tourism, an important industry has been affected by the fall of tourist flows as a result of the protests. International airlines have reduced flights. According to the National Chamber of Tourism of Nicaragua (CANATUR), tourists from different parts of the world and particularly the United States have cancelled trips to Nicaragua due to the crisis and the sector expects to lose US\$ 185 million and 60,000 jobs. Workers have been laid off as industries shut down. As a result of the unrest foreign direct investments have halted.⁵ Political unrest in Nicaragua has also affected its neighbours. According to the UN, more than 23,000 Nicaraguans have sought refugee protection in Costa Rica since the unrest erupted in April. Instability in Nicaragua impacts all of Central America and brings with it greater migration flows towards the north. This is likely to be a cause of concern for the United States and Mexico.

Central American migrants have long been at the centre of the United States immigration issues with Mexico. Many migrants try to enter the United States illegally through the Mexico-US border. A majority of these illegal migrants are from Haiti, El Salvador and Honduras, escaping poverty and increasing drug related violence in these countries. Nicaraguan illegal immigrants have been few. However, violence is pushing them out. They are likely to go to Costa Rica, the country of choice for most people migrating from Nicaragua. If the migrant inflows continue, it is likely that Costa Rica may close its borders or become more vigilant to illegal migrants and asylum seekers entering the country. Mexico and Panama have also stated that they have received requests for asylum too. This may force some to move to the United States.

Map: Nicaragua



Source: Google Maps

Recently, in a speech before the Organisation of the Americas President Carlos Alvarado (of Costa Rica), referred to the “increasingly serious” situation in Nicaragua and advocated the defence of democracies in the region. He urged the Nicaraguan government to comply with the recommendations of the Inter-American Commission on Human Rights (IACHR) to end the violence. With a 312 km common frontier, most of Costa Rica’s exports by land to Central America pass through Nicaragua.

Due to its strategic location, Nicaragua cuts the economic trade of the region into two. Instability has affected the movement of goods for both regional and international trade due to the roadblocks set up by the protestors. This has had negative economic consequences for other Central American countries. The president of the Federation of Chambers and Industrial Associations of Central America and the Dominican Republic (FECAICA), Costa Rican Enrique Egloff, said that “the situation in Nicaragua is a problem for all Central Americans” that “has caused shortages of products, especially foodstuffs, and is putting regional integration at risk.”⁶ While it seems that the country has moved past the crisis, the risk of political unrest remains. President Ortega remains unpopular and faces opposition. Turmoil is predicted in the election due in 2021 if, President Ortega’s wife, Vice President Rosario Murillo runs for President. The likelihood of political unrest would be compounded if the legitimacy of the election in 2021 were to be called into question, as happened during the 2016 presidential vote.

Conclusion

The 19th of April Movement, as the protests in Nicaragua are called, join a series of similar popular protests by people across the world such as the Occupy Wall Street, Black Lives matter and the Arab Spring. They have all been spontaneous movements, which were started by the common people and were devoid of any political leaning. They have relied on the social media and word of mouth publicity to spread their message and made use of available public places to push for political change. These movements have all demanded transparency, accountability and equality from the political leadership of the country. The flexible structures of these movements and the agenda they promote have provided them with universal appeal. Such popular protests may become the template for future movements by the people in Latin America, as they start to ask for more accountability from government officials and elected members.

In Nicaragua, the protests have stopped as a result of government suppression. President Ortega, with his control of the country's universities, judiciary, executive, legislative, judiciary and the security forces, has rejected demands for an early election. Nevertheless, the collapse of the peace negotiations, the criticism of the Church and the international condemnation along with the economic consequences has isolated President Ortega. Supporters of the President state that he was legitimately elected and should be allowed to continue to finish his term. They also feel that any change to the government should be through constitutional means. Nonetheless, both sides have stated that there is a need for a dialogue to bring back stability to the nation which is likely to also help its neighbours. This dialogue would be much needed if Nicaragua is to gain investor confidence and international political support for its development agenda.

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Disclaimer: The views expressed are that of the Researcher and not of the Council.*

Endnotes

¹ Robert Muggah, "Nicaragua was one of Latin America's least violent countries. Now it's in a tailspin," <http://www.latimes.com/opinion/op-ed/la-oe-muggah-nicaragua-ortega-protests-20180719-story.html>, Accessed on 08 August 2018.

² Jan-Albert Hootsen, "The Catholic Church in Nicaragua suspends peace talks as the political crisis deepens," <https://www.americamagazine.org/politics-society/2018/06/21/catholic-church-nicaragua-suspends-peace-talks-political-crisis-deepens>, Accessed on 09 August 2018.

³ <https://www.nytimes.com/2018/08/06/world/americas/nicaragua-ortega-crisis.html>, Accessed on 08 August 2018.

⁴ ----, "Political Crisis To Push Nicaragua Into Recession In 2018," <https://www.fitchsolutions.com/country-risk-sovereigns/economics/political-crisis-push-nicaragua-recession-2018-08-08-2018>, Accessed on 16 August 2018.

⁵ Kirk Semple, "'There's No Law': Political Crisis Sends Nicaraguans Fleeing," <https://www.nytimes.com/2018/08/06/world/americas/nicaragua-ortega-crisis.html>, Accessed on 09 August 2018.

⁶ Gilberto Barrera, “Nicaragua’s Unrest Affects Its Neighbors : A Crisis Escalates Across Central America,” <https://thecostaricanews.com/nicaraguas-unrest-affects-its-neighbors-a-crisis-escalates-across-central-america/>, Accessed on 18 August 2018.