# To keep its stranglehold on Latin America, the US fights Nicaragua's success

The United States economic and geopolitical stranglehold on Latin America is threatened and they are running scared to pass the repressive NICA Act<sup>i</sup> and covertly fund mass disinformation campaigns and demonstrations, replete with mortar wielding enemy combatants, against the legitimate government of sovereign Nicaragua -- a country the approximate size of New York State.

Washington's bureaucrats not only fear favorable reports being released by the International Monetary Fund (IMF) and World Bank on the successful economic and social policies instituted by President Ortega because they undermine their disinformation campaigns to slander and discredit him, but even more importantly, because Nicaragua's achievements inspire other developing countries. According to the IMF ii and World Bank iii reports, Nicaragua has sustained growth in GDP; improved its social indicators; expanded tourism; and provided regional leadership in public safety and sustainable energy. As such, the United States is in a race against time to undermine President Ortega before a tsunami of developing countries wanting success through his model of autonomy topples all its remaining puppet dictatorships.

Historically, the United States government justified imperial invasion and occupation by claiming its targeted country was "communist". Now that the spurious threat of communism has been largely debunked, the latest buzzword used to justify imperial aggression by the United States, when it's not throwing around the word "terrorism", is "democracy". In doing this, the United States effectively lowered its justification bar further, as democracy is a nebulous concept at best. The United States conceals its imperialist aggression under the pretense of being the world's democracy "policeman" when in fact it is just the opposite. The United States functions as the world's democracy criminal, overthrowing legitimate governments of sovereign nations to allow its puppet master transnational corporations to unabashedly steal without interference.

Accordingly, the word "democracy" merely provides cover for a pitiful and desperate

attack against the rights of sovereign countries, such as Nicaragua, to self-determination and self-defense. Within this context, the word "democracy" is dead and needs to be buried. Justice is autonomy over subservience!

As long as President Ortega remains autonomous and "just says no" to the dictates of the United States government, Nicaragua will never be "democratic" enough for Washington's liking. The United States will always object to Nicaragua and President Ortega's handling of: national elections; foreign funded anti-government news media, armed insurgents/mercenaries disguised as protestors; and nefarious non-governments organizations (NGOs) intent on fomenting discontent. It's a no-win situation because democracy is always a vague pretext.

President Ortega risks retribution when he openly defies U.S. restrictive trade and development prohibitions. In particular, President Ortega has threatened the United States regional preeminence with the planned development of a transoceanic canal. And, President Ortega has overturned the United States hegemony by negotiating trade deals with countries the U.S. can't control.

The United States fear of autonomy spreading amongst successful developing countries is long standing, and it runs deep and dirty. Invasions and occupations by the United States into sovereign Nicaragua are not new and date back to the early nineteen hundreds. Besides the Banana Wars<sup>v</sup>, which were largely to protect the foreign interests of the United Fruit Company throughout Latin America against unions formed by its indigenous workers and aggrieved and displaced landowners, American military interventions were used to stop nations, other than the United States, from building a transoceanic canal in Nicaragua.

#### **Transoceanic Canal**

Washington vehemently objects to President Ortega's ongoing plan to develop a transoceanic canal with Wang Jing, a Chinese national. As such, it promotes the spread of environmental doomsday scenarios throughout the complicit news media, and it funds

opposition groups, protests and thugs. The canal engenders a regional shift in power that is unfavorable to the United States expressed interests for three primary reasons. First, the transoceanic canal would lessen the United States influence over Nicaragua, as the canal provides an alternate and independent funding stream to trade and lending -- which are still largely dominated by the United States. Second, the transoceanic canal would allow China to gain strategic geographic access and control over the passage between two oceans. Reportedly, the depth of the canal, at 28 meters, is deep enough for Chinese submarines to quickly and covertly cross between the Pacific and Atlantic Oceans. Third, the transoceanic canal would impinge upon the profitability of the Panama Canal, as it would subject it to competition from a new waterway that is designed to accommodate today's larger shipping vessels. As an aside, not only does Panama remain a United States outpost, but it also enjoys a longstanding trade surplus with Panama. In 2017, the United States received \$ 6 billion in trade surplus from Panama.

### Trade Between Nicaragua and the United States

In stark contrast to its trade surplus with subservient Panama, the United States, since 1995, has suffered an annual trade deficit with Nicaragua. In 2017, the United States trade deficit with comparatively tiny Nicaragua was approximately \$1.7 billion. viii

President Ortega's success in trade is remarkable, especially given its restrictive trade agreement (DR-CAFTA) with the United States. The DR-CAFTA agreement was reached in December 13, 2003, when President Ortega was not in office.<sup>ix</sup> While a \$1.7 billion trade deficit might seem relatively small compared to the United States overall trade deficit of \$568 billion, <sup>x</sup> it nonetheless demonstrates Nicaragua's strength in production, farming and in the marketability of its commodities. But, even more importantly, it reveals a growing negative trend against the United States plan for world domination.

The Trump administration is particularly concerned with the United States trade deficit. According to the Council on Foreign Relations, "President Donald J. Trump has made reducing the U.S. trade deficit, which has expanded significantly in recent decades, a

priority of his administration. He and his advisors argue that renegotiating trade deals, promoting "Buy American" policies, and confronting China over what they see as its economic distortions will shrink the trade deficit, create jobs, and strengthen national security." "Peter Navarro, a senior advisor to the president on trade and industry, believes that the deficit threatens national security in that the United States depends on foreign debt and foreign investment to finance it." Basically, trade deficits are supported by loans. If China calls in its loan, the United States would theoretically have to come up with \$1.18 trillion or default.<sup>xii</sup>

Yet, despite the privilege the United States enjoys in being Nicaragua's largest trading partner, xiii still discourages Nicaragua from having other trading partners, especially those it can't control such as Cuba, North Korea, Iran, Algeria, Libya, China and Russia. However, diversification in trading partners is essential for Nicaragua's autonomy, as the United States has a history of instituting protectionist measures and leading trade embargos that also involve Canada and the European nations.xiv

## Trade Between Nicaragua and Iran

Trade between Nicaragua and Iran has really taken off since President Ortega's election in 2007. \*\*Y Of course, this defies Washington, since Iran is still considered by the United States to be part of the "axis of evil".\*\*XVI Although this hyperbolic designation sounds silly, it isn't because it carries in part with it the justification necessary for Washington to declare unilateral "war".

The contracts between Nicaragua and Iran are diverse and involve multiple economic sectors including: mining; agriculture and forestry; healthcare; transportation; housing; and, water and sanitation. In its 2007 article titled: Nicaragua defies US with Iran trade deal, The Guardian reports that:

"In defiance of warnings from the United States, Nicaragua has signed contracts with Iran worth hundreds of millions of pounds."

"President Daniel Ortega has brushed aside Washington's concerns by agreeing to

trade bananas, coffee and meat in exchange for Iranian help with infrastructure projects."

"The Sandinista leader has shown a willingness to defy and irritate the superpowers. He has upgraded ties with Cuba and North Korea, and in June visited Iran, Algeria, Libya and Cuba in a jet lent by Libya's Muammar Gadafy."

"US ambassador to Nicaragua, Paul Trivelli, made a typically blunt warning: "Iran can be a dangerous partner."xvii.

In conclusion, Nicaragua remains a beacon of light and hope for the developing world. As such, it's imperative that President Ortega and Nicaragua be defended from covert imperialist aggression by the United States under its brand of fake "democracy". The time to rise up with Nicaragua in its fight for autonomy is now!

Lauren Smith, author of historical fiction, has a BA in Politics, Economics and Society from SUNY at Old Westbury and an MPA in Development Administration from New York University. Her novel on Nicaragua's 1979 revolution is due out in 2019.

This bill directs the President to instruct the U.S. Executive Director at each international financial institution to use U.S. influence to oppose any loan for the government of Nicaragua's benefit, other than for basic human needs or to promote democracy, unless the Department of State certifies that Nicaragua is taking effective steps to:

- hold free elections overseen by credible domestic and international electoral observers;
- promote democracy and an independent judicial system and electoral council;

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<sup>&</sup>lt;sup>i</sup>The Nicaragua Investment Conditionality Act of 2017 (NICA Act) directs U.S. representatives at international financial institutions such as the International Monetary Fund (IMF), World Bank and Inter-American Development Bank (IAD) to block international assistance to Nicaragua until the Department of State certifies that Nicaragua is taking effective steps towards democracy.

- strengthen the rule of law;
- respect the right to freedom of association and expression;
- combat corruption, including investigating and prosecuting government officials credibly alleged to be corrupt; and
- protect the right of political opposition parties, journalists, trade unionists, human rights defenders, and other civil society activists to operate without interference.

The Department of the Treasury shall submit to Congress a report assessing: (1) the effectiveness of the international financial institutions in enforcing applicable program safeguards in Nicaragua, and (2) the effects of specified constitutional and election concerns in Nicaragua on long-term prospects for positive development outcomes there.

The President may waive such requirements in the U.S. national interest.

The bill requires: (1) the President to direct the U.S. Permanent Representative to the Organization of American States to use U.S. influence to advocate for an Electoral Observation Mission to be sent to Nicaragua in 2017, and (2) the State Department to report on the involvement of senior Nicaraguan government officials in acts of public corruption or human rights violations.

#### https://www.congress.gov/bill/115th-congress/house-bill/1918

ii Nicaragua: Staff Concluding Statement of an IMF Staff Visit February 6, 2018

"Real GDP increased about 4.9 percent, supported by buoyant agricultural exports, tourism and remittances." "GDP is projected to grow in 2018 above potential, at 4.7 percent. Domestic demand is expected to strengthen, supported by a surge in public infrastructure investment projects. Exports are expected to respond favorably in the wake of the pickup in U.S. growth, partially cushioning the impact of higher oil prices."

 $\underline{https://www.imf.org/en/News/Articles/2018/02/06/ms020618-nicaragua-staff-concluding-statement-of-animf-staff-visit}$ 

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### World Bank Report on Nicaragua Updated April 16, 2018

"Despite global economic turbulence, Nicaragua has stood out for maintaining growth levels above the average for Latin America and the Caribbean. Disciplined macroeconomic policies, combined with a steady expansion of exports and foreign direct investment, helped Nicaragua to weather the global economic crisis of 2008-09 and rising food and oil prices."

"In 2011, growth hit a record 5.1 percent, slowing to 4.7 and 4.5 in 2016 and 2017, respectively. For this year, the forecast is 4.4 percent, which is why Nicaragua ranks second in growth among Central American countries, with favorable prospects for foreign direct investment and trade."

"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."

"According to the 2016 Standard of Living Survey by the National Development Information Institute, between 2014 and 2016 general poverty in Nicaragua dropped from 29.6 to 24.9 percent; while in the same period extreme poverty fell from 8.3 to 6.9 percent."

http://www.worldbank.org/en/country/nicaragua

iv

Worlds Policeman

https://www.google.com/amp/s/www.wsj.com/amp/articles/the-united-states-must-be-the-worlds-policeman-1474412665

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The Banana Wars were the occupations, police actions, and interventions on the part of the United States in Central America and the Caribbean between the end of the Spanish–American War in 1898 and the inception of the Good Neighbor Policy in 1934.<sup>[1]</sup> These military interventions were most often carried out by the United States Marine Corps, which developed a manual, *The Strategy and Tactics of Small Wars*(1921) based on its experiences. On occasion, the Navy provided gunfire support and Army troops were also used.

Most prominently, the US was advancing its economic, political, and military interests to maintain its sphere of influence and securing the Panama Canal (opened in 1914), which it had recently built to promote global trade and to project its own naval power. US companies such as the United Fruit Company also had financial stakes in the production of bananas, tobacco, sugar cane, and other commodities throughout the Caribbean, Central America and northern South America.

https://en.wikipedia.org/wiki/Banana\_Wars

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Foreignpolicy.com titled: Should the U.S. Worry about China's Canal in Nicaragua http://foreignpolicy.com/2015/05/26/should-the-us-worry-about-chinas-canal-in-nicaragua/

vii

US Govt. Census

https://www.census.gov/foreign-trade/balance/c2250.html

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United States Trade in Goods with Nicaragua

https://www.census.gov/foreign-trade/balance/c2190.html

ix

DR-CAFTA

https://www.oxfamamerica.org/press/dr-cafta-a-bad-deal-for-poor-countries/

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Bea.gov: International Trade

https://www.bea.gov/newsreleases/international/trade/tradannualhighlights.pdf

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Council on Foreign Relations

 $\underline{\underline{https://www.cfr.org/backgrounder/us-trade-deficit-how-much-does-it-matter}}$ 

The Balance

https://www.thebalance.com/u-s-china-trade-deficit-causes-effects-and-solutions-3306277

Bridgat - Global Exports and Imports by Nicaragua Market Value: Last Updated: June, 2017

http://countries.bridgat.com/Nicaragua Trade Partners.html

xiv

Washington Post

 $\underline{\text{https://www.washingtonpost.com/archive/opinions/1985/05/05/why-the-nicaraguan-embargo/cce6b434-354d-41fa-a405-f06882eb6e42/?noredirect=on\&utm\ term=.b984de929cc4}$ 

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Wilson Center

https://www.wilsoncenter.org/sites/default/files/Iran in LA.pdf

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https://edition.cnn.com/2017/04/26/opinions/axis-of-evil-is-back-miller-sokolsky/index.html

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The Guardian

https://www.google.com/amp/s/amp.theguardian.com/world/2007/aug/06/usa.iran