



# NICARAGUA NETWORK NICARAGUA MONITOR

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## The Property Waiver Regime

# Nicaragua's Continued Punishment

by Jamie Way

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The fall of the Berlin Wall in 1989 was said to symbolize the end of an era. For Americans, the age of duck-and-cover drills and bomb shelters had come to an end. The world was no longer a bipolar battlefield of superpowers. And without the constant threat of a Red invasion, the U.S. would undoubtedly halt its “democracy” promotion and harsh policies toward Latin America, or at least it was assumed.

Unfortunately, however, although the Berlin Wall collapsed two decades ago the U.S. government continues not only to uphold relics of the era, but to promote new laws that force U.S. ideologies upon sovereign Latin American nations. An embittered U.S. policy toward Cuba has extended the reach of this grudge to the rest of the region. Antiquated legislation originally pertaining to Cuba has not only been updated and maintained, but has been applied to the detriment of other countries. Currently Nicaragua is the only country affected by the US laws, but as land reform moves forward in Latin America, other countries could be included.

Currently, the U.S. government refuses to provide aid to countries that have expropriated the property of U.S. citizens, until the President (or his designee) provides said country with a waiver. If this does not occur, the U.S. government not only withholds aid from the foreign government, but votes against aid for the country within all major global financial institutions. Due to this policy, Nicaragua is forced to anxiously await the annual July 28 announcement of whether or not



*Anastasio Somoza Debayle, the last of the Somoza dictators and Sen. Jesse Helms (R-NC), who virtually ran US Latin America policy under the Reagan, Bush, and Clinton administrations. Somoza was assassinated in Paraguay in 1980 and Helms died in 2008. Both men's actions continue to punish Nicaragua.*

it will receive U.S. funding for that fiscal year.

### **Roots of the Problem**

This detrimental U.S. policy has its roots in the tense U.S.-Cuban relations of the Cold War era. In an attempt to galvanize opposition to the Castro government, the U.S. imposed a number of acts promoting a rigid embargo against Cuba.

The first in a string of such acts was passed by Congress in 1961. The Foreign Assistance Act entailed an amendment of vital importance to the fate of Cuba and many other Latin American nations. Woven within the thick of the bill was an important section, known as the Hickenlooper Amendment, (it can be found in the bill under Title 22 Foreign Relations and Assistance: Chapter 32 Foreign Assistance: Sub-chapter III General and Administrative Provisions: Part 1 General Provisions: Section 2370).

The amendment was sponsored by the Republican Senator from Iowa, Bourke Hickenlooper, in response to a case that

was travelling through the court circuit at the time. The case referred to a dispute over who should be paid for filling a U.S. company's sugar quota. The case, *Banco Nacional de Cuba v. Sabbatino*, thus pertained to the rightful recipient of funds. One U.S. company had agreed to purchase sugar from another U.S. company, however, before the transaction took place, the sugar producing company was expropriated by the Cuban government.

The sugar producer still filled the contract by delivering the sugar, but the second U.S. company opted to pay the company with which it had originally signed the deal, rather than pay the Cuban government. As the case traveled through the court system, it seemed that the final ruling might conclude (as lower courts had) that it was necessary to uphold the Act of State Doctrine, which states that what a sovereign nation does within its borders may not be challenged by a foreign court system. In order to preempt the unfavorable Supreme Court decision

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foreseen by Congress, Hickenlooper pushed forward his amendment, which stated that the U.S. would not provide foreign aid to any country that expropriated U.S. citizens' property. Furthermore, it required the U.S. to cast a vote against loans to the country in international lending agencies. Depending on the institution, the U.S.'s nay-vote alone could end the country's hope of receiving a loan from the institution.

In 1968 the bill was put to the test when the Nixon administration had to face a difficult situation over Peru's decision to expropriate the assets of a U.S. petroleum company. Nixon chose not to enforce the law, because, as Kissinger argued, it would appear to other Latin American countries as an act of intervention. The Nixon administration then introduced an amendment to the Foreign Assistance Act that would allow the president to waive the application of the Hickenlooper Amendment when it was in the "national interest." In 1973, Nixon's wish was granted and Congress made the application of the law discretionary.

A year before in 1972, however, the Gonzalez Amendment was passed despite the administration's disapproval, (Section 21 of the Inter-American Development Bank Act, P.L. 92-246; Section 12 of the International Development Association Act, P.L. 92-247; and Section 18 of the Asian Development Bank Act, P.L. 92-245). This amendment required the president to order his representatives to vote against loans to countries that had expropriated U.S. citizen's property without due compensation. If the Hickenlooper amendment required this negative vote (as noted in the preceding

paragraph) why was the Gonzalez amendment necessary?

### After Cold War Thaws, Icy U.S.

#### Foreign Policy Persists

Throughout the 1990s, the U.S. passed a string of policies detrimental to Cuba that would apply to Latin America more generally. In an act displaying a complete lack of compassion or concern for the extreme economic hardships that were being felt during Cuba's "Special Period," the Torricelli Law (Cuban Democracy Act of 1992) was passed continuing a policy of strict sanctions until Cuba would succumb to the will of the U.S. This law dusted off the antiquated policies of the 1960s and insisted that they continue to apply. In a clearly political move, Bill Clinton, who was attempting to pander to the Cuban vote, endorsed the Torricelli Law that was signed by Bush during the 1992 presidential campaign.

Continuing the string of imperialistic U.S. laws passed in the 1990s, in 1994, Senator Jesse Helms and Representative Henry Gonzalez sponsored an amendment to the Foreign Relations Authorization Act of FY 1994 and 1995, (Title V, Part A, Section 527) which has been applied specifically to Nicaragua. And, just four years after the Torricelli Law, Congress built upon it by passing the inappropriately titled "Cuban Liberty and Democratic Solidarity Act" otherwise known as the Helms-Burton Law. Despite the disapproval of the vast majority of world actors (including Canada, Mexico, Spain, the OAS, and less vocally the EU), the U.S. passed the controversial law. The Republican bill was signed into law by President Clinton in 1996 shortly after two small planes from the U.S. were shot down when flying near Cuba.

The Helms-Burton Law included two especially offensive measures. First, Title III allowed U.S. citizens to bring lawsuits against anyone who "traffics" in former U.S. property confiscated by the Cuban government. Used in this context, "trafficking" refers even to the legitimate business dealings of a CEO from a third country who works for a corporation that handles expropriated U.S. property. Therefore, even businessmen and women from countries outside the region can be seen as criminals "trafficking" in "stolen" American goods. Second, Title IV denied a U.S. visa to those who participated in the "trafficking" of formerly U.S. property. Thus, the law was not simply an invasion of Cuban sovereignty, but instead brought the gaze of the U.S. court system to bear on employees of other foreign corporations that had some connection to expropriated goods.

According to Joaquin Roy, an International Studies scholar, Title III extends the privilege to make reparations claims over expropriated land to naturalized U.S. citizens, who were not citizens at the time of the confiscations. This retroactive privilege had not applied to citizens of any other background at this time. This seems to be in direct contradiction with Title III Section 303 of the bill, which states that such property claims will not be extended retroactively for the purposes of future negotiations that may take place with a "friendly government in Cuba when diplomatic relations are restored."

#### Applying Distrust Elsewhere

Despite the fact that the source of retroactive citizenship rights remains unclear, it is evident that its application presently expands past the island of Cuba and further into Latin America. Each year, the Nicaraguan government must wait to hear if the Secretary of State (acting on power derived from the president) will choose to waive the laws and allow Nicaragua to receive U.S. foreign aid for an additional year due to claims from U.S. citizens demanding compensation for their confiscated land.

So far, for a total of 15 years, the Nicaraguan government has received a waiver every year. Of the 274 claimants that jeopardize the Nicaraguan waiver, according to the Nicaraguan government, only 17 are actually U.S. born citizens. This means that the remaining 257

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# Flashback: Cuba, Ortega, and Me

By Robin Lloyd

(Robin Lloyd is Director of Green Valley Media and Publisher of *Toward Freedom* magazine.)

I was pregnant in Cuba in 1978. A year later the Sandinistas gave birth to a revolution in Nicaragua. What's the connection between these events? I pondered the personal and the political while visiting Cuba for 11 days this spring – checking in with four students in the Burlington College study abroad program, and hanging out with friends I made last year while resident manager of the program. My Cuba visit this year came right after the Trinidad-Tobago Summit of the Americas, where, as we all know, Obama shook hands with Hugo Chavez three times and accepted a gift from him, *The Open Veins of Latin America: Five Centuries of the Pillage of a Continent*, by Eduardo Galeano.

After the Summit, Nicaraguan president Daniel Ortega stopped in Cuba to debrief the country on what really happened. He spoke on the Mesa Redonda, or Round Table, Cuba's nightly news program. Hearing him carried me back to 1980, the first year of the Nicaraguan revolution, when I traveled there for the first time. Vermont filmmakers and friends Jay Craven and Doreen Kraft had gathered equipment and funding to shoot *Dawn of the People: Nicaragua's Literacy Campaign*, and invited me along.

But during that first trip to Cuba, in 1978, I knew little about the storm brewing in Nicaragua. I was aware that the country was ruled by a dictator named Somoza, whose father had been imposed on the country by the US and that early on, the Somoza army had killed the revolutionary leader, Augusto Sandino. Maybe my new role as mother had distracted me from politics. Most people outside the Left and think tanks knew little about Latin American struggles in those days.

I asked Jay Craven recently what sparked his interest in Nicaragua and led him to make the film. "During the summer of 1979," he wrote, "I participated in a terrific 'alternate cinema conference' at Bard College. The triumph of the Sandinistas occurred while we were there – and it was electrifying. I had been following the action, somewhat,

especially the reports of ABC newsman Bill Stuart and his shooting by the Somoza guardsmen (on camera). But the spirit of the triumph moved through the conference like wildfire. It was a great event—politically charged and inspiring to action. So, I left with a sense that I wanted to be involved in some way."



*A pregnant Robin Lloyd in Cuba in 1978.*

During the winter of 1980, OXFAM invited Jay to join a delegation of journalists to Nicaragua. While there, he made contact with Fernando and Ernesto Cardinal, Miguel D'Escoto, and the Nicaraguan Film Institute, hoping to lay the groundwork for a documentary. Jay continued, "A student had told me about the literacy crusade and I read Paulo Freire's book *Pedagogy of the Oppressed*...so these were the combination of influences..."

My son was born in July, 1978 and I was still involved in being a new mom, but I managed to join the film crew for two remarkable weeks, and accompanied some brigadistas (young literacy workers) into the mountains. It was a time of hope, but hints of the gathering tragedy could be heard. In our film, completed in 1982, the grandmother of a brigadista says, "We worried for her safety because we had heard that some brigadistas had been raped on the northern border." These were of course the Somoza guards who had reconstituted themselves in Honduras, and, with plentiful American funding during the Reagan administration, morphed into the Contras. Their guerrilla attacks on the northern and southern borders of Nicaragua deflected the energies of the new young government into war preparedness.

**A Cat Can Look at a King**

Daniel Ortega, a middle class militant

jailed for seven years during the Somoza years for robbing a branch of the Bank of America to obtain money for the FSLN (Sandinista National Liberation Front), after leading the junta that took power in July, 1979, was elected president in 1984. He ran again and lost in 1990, 1996 and 2001. After decades of crushed dreams and wrong turns – a revolution worn down by years of attrition, the Contra Wars, mistakes on the Atlantic Coast, three lost elections and 18 debilitating years of opposition, corruption and compromise, a long-running lawsuit by his step-daughter accusing him of sexual abuse, and a recent alliance with a former enemy, the Catholic Church, to ban all abortions in Nicaragua – this scarred and battered ex-idealist finally got re-elected in 2008.

At the Summit of the Americas, he delivered a 50 minute speech that Obama had to listen to. In a sense, the speech was an update of Galeano's book. Ortega had a lot to get off his chest. He denounced US aggression in the region, focusing in particular on US support of Dictator Anastasio Somoza and its "illegal" sponsorship of the Contras in the 1980s. He also criticized the embargo on Cuba and asked why the island was not represented at the Summit.

In his interview a few days later, on the Mesa Redonda, he explained that in the late 70s and 80s he shook hands with Jimmy Carter and Ronald Reagan, and they continued their destabilization of his government. Obama, he declared, may be good at shaking hands, but he is "the head of an empire imprisoned by rules he can't change." Ortega also exposed the hierarchical logistics of the Summit. On opening day, he noted, Latin American presidents arriving at the Trinidad-Tobago airport were stranded, in some cases, for three hours on the tarmac before disembarking. "There was a row of airplanes," he explained. "What happened is that we had to wait until the Emperor arrived." He and Presidents Michelle Bachelet of Chile, Evo Morales of Bolivia, Felipe Calderón of Mexico and Luiz Inácio Lula da Silva of Brazil, were basically held in airport limbo until Obama's plane landed. "That is a lack of respect," he said.

Concerning the length of his remarks

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## Punishment from Pg. 2

claims belong to naturalized citizens that were not U.S. citizens at the time of the expropriations, but are applying some form of retroactive citizenship.

Like many revolutionary countries, Nicaragua experienced land reforms under the Sandinista Revolution which overthrew the Somoza dictatorship in 1979. Deep inequalities exemplified and reinforced by the high concentration of much land in the hands of an elite few led to the necessity of a revolutionary land reform. Land reform focused largely on improving the use and benefits of land formerly owned by Somoza and his supporters.

It is estimated that Somoza himself owned approximately 20-25% of the country's arable lands. For this reason, 56% of all land confiscated during reforms was land that previously belonged to Somoza and his close allies and supporters. The other 44% of the land was confiscated under a variety of circumstances. A great portion of the land was taken from those that fled the country during the revolution, as well as debtors that perpetrated capital flight, taking large loans and then fleeing the country with no intention of repayment.

The claims being made by now-U.S. citizens have had a major impact on Nicaragua's finances. Nicaragua has given out \$1.232 billion dollars in government bonds to U.S. claimants since 1990, and pays the servicing on that debt each year. These debt payments amount to large percentages of the Nicaraguan budget. In 2008 for example, the government paid US\$132.3 million to the bond holders which was the equivalent of 56% of the government's total expenditures on health care, or 39% of the government's total expenditures on education, or, perhaps even more shockingly, 19.3% of Nicaragua's gross domestic productivity. Clearly, these numbers take a huge toll on Nicaragua's budget.

### Claims Under Ortega

The Ortega administration has taken large strides toward addressing the issue of compensation in the cases that provide adequate justification for their claims. 191 claims have been satisfactorily settled. Moreover, the Ortega government has upheld the agreement reached with the U.S. in late 2008. This agreement included the creation of the Office of Attention to U.S. Citizens under the Prosecutor



*Some land that the U.S. demands be returned was given under land reform to peasant couples such as this one in Condega. Photo: Katherine Hoyt*

General of the Republic. The Nicaraguan government also agreed to send monthly reports of settlements to the U.S. embassy. Additionally, in the case of claims that were filed without all required documents, the Nicaraguan government agreed to notify claimants.

The Ortega government has, however, challenged the legitimacy of some claims, rejecting 270 due to the fact that the properties had been owned by Somoza and some of his closest associates. Furthermore, the Ortega government has challenged the U.S. State Department on a number of claims. It asserts that 52 claimants have not presented adequate documentation of ownership. Additionally, it states that it is unable to settle claims of those who insist on compensation based on the "nostalgic value" of properties, rather than their tax appraised values. Other properties on the list have already been passed on to legitimate beneficiaries. Currently, the Nicaraguan government is seeking review of the waiver list in order to dismiss the claims of those who have lived outside of Nicaragua for ten years without naming a legal representative in the country.

### U.S. Action Required

It is evident that the laws enforcing a continuing policy of U.S. interventionism in the sovereign nations of Latin America must be reviewed. Nicaragua is the second poorest country in the hemisphere. With the vast majority of U.S. aid to Nicaragua coming right back to "U.S. citizens" it is

evident that it actually promotes a system of harsh economic punishment.

### New Campaign to Be Launched!

The Nicaragua Network, with the co-sponsorship of Quixote Center/Quest for Peace, is launching a year-long campaign focused on rescinding Helms-Burton and other laws requiring the cut-off of aid, or failing that, to pressure the Obama administration to admit that Nicaragua has resolved all legitimate property confiscation claims and remove it from the waiver regime. If you would like to participate in this campaign and receive organizing materials as they are developed, send an email to [nicanet@AFGJ.org](mailto:nicanet@AFGJ.org) or write to Nicaragua Network, 1247 E St., SE, Washington, DC 20003.

In order to ensure that the U.S. is actually promoting democracy, as it claims, it is important to revoke laws that benefit only a handful of individual, while economically punishing the vast majority of those in the region. Until the Helms-Burton Law and its predecessors are removed from the books, a relationship of distrust will remain a characteristic of Latin American-U.S. relations. In order to promote a policy of mutual respect between the U.S. and the region, Latin America must be afforded recognition of its sovereignty and be allowed to control its internal land reform policies without punishment from its neighbor to the North.

# Students Still Experience Nicaragua

by Michael Cipoletti

(Michael Cipoletti coordinates student delegations and work trips to Nicaragua.)

It is hard to believe that I first set foot in Nicaragua 13 years ago this month speaking no Spanish and having no idea what a life altering experience it would be. Throughout my high school years in Northport, NY, Nicaragua was a regular topic of conversation amongst my peers, many of whom were members of the school's largest club, Students for 60,000, an organization founded by students in the late 1980's to combat homelessness in New York City.

Under the guidance of social studies teacher Dr. Peter White, the group took its first trip to Nicaragua in 1992. Due to other commitments, I was never able to join my classmates on one of these trips, but I kept in touch with Dr. White and along with some of my classmates coordinated an August 1996 Alumni Trip in conjunction with a NY State teacher trip that

White was organizing. On this trip, we built a three classroom school and despite my lack of language skills, I was impacted in ways that I still have difficulty putting into words.

I saw firsthand how people in our hemisphere's second poorest country live and struggle on a daily basis and was shocked into the realization of just how much I took for granted. Just a few days after returning from my trip, I was back at college and eager to share my experience with my friends and professors. It was suggested by several friends that we replicate this "Nicaragua Experience" at the college, and with the college's approval on February 28<sup>th</sup> 1997, we embarked on our first "Alternative Spring Break" with 25 students and 4 faculty/staff members participating and with another school getting built. I took between 1 and 3 trips every year through 2001 when the pressures of entering the real world became tangible, and I spent the next 6

years away from my second home.

October 2007 saw my return to Nicaragua for the first time in over 6 years. I was planning a "vacation" and thought long and hard where I wanted to go and what I wanted to do. After much deliberation, I decided that I needed to return to Chacraseca, Nicaragua, a rural community located on the outskirts of Leon to see what had happened in my absence and how my friends were doing in the time that had passed.

As I drove down the dirt road hundreds

the work we do is putting the power in the hands of the people. We work closely with community leaders, cooperatives, and Nicaraguan based NGO's to ensure that our assistance is given in a way that best serves the people. Every attempt is made to make projects sustainable and to have the members of each community participate in the project in a meaningful way that will make the project their own.

Currently we are working on a potable water project in Nuevo Amanecer, attempting to put in a solar generator to

take advantage of the oppressive sun that beats down on the community. As with many of our projects, there are constant issues that arise; we are currently working on devising a way to lower arsenic levels which are at about 40 parts per billion (the WHO standard is 10). However, with the help of our Nicaraguan partners and various resources in the United States, we know we will come to a solution that will have a long-term beneficial effect on the

overall well being of the community.

Additionally, we are working on several other initiatives such as two biointensive gardens (the first of their kind in Nicaragua) and a housing project in Chacraseca where we build a house for a family (a basic two room structure made of brick) and the family pays 25% over the course of 5 years. These projects are coupled with a number of ongoing projects including a school lunch project in Chacraseca which feeds 1100+ children a day in the 12 community schools.

After my October '07 trip, Dr. White called me and informed me that he had returned to serve as the Students for 60,000 advisor on an interim basis for the 07-08 academic year. The school did not have a teacher to fill the position and he was the only option. Due to a number of reasons the club did not have representation in Nicaragua and White asked if I would be willing to assist him in



*Students from the University of Birmingham dig footers for new houses.*

of memories flooded into my head and I felt like I was home, the same feeling I get driving up the driveway to visit my parents in New York. I was amazed that everyone remembered "Miguel Loco" my youthful alter-ego that brought joy and laughter to hardworking campesinas despite my limited Spanish. Stories were recalled like the time where I was hungry and said with confidence "tengo hombre" (I have man) instead of "tengo hambre." After all this time, I felt a strong desire to reattach myself to the work still being done by Students for 60,000 and the non-profit organization Peter had formed since his retirement, Friends of Students for 60,000.

The work we are doing takes place predominantly in two communities, the aforementioned Chacraseca and Nuevo Amanecer, a community we have worked with since 2001, located about 45 minutes away from Leon off of the highway to Malpasillo. One of the key focuses of

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## Students from Pg. 5

the coordination of the two student trips in February and April of '08.

At about the same time Shari Kornblatt a junior at James Madison University and a Students for 60,000 alumnus called and asked if I would assist her in coordinating a trip for March of '08. Thus began a new chapter in my life; coordinating college trips and sharing the Nicaragua Experience with as many students as possible. Since 2008, I have led 6 different university groups to Nicaragua and we have worked on a wide variety of projects in Chacraseca, Nuevo and a new community El Pilar located on the road to Poneloya beach. Each trip is tailored to the specific group of students and each group is working hand in hand with community leaders to ensure that the projects reach those in the communities with the greatest need. It has been an exciting project to develop and it is growing in ways I never

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## Flashback from Pg. 3

at the Summit, Ortega clarified that, in a meeting before the Summit, the Central American states gave him their time for 10-minute introductory remarks so he would have sufficient opportunity to get his points across. Ortega's speech was ridiculed by the US mainstream media. "A diatribe," "indulgent", "rambling," said Fox News. The Summit of the Americas has still not posted a transcript on its Website; they claim the Nicaraguan delegation has not provided one. When asked what he thought of Ortega's speech, Obama reflected, "It was 50 minutes long: that's what I thought." Well, at least he sat through it. That is more than Bush would have done.

My son is now 31, and the Sandinistas embarked on their 30th anniversary, July 19. After many years out of power, and facing a changed world situation, will they be able to shed charges of corruption and infighting and improve the lives of the Nicaraguan people? Like Obama, Ortega has taken some positive steps, but faces a difficult road ahead.

*(Dawn of the People: Nicaragua's Literacy Crusade is available through [Greenvalleymedia.org](http://Greenvalleymedia.org). Also available is *Puerto Cabezas: Our Sister City* and other videos on Latin America and Haiti. *We Have Other Plans*, a Green Valley Media film about community-based alternative development in Nicaragua is available at [www.nicent.org](http://www.nicent.org).)*

# Message from the Amazon

by Laura Carlsen

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The recent clash between indigenous peoples and Peruvian national police and the repeal by the Peruvian Congress of two laws passed to comply with Peru's trade agreement with the United States send a powerful message from the Amazon jungle straight to Washington: The enormous social, political, and environmental costs of the free-trade model are no longer acceptable.

Using a combined offensive of helicopter and ground forces, the police attacked a peaceful demonstration of 2,000 Wampi and Aguaruna people near the town of Bagua. The protesters belonged to the would have imagined with collaborations from Nicaraguan NGO's and UNAN-Leon, a large public university located in the city.

A group from Miami Dade College led by Professor Emily Sendin has begun a service-learning initiative through UNAN and with this project we hope to get more involvement from Nicaraguan university students, assisting in the process of creating civically engaged leaders in a country where many are not involved in enacting meaningful social change. Our goal is to get university students into the countryside and to connect and identify young people with a desire to learn and rise up from the cycles of poverty that plague a majority of those living in rural Nicaragua.

Looking back on the past 13 years, my life has been full of change as is to be expected from age 19-32. Nicaragua has played an integral role in that change, and it is my utmost desire to share this experience with anyone interested. Whether you are 14 or 84, the Nicaragua experience is something that can change your life and help you understand the world and our role as citizens in the "global community." If you are on a college campus or in an office and have a desire to coordinate an experience such as this, feel free to contact me at [ikecip@aol.com](mailto:ikecip@aol.com), and I will gladly assist you in any way I can. If there is one thing I have learned in my years of working in Nicaragua it is that while the trip might end, the journey is just beginning.

interethnic Association for the Development of the Peruvian Jungle, an organization of about 300,000 members and 1,350 communities in the region. They blocked roads and occupied oil facilities to protest the executive decrees of President Alan Garcia to implement the U.S.-Peru Trade Promotion Agreement (TPA). The decrees opened up the Amazon to foreign investment, particularly gas and oil extraction. **Graphic Violence and Partial Victory!**

In the police attack and counterattack by protestors and nearby residents of Bagua, indigenous organizations and international news reports counted over 50 dead and hundreds missing. The Peruvian government claimed that 24 police officers and nine civilians died in the violence.

Reports that police threw the bodies of protestors in the river began to circulate on the Internet and in the international press. International human rights and advocacy organizations such as the Inter-American Commission on Human Rights, Survival International and Amazon Watch, deplored the violence, the subsequent crackdown on NGOs in Peru, and the role played by the free-trade agreement.

Regional analyst Raul Zibechi pointed out that mobilization of these indigenous organizations didn't spring up overnight. Protests against the decrees began on April 9 and intensified on June 4, when the ruling party blocked discussion of repeal in Congress, although a commission had already declared them unconstitutional. Finally, Peru's Congress, deep in a political crisis of national and international legitimacy, voted 82 to 12 to repeal Legislative Decree 1090, the Forestry and Wildlife Law, and 1064, the reform to permit changes in agrarian land use without full prior consent.

As President Alan Garcia went on national television to admit errors in not consulting with the indigenous groups of the Amazon, Daysi Zapata, representative of the association celebrated the triumph: "Today is an historic day, we are thankful because the will of the indigenous peoples has been taken into account and we just hope that in the future, the governments attend and listen to the people, that they don't legislate behind our backs."

Zapata called to lift roadblocks and other actions throughout the country, while anticipating more battles to come over the repeal of seven related decrees, **See Peru, p. 7**

## Peru from Pg. 6

reinstatement of legislators suspended for protesting government actions, and the safe return of the president of the association, Alberto Pizango, forced to seek asylum in Nicaragua.

### Background to the Events

In May 2004 the U.S. and Peruvian governments began negotiations for a free-trade agreement as U.S. plans for a broader regional agreement broke down. Peru broke from the Andean group, some of whose members had balked at the demands of the United States, to sign its own bilateral agreement on December 8, 2005. The signing provoked the first round of widespread protests, led by small farmers. From then until the signing of the ratified version at the beginning of this year, demonstrations continued in various sectors, leading to four killed in 2008.

The connection between the protests, repudiated decrees, and the free-trade agreement was described by the Peruvian government: “By Law 29157 published on Dec. 20, 2007, the Congress delegated legislative powers to the Executive branch on various subjects related to the Peru-U.S. Trade Promotion Agreement and to support improvements in economic competitiveness.”

The resulting decrees included moves to privatize water and allow private investment in other sectors. The most controversial decree related to forestry. Indigenous organizations warned that this ruling effectively opened up 45 million hectares to foreign investment and timber, oil, and mining exploitation. The decrees stipulated that a minority of communal land holders can push a vote to parcel off and privatize lands, much as constitutional reform in Mexico was a precondition to NAFTA and led to massive out-migration. Two of these decrees were repealed as a result of the protests.

### Washington’s Role

The Amazon conflict presents an acid test for Congress and the Obama administration on trade. The Bush administration presented the Peru agreement as a model of compromise between free-trade Republicans and Democrats with growing anti-free-trade constituents. It incorporated environmental and labor standards into the text and was redubbed a “Trade Promotion Agreement.” Obama and the Democratic leadership supported the U.S.-Peru free-trade agreement, although a majority of Democrats still voted against it. At the

Pathways to Prosperity meeting, Secretary of State Hillary Clinton hailed the agreement as “good environmental stewardship,” just four days before Peruvian police shot indigenous activists protesting invasion of the Amazon jungle.

Some Washington organizations signed a letter asking the Obama administration to communicate to the Peruvian government that repeal of the decrees “does not conflict with the obligations of the U.S.-Peru TPA.” But even if the administration showed a new flexibility on free-trade agreements, the conflict wouldn’t likely go away. This isn’t just a battle over jungle lands and competing interests in the Amazon. As a planetary lung and a reserve of culture and biodiversity, the Amazon region provokes conflicting views of hu-



*Indigenous protesters fighting logging and drilling blocked a road as police tear gas hung in the air. Photo: AP.*

man progress.

Peruvian President Alan García wrote in a column in *El Comercio*: “There are millions of hectares of timber lying idle, another millions of hectares that communities and associations have not and will not cultivate, hundreds of mineral deposits that are not dug up and millions of hectares of ocean not used for aquaculture. The rivers that run down both sides of the mountains represent a fortune that reaches the sea without producing electricity.”

García argued that indigenous peoples born in the Amazon did not have special land-use rights on the area. Instead, the Amazon should be carved up into very large plots and sold to people with the capital to make use of it. The Peruvian government coveted the free-trade agreement with the United States because, with required changes in national legislation, it opened up the Amazon to foreign investment.

In contrast, indigenous communities and their supporters value the conserva-

tion of the Amazon. They want to preserve traditional knowledge and cultures, all of which would be threatened by bio-prospecting and patent law changes under the FTA.

This contest between oil wells and jungles, foreign engineers and Amazon inhabitants has spread to the rest of Peru and the world. On June 11, tens of thousands of people had marched in support of the indigenous protests in cities and towns across the country, chanting, “In defense of the jungle — the jungle is not for sale.” Simultaneously, demonstrators hit the streets to show support for the indigenous communities in cities throughout the world.

In Peru, those who have suffered most under this economic model have led the charge for change — just as in Mexico, where hundreds of thousands of farmers marched to protest NAFTA’s agricultural chapter; Colombia, where Minga demonstrations opposing a U.S.-Colombia free-trade agreement mobilized thousands of people; Costa Rica, where nearly half the population voted against CAFTA; and Guatemala, where FTA protesters were killed in the streets.

Yet somehow these voices never make it into the U.S. trade debate. The assumption that a free-trade agreement is a gift to a developing country continues to be enforced by governments’ refusal to heed messages from grassroots movements. Meanwhile, *The New York Times* echoes accusations that neighboring countries have duped these thousands of women, farmers, indigenous groups, and workers.

The Amazon conflict shows that as long as providing clear access and mobility for transnational companies and financial capital is accepted as the sole measure of progress, concerns for the earth and human beings with little economic power and a different view of progress won’t be part of the discussion.

The U.S. government must do more than accept repeal of the hated national laws it provoked. It must rethink this free-trade model and begin to listen to voices from the bottom of the economic ladder. The crisis compels a new vision of sustainable growth and social equity, and the Obama administration has noted the need for change. Reviewing trade policy should be at the top of the agenda.



# The Only Nicaraguan Stone

by George Pauk

*(George Pauk is a physician interested in comprehensive health care for all especially those living in poverty. His volunteer work has included assistance to several projects in Nicaragua. This writing relates to a site visit in 2002. See **Month in Review** for an update on efforts to close La Chureca dump.)*

It fell with a small thud on the dirt and mud road we walked in the Acahualinca Barrio on the margins of La Chureca, the huge dump in Managua. It rolled to a quick stop in the weeds at the edge. Our guide Eddy and I exchanged a quick look and we both glanced again at the rock and then kept our eyes back on the road. We ignored the potential discussion of the implications of the small gesture.

I was surprised to see the rock. It was truly a first event of its kind for me in Nicaragua. I had been to many remote sites in this beautiful country and this was the first hint of personal mischief. Nicas are wonderfully friendly people and it is difficult to visualize the kind of tension and threat that one might encounter in similar circumstances in the US.

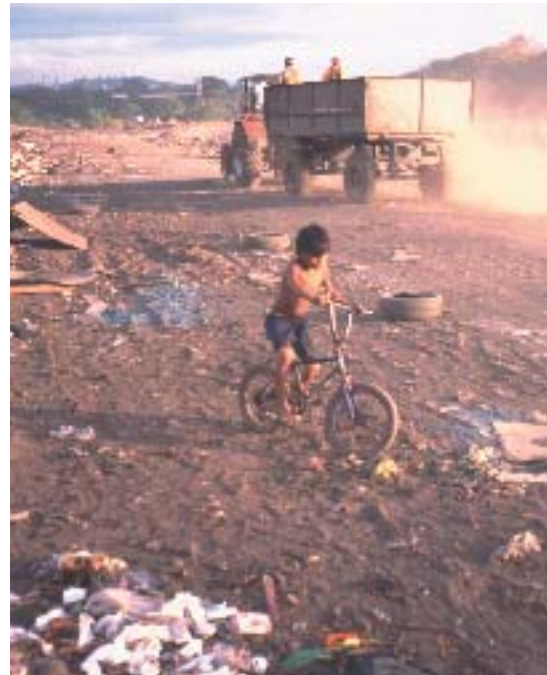
I would like to think that it was just an impetuous youth. In my youth, I might have stepped out from a corner of cover and thrilled at the excitement of the toss. I prefer to suppose that this was the circumstance and not a political expression of reaction to USA policies.

Nicaragua then and now continues to be the second lowest per capita income country of our hemisphere. The Acahualinca Barrio is a place near or at the foundation of economics of the Americas. It is one of the places where urban conditions and this poverty intersect. The dump is the main business of Acahualinca. The NGO named Dos Generaciones works with the many families that live in and around the huge Managua dump that crawls and grows like a monster on the shore of Lake Managua (Lake Xolotlan).

We visited the sites of a training center of Dos Generaciones and its office. We walked through the neighborhood stepping over the gullies of drainage from the houses and the daily rains. The sun dried the paths quickly but in places the mud and refuse swilled toward the lake. We got the usual "Adios" from the people we

passed and those seated in front of their homes of tin, raw planks and paper.

My guide on visits to the Chureca is usually one of the highly talented directors of the many NGOs that are holding the



***Managua has one of the largest dumps but similar conditions are found in many nations. Modern ideas of management of refuse may be developing including the production of methane for fuel. Commercial values may change the economies and pollution conditions of dumps. Still, basic issues such as employment conditions, wages, trade agreements, and foreign intervention, are continuing to play roles in the dump. Human rights must be delivered to all the dumps of our world.***

seams of Nicaragua together today (2002). These men and women are superstars. They are among the few of the world that truly understand the intersection of the first and the two-thirds worlds. They have risen through the ranks of popular movements and hustled their way to the top of their organizations. The top is where they float in the poverty and misery of their neighbourhoods. They are swept by the flood of problems of their communities but they also move the stream of events for many individuals slowly and step by step for the better. They are superb teachers, managers, innovators, counselors, philosophers, and yet humble and unobtrusive organizers. They can do everything necessary, including fundraising at any opportunity.

A certain solution to the world's pressing problems would be to put these super talented and hardworking people into powerful positions such as President, Secretary of State, Attorney General, and the chiefs of all Ministries of our world.

Eddy knows just how far to go. He knows who is ready for contact with us and who is not. We walk through the paths and gullies of the lakeside shacks and collections of salvaged pieces of plastic bags that are hung to be washed by the frequent rains. He takes us to a stupendous viewing point of the massive mountain of trash and garbage that rises from and above the shore of Lake Managua. The dump expels a cloud of smoke and its surface is the run of trucks and the hundreds of dump families receiving each load. Everything can be found there in the refuse. Plastic, metals, needles, food, --- and abuse, prostitution, and death.

Much of the work of picking through the refuse is done by children who are often barefooted. They work in the company of foraging cattle and flocks of black vultures all seeking the first pickings of each new load. A visit to this place will haunt your spirit.

On the edges of the dump are the new communities of Managua. The homeless and those in severe poverty are drawn to the dump and these communities. The staff of

Dos Generaciones explains the strategy of the NGO. Make a house for the dump worker family to shelter in near the dump and then train them for jobs that may take them further away. It is a grand strategy and it works, for some. We meet one of them. She is the first to get a business college degree and she beams and radiates pride as we congratulate her. Her photo is on the front of the newsletter being released today by the NGO. She is gem quality. This stone will find a mark. A trajectory through a childhood in the dump to a good job.

Another visit in this Barrio was to the Acahual Women's Clinic. The struggles of this wonderful NGO are typical of many

**See Dump, p. 9**



# Month in Review

July 22 to Aug 25, 2009

## Honduras

Liberal National Assembly Deputy Eduardo Montealegre after spending three days in Honduras, claimed on August 7 that what occurred in Honduras was a constitutional succession, not a coup. He absurdly asserted that Zelaya was outside his country of his own choice. Montealegre claimed President Daniel Ortega had violated the Central American peace accords by permitting Zelaya to create a base of operations in Ocotal and call for insurrection against the coup government. Right-wing parties in the National Assembly have introduced a bill to expel Zelaya from the country and to investigate Ortega because of his links to Zelaya.

President Ortega criticized groups in Nicaragua who defend the Honduran coup: "This coup d'état has been condemned by everyone from the United States to Haiti but these people come out and shout slogans in favor of the coup." On August 5, the Human Rights Ombudsman's Office released a list of seven Nicaraguans who have been detained in Honduras. The office urged the Honduran government to release them immediately.

The daily La Prensa reported that the majority of Hondurans who had crossed into Nicaragua to support President Zelaya had returned to Honduras. Only

### Dump from Pg. 8

sites that serve the comprehensive health needs of families and their community. They know the needs. Their staff and volunteers know how to meet them ---if they have the sustaining resources.

Contributions will be helpful and welcome to Dos Generaciones ([informacion@dosgeneraciones.org](mailto:informacion@dosgeneraciones.org)) or the Acahual Women's Clinic (donations earmarked as "Centro de Mujeres"). The Nicaragua Network and Alliance for Global Justice can route large donations for which the donor needs an IRS letter from a tax-exempt organization.

One goes away from a visit to Acahualinca and the Chureca haunted with the view of severe poverty and a dismal employment situation in Nicaragua ---but also with the feeling of hope and expectation. One grasps at the hope that peace will continue and economic justice will grow rapidly in Nicaragua.

about 350 spent the night of August 1 in the Ocotal sports stadium which is where they had been housed and on August 3 the stadium was closed and locked. La Prensa speculated that exhaustion, frustration, or a desire to join the internal organization in support of Zelaya's return could have been reasons for the decrease.



*Hondurans camped out in the sports stadium of Ocotal.*

Roberto Petray, national coordinator of the Nicaraguan Pro-Human Rights Association (ANPDH) accused the Honduran army of deporting Honduran citizens to Nicaragua because they were married to Nicaraguan citizens. He said that he was compiling the facts about the cases for a letter to be sent to the Organization of American States (OAS). Petray said that Bishop Juan Abelardo Mata of Estelí has received reports of members of the Miskito population being violently expelled. The Miskito ancestral homeland spans the Caribbean Coast border region. He said that an ANPDH

delegation headed by the Mata would be traveling to Raití to meet with Miskito leaders.

Zelaya, meanwhile, said he was organizing his followers for "peaceful resistance" and for a return to his country. "Let's keep up the resistance," he said, adding, "We are planning day by day."

Speaking in front of the Hotel Fronteras in Ocotal, Zelaya said, "I urge ... the U.S. Secretary of State Hillary Clinton to confront the dictator with strength to let us know what the position of the United States is with relation to this coup."

On July 24, the Nicaraguan government formally

denounced the persecution of its citizens living in or traveling through Honduras by the coup government as well as violations of the human rights of Honduran citizens. That followed a communiqué by the coup government which accused Zelaya, Ortega and President Hugo Chavez of Venezuela of "interference in the internal affairs of the Republic of Honduras" and of being responsible for putting at risk the lives of Hondurans.

### Illiteracy free!

President Daniel Ortega declared on August 22 that Nicaragua is a "territory

**See Month, p. 10**

## La Chureca Dump Confiscated

In July, the office of the Prosecutor General of the Republic confiscated the property that includes the Managua garbage dump known as La Chureca offering the Martinez family, which owns the 250 acre property, US\$2 million in bonds as compensation. That overturned a previous accord arranged by former Managua Mayor Dionisio Marengo in which the property was declared "of public utility" and the owners were to be paid US\$7 million over a period of years. As with seemingly everything in Nicaragua, the decision set off fighting between political factions, between the municipal and national government, between the Martinez family and everybody, including among themselves.

The Prosecutor General's office said that, after taking over the property, it will turn it over to the City of Managua to be readied for a US\$43 million development project financed by the Spanish government. Estrada said the Spanish aid agency in charge of the project approved the method of payment to the Martinez family in order to begin the project which includes closing the dump, the installation of plants to process garbage, and a workers settlement.

## Month from Pg. 9

free of illiteracy” after reducing the level of illiteracy from 20.7% nationally to 3.56% with the help of Cuba and Venezuela. Minister of Education Miguel de Castilla presented Ortega with a certificate of national achievement resulting from implementation of the Cuban adult literacy plan “Yes I Can.” “Today the FSLN, again in power, comes to this plaza to definitively declare the nation free from illiteracy. That is the social justice project of Sandinismo in power,” declared de Castilla.

The reduction of illiteracy to 3 per 100 residents “has made history,” by achieving that level for the first time since independence from Spain in 1821, Ortega said in a celebration carried live on radio and television from the Plaza of the Revolution before hundreds of youth, students, and literacy teachers. “If the people have education and have culture, the people learn to defend their rights,” said Ortega. Ortega said the government would not be satisfied until there is not “a single illiterate person” in the country. He pledged to teach literacy to the Miskito and the other original peoples, and for them we will continue with education plans until “we eradicate illiteracy totally.”

Ortega announced that the next objective of the National Literacy Campaign is to raise the population to the 6th grade level by 2015. He said the plan is to incorporate the newly literate into the education system and to raise the quality of primary, secondary, and university education as one of the pillars for future national development.

El Nuevo Diario reported that over one million Nicaraguans learned to read and write during the two literacy campaigns; that of 1980 and the current one. The current literacy campaign, named after Jose Marti and Fidel Castro, began in 2007 with help from Cuba. De Castilla stated that 75% of those taught to read and write were people between 15 and 30 years old who were excluded from the educational system under the neoliberal governments from 1990-2007 which eliminated free education. The United Nations Education, Science and Culture Organization (UNESCO) has certified that Nicaragua is “illiteracy free.”

### Law and Lawlessness

The Nicaraguan Center for Human Rights (CENIDH) and the Catholic Church condemned August 8 attacks on a demonstration organized by the Civil



*Nicaragua was declared free of illiteracy on Aug. 22nd.*

Coordinator (CC), a coalition of non-governmental organizations. Among those who were injured in the attacks were CC spokesperson Luisa Molina, economist Adolfo Acevedo, NGO Federation President Irving Larios, and journalist Mario Sanchez. A CENIDH statement said that a group of followers of President Ortega attacked the demonstrators with fists, stones and sticks after they read a pronouncement about the situation in the country.

President Ortega, referring to the incident, said that the “young people” who attacked the members of the CC were celebrating the International Day of Indigenous Peoples near the Managua Cathedral when “these people arrived to confront them and shout slogans in favor of the coup in Honduras.” CC leaders denied that they had confronted the group and also denied that they supported the June 28 military coup against President Manuel Zelaya.

On August 5, members of the Nicaraguan Association of Those Affected by Chronic Renal Insufficiency (ANAIRC) called on the government to investigate the treatment by the police in Managua of Carmen Rios, the association president, and of former workers in the sugar cane fields of the Pellas family.

On July 31, Rios and other ANAIRC leaders held a news conference in front of Pellas Group headquarters, at which they denounced the lack of interest of the company in the health of its former workers. A police patrol arrived at the scene, evidently at the request of the company. When the news conference was over, the officers ordered the ANAIRC

members to immediately leave the area and, Rios said, “They began to hit me. I tried to defend myself but the officers, among them a woman, threw themselves

at me and I even got a kick in the abdomen. People who were very sick were thrown down to the ground and then I, along with three others, was taken to the police station.”

At the station, the woman officer continued to hit Rios and when she refused to disrobe for a strip search and put a pistol to her head. Finally an officer appeared saying that there had been “an error.” Someone had reported that homemade mortars were being shot off in front of the Pellas Building. Police spokeswoman Wilma Reyes admitted that the woman officer had used “excessive force.”

The members of ANAIRC have been camped in Managua for five months demanding that executives of Nicaragua Sugar Estates, Ltd. (part of the Pellas Group) begin discussions with its former workers about compensation for damage to their health resulting from their years working in the cane fields. The incident on July 31 was only the most recent in a series of violent and threatening incidents. Rios said that, while local media is mostly silent, the international campaign in support of their struggle has continued with letters from around the world to distributors of Flor de Caña Rum. For information on the campaign, visit [www.nicanet.org](http://www.nicanet.org). Members of the association continue to die. Rios said that they buried 19 in a period of three days the previous week.

### Economy and Development

The 2009-2010 agricultural cycle is poised to produce an extraordinary harvest of basic grains, cattle, and poultry for internal consumption. Corn, beans, dry land rice, and sorghum production are also expected to exceed expectations. Minister of Agriculture and Forestry (MAGFOR) Ariel Bucardo announced on Aug. 19 that the first harvest [of two, or in some parts of the country, three] had set a national record for basic grains thanks to farmers’ efforts and assistance from the government to insure food availability for the Nicaraguan people.

Bucardo announced that the first harvest is expected to produce 345,000 tons of corn, more than half of the total harvest predicted for the agricultural cycle. He

See *Month*, p. 11



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said producers planted more than 174,000 acres of beans for the first harvest and hope to produce 65,000 tons of beans. MAFOR also hopes to see a dry land rice harvest of 57,500 tons. The goal is to grow 25,000 more tons of rice and also increase production of beans and corn to guarantee gallo pinto (beans and rice) and tortillas for all Nicaraguan families.

Bucardo projected a sorghum harvest of about 33,600 tons noting that the majority of the sorghum is reaped in the second harvest. He also expressed hope that agricultural exports will increase, particularly sugar where a production of 600,000 tons is expected, half of it for export. Coffee growers expect to produce 25,000 tons more than last year for a total of 100,000 tons of export grade coffee, improving Nicaragua's foreign trade balance.

The cattle sector is also growing, producing over 127 million pounds of beef for export so far this season. The dairy sector has also produced an over abundance of milk, about 400 million liters so far this year. International demand has dropped below production, but Bucardo said they are working to increase exports to Venezuela where demand has increased.

Bucardo also noted that the government is exploring new export markets for meat, noting the visit of a delegation of health inspectors from Russia with the goal of signing a letter of understanding for Nicaragua to export those products to Russia. He added that Nicaragua is overproducing chicken at the rate of 10,000 tons a month, lending urgency for the quest for new markets. Additionally Nicaragua has at this moment a great quantity of eggs thanks to the government programs to promote food production through distributing hens to poor women and an increase in the commercial poultry industry which, Bucardo said, is why they are looking for new markets for eggs in Central America.

Now, if the weather only cooperates, the Sandinista government may achieve a further drop in malnutrition from the 52% to 22% already certified by the UN Development Program during the Ortega presidency.

Nicaragua is the fifth largest organic coffee producer globally, with some of the world's highest quality beans. Despite this fact, the future of the sector

is threatened by insufficient support, according to Jeremy Hagger, director of the coffee program at the Center for Tropical Agronomy Research and Teaching (CATIE), an international group headquartered in Costa Rica. One of the most pressing issues facing this sector now is the change in the certification process for organic coffee imposed by the European Union. "Every year organic coffee certifiers put more restrictions on



*Nicaraguan organic coffee wins prizes.*

the products that can be used. There was a change made regarding the chicken manure growers were using. They can't use it anymore because it is not acceptable for European certification. That was a change from last year," he explained.

Fair trade organic coffee production in the country has registered substantial growth in the last decade, with the price on the international market almost US\$40 per hundredweight more than ordinary coffee. Yearly Nicaraguan production of organic coffee is about 5,000 tons which brings in US\$160 million. There are 4,500 national producers of organic coffee. Gutierrez said that they are working on legislation that would support and promote organic agriculture at the national level.

### **Therapeutic Abortion**

On July 30, the Ministry of Health (MINSa) issued a statement of clarification after a news report said that abortions were being carried out by Health Ministry doctors in some cases. The statement said that abortions are not performed in the nation's health clinics and hospitals but that in some extreme cases the Norms and Protocols for Obstetric Emergencies are put into effect. Dr. Leonel Argüello, president of the Nicaraguan Association of General Practitioners, said that that was, in effect, therapeutic abortion.

Bishop Mata of Estelí said that, "If in fact the Ministry of Health doctors are

carrying out abortions, they are violating the law and that is punished by the laws of the country." He admitted that molar and ectopic pregnancies required intervention but that those cases were different from abortions which are prohibited in all cases.

Dr. Argüello said that doctors are in a difficult situation because if they perform abortion in problem pregnancies, they can be prosecuted. If a needed abortion is not performed, then the doctor can be accused of medical negligence.

He said that in the last two years 25 women have died because of the prohibition of therapeutic abortion. "These are official figures; we are talking about women with leukemia, with other cancers, with other diseases and in different parts of the country," he stated.

Meanwhile, Manuel Martínez, president of the Supreme Court, said that the Constitutional Panel still had not presented

to him a draft ruling on the question of therapeutic abortion and for that reason it is not on the schedule of the full Court. The week before Justice Francisco Rosales had said that the draft ruling was ready.

Vatican spokesman Federico Lombardi denied that Pope Benedict had denounced therapeutic abortion in an address in Luanda, Angola, in March. He said the Pope rejected abortion as a means of birth control but that the Catholic Church prefers to speak of therapeutic abortion as "indirect abortion and that is morally acceptable when there exists grave danger for the life of the mother and for no other reasons."

President Ortega has reportedly declared to Sandinista justices that he is not going to intervene in the decision. "You decide it," he is quoted as saying. Constitutional Liberal Party Deputy Jose Pallais said that the Supreme Court can mandate that the National Assembly establish an exception in special cases such as when the life of the mother is in danger.

### **International Relations**

Vice-Minister of Foreign Affairs Manuel Coronel said in July that, "Nicaragua is open to electoral observation, particularly that of the European Union." He said that the EU has not caused complaints about its electoral observation in the past. "What

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we won't agree to is the observer who becomes an agent of opposition and loses objectivity; one who enters into subjective questions," Coronel said.

On July 22, Bayardo Arce, economic advisor to President Daniel Ortega, said on Channel 8 television Nicaragua would present to the EU a proposal to permit observation of the 2011 presidential elections in exchange for the release of EU aid which he put at US\$109.1 million. He said that he was confident that the EU would renew its aid to Nicaragua because of the recognition that the Ortega government has received for its work in the areas of food security, literacy, and health care.

### Sale of indigenous lands

On Aug. 15, President Daniel Ortega ordered the formation of an official commission to investigate charges that some indigenous leaders were selling lands that were recently given to indigenous groups with communal titles. The daily La Prensa reported that it had received information that leaders of the Caribbean Coast group YATAMA had sold 12,400 hectares in the Awas Tigni sector for US\$4 million to the Nicaraguan Industrial and Indigenous Precious Woods (MAPINICSA) company which if true would be illegal. Ortega said that his government had given nine communal titles covering a zone of 10,000 square kilometers to indigenous communities and would continue to give titles for communal ownership. "I want to make a call to leaders of the communities of the Caribbean Coast," Ortega said, "Don't sell your lands because you would be betraying your brothers and sisters and the struggle that they have carried out for autonomy."

Meanwhile, Attorney General Hernan Estrada sent a note to Supreme Court President Manuel Martinez asking that the Public Property Register, which is administered by the courts, "not recognize any transaction by national or foreign speculators in those [indigenous] territories" basing his order on the Law of Communal Property of the Indigenous Peoples and Ethnic Communities of the Autonomous Regions of the Atlantic Coast of Nicaragua and the Bocay, Coco and Indio-Maiz Rivers (Law 445). According to that law, the land cannot be taxed, seized or sold but

is to be used by the indigenous peoples in accord with their traditional uses of communal property.

The next week, the Public Property Register of the North Atlantic Autonomous Region (RAAN) of Nicaragua annulled the titles that had been issued in violation of the law. Attorney General Estrada also made a formal accusation in the Supreme Court against David Rodriguez Gaitan, Property Registrar in Bilwi, for acts of corruption. He accused Rodriguez of registering sale of communal property with full knowledge that it was illegal. Estrada also asked the Court not to recognize any transaction involving communal lands by foreign or national speculators.

However, some 400 ex-contra fighters, members of Yatama, blocked the two main roads leading to Bilwi (Puerto Cabezas) in protest over the government's action saying that they would allow no traffic



**Waving the Yatama flag**

in which they stated, "The ex-combatants reject the attitude of the Attorney General and his delegate in the region who are trying to annul the registration of our ownership rights which is the only way we can protect our rights as we confront the prejudicial refusal of the State to title indigenous land."

Modesto Frank Wilson, who opposes the sale of indigenous lands, said that there has been an increase in the sale of communal land because of offers from rich timber companies which have tempted ambitious leaders of groups of former combatants. He said that the community of Awas Tingni could have lost almost 70% of its 73,000 hectares of communal land. Meanwhile, in Bilwi, the population was suffering because its links to the capital and other cities which provide it with goods had been cut. Men, women and children who were expecting to take public transportation from Bilwi to their villages were sleeping on the roadside waiting for the blockades to come down.

to pass and would burn any government vehicle that approached the roadblocks. The leaders read a communiqué

# US Grants Property Waiver

Late on July 31 the US Embassy in Managua announced that the United States had granted a waiver until July 28, 2010, of the requirement under US law that aid must be withheld from countries that confiscate property of US citizens. (See story on page 1.) Attorney General Hernan Estrada, who recently made a trip to the United States to speak with representatives of the US government about Nicaraguan government efforts on the property issue, and met as well with the Nicaragua Network, called the decision positive and a victory for the government of President Daniel Ortega. He said that it means that Nicaragua will have access to loans from multilateral lenders such as the International Monetary Fund and the Inter-American Development Bank.

Of the 48 resolved cases (of property belonging to 32 citizens), 44 were resolved by compensation and four by other mechanisms, including in two cases the return of the property. The Embassy communiqué stated, "In spite of the noted progress, there remain 577 property claims of US citizens awaiting solution. The concession of any new waiver will be subject to a successful resolution of a significant number of claims, including return or compensation for property under the control of the government of Nicaragua, including CORNAP [National Public Sector Corporations], the National Police and the Nicaraguan Army. The United States government expects in the future to obtain the resolution of those property cases that are still pending."

The Nicaragua Network is launching a campaign to release Nicaragua from the waiver regime as the remaining cases are those of the Somoza family and close associates or people who never completed necessary paperwork.

Estrada said that Nicaragua has given out US\$1.228 billion in bonds over the years for confiscated property. He noted that up until July, the Ortega administration has resolved 44 cases, which is more than last year's 41 cases, and more than the 34 resolved in the last year of the Bolaños administration. "The cases that remain are more complex," Estrada said, adding, "Of the 269 remaining claimants, only 17 were born in the United States; the rest are former members of the National Guard of the Somoza regime that not even previous governments have considered paying."